



**MPC Capital**

A horizontal bar with a gradient from dark blue on the left to red on the right, ending in a solid red square.

# **ANNUAL REPORT 2022**

Committed to create value

# MPC CAPITAL AT A GLANCE

We have been identifying investments in our attractive core markets for more than 25 years. As at 31 December 2022 we had a total volume of around EUR 4.2 billion assets under management.



REAL ESTATE



RENEWABLES



SHIPPING

## MPC Capital Group in figures

EUR'000	2022	2021
<b>Result</b>		
Revenue	36,492	42,284
Earnings before taxes (EBT)	31,222	10,401
EBT adj. <sup>1</sup>	14,761	10,401
Consolidated earnings	28,157	7,217
<b>Balance Sheet</b>		
Total assets	150,792	134,559
Financial assets	54,923	56,415
Liquidity <sup>2</sup>	69,068	38,497
Equity	123,189	100,761
Equity ratio	81.7%	74.9%
<b>Shares</b>		
Earnings per share (€)	0.74	0.17
Dividend per share (€) <sup>3</sup>	0.20	0.12
<b>Employees</b>		
Average for the year (total) <sup>4</sup>	154	191
Personnel expenses	19,751	21,882

1) Adjusted for the one-off profit from the sale of Dutch real estate business.

2) Cash in hand and bank balances.

3) 2022: Dividend proposal.

4) An average of 43 employees (previous year: 66) are attributable to MPC Capital from its participation in joint ventures.

**EUR 4.2 bn**  
Assets under Management

**over EUR 20 bn**  
Investment volume

**approx. 200**  
Assets

# **MPC CAPITAL IS A GLOBAL ASSET AND INVESTMENT MANAGER FOR REAL ASSETS FOCUSING ON REAL ESTATE, RENEWABLES AND SHIPPING.**

We select, launch, develop, structure, actively manage and sell investments. Drawing on our many years of experience, we enable institutional investors to access attractive investments in dynamic markets offering opportunities for growth and returns. Our work is guided by the interests of our clients and we strongly believe in the projects in which we co-invest. We incorporate sustainability principles into all of our decision-making.

With its focus on profitable growth, our robust business model provides a strong foundation for covering the funding requirements of forward-looking global projects, including in selected niche markets. As a listed and responsible company with a strong family background, we have the financial and organisational flexibility to further expand our excellent position in the market.

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# MEMBERS OF THE MANAGEMENT BOARD



## Ulf Holländer

CEO (Chief Executive Officer)

Ulf Holländer has worked for MPC Capital since the start of 2000 and was appointed to the Management Board in July 2000, then as Chief Executive Officer in April 2015. He is responsible for Renewables and Real Estate. He previously held key positions at the shipping company Hamburg Süd and its subsidiaries in Australia and the United States. Ulf Holländer is a Business Administration graduate of the University of Hamburg.



## Dr Philipp Lauenstein

CFO (Chief Financial Officer)

Dr Philipp Lauenstein has been a Management Board member of MPC Capital AG since April 2018. He has been with the MPC Group since 2016; prior to that he held a leading position in the Finance department of MPC Container Ships ASA, where he was involved in its development. Philipp Lauenstein has a doctorate in Economics and worked for a firm of management consultants before joining the MPC Group.



## Constantin Baack

Management Board member for Shipping

Constantin Baack joined the Management Board of MPC Capital AG in April 2015 and has held a variety of senior positions at MPC Capital since April 2008. As Managing Director of Ahrenkiel Steamship, he handled the merger of the MPC Group's shipping activities, for example. Baack has a Masters in Economics from the University of Sydney; previous employers include Ernst & Young and the shipping company Hamburg Süd in Sydney.

„The outlook for the coming year is underpinned by an even stronger balance sheet and high earnings visibility.“

**Dear Readers,  
Dear Shareholders,**

We are truly delighted to be able to present a successful close to the 2022 financial year. We have managed to set the wheels in motion for an array of pioneering projects. These demonstrate that our company is excellently positioned to develop and market sustainable investment strategies.

The economic position of the MPC Capital Group in the 2022 financial year made very positive progress. In a challenging market environment for the economy as a whole, MPC Capital's multi-asset strategy again proved very robust. Thanks to our diverse asset basis across the three segments Real Estate, Renewables and Shipping we were able to navigate successfully past geopolitical and economic hazards and further expand our business.

Rising income from the Shipping and Renewables areas meant we compensated effectively for the loss of revenue from Dutch real estate business, which we disposed of at the start of the financial year at a notable accounting profit at a time when the real estate market was still stable. The high returns from co-investments moreover paved the way for a strong financial result.

Hand in hand with this development, our earnings already reached the upper end of our expectations for the whole of 2022 after just nine months. We responded by upgrading our forecast for adjusted earnings before tax to around EUR 15 million, which we ultimately also achieved. On that basis we are truly delighted to submit to the Annual General Meeting the proposal for a dividend of EUR 0.20 per share for the 2022 financial year.

The outlook for the coming year is underpinned by an even stronger balance sheet and high earnings visibility. For the 2023 financial year we therefore anticipate a further rise in profitability and earnings before tax in the range of EUR 15 million to EUR 20 million.



The high inflation, rising interest rates and continuing geopolitical risks of course mean our business is exposed to uncertain factors. We nevertheless firmly believe market corrections create fresh opportunities for attractive investments. Furthermore, demand for investment arising from efforts worldwide to tackle global warming give rise to huge opportunities for the MPC Capital Group. Read on to learn more about everything from projects to generate and store renewable power to container ships that run on methanol – examples of how we are approaching the energy transition.

We would explicitly like to thank all our employees, who are passionately taking our projects forward with impressive dedication. Our sincere thanks are also due to you, dear shareholders. We truly appreciate your loyalty and look forward to having you at our side for the next exciting steps along our growth pathway.

Kind regards,  
The Management Board of MPC Capital AG

February 2023

**Ulf Holländer**  
Chairman

**Constantin Baack**

**Dr Philipp Lauenstein**

# MEMBERS OF THE SUPERVISORY BOARD



## Dr Axel Schroeder

Chairman of the Supervisory Board

Dr Axel Schroeder has now been working for the MPC Group in Germany and internationally since 1990. He played an active role in shaping the fortunes of MPC Capital from its establishment in 1994. He assumed the role of Management Board Chairman in 1999 and took MPC Capital AG public in September 2000. Dr Axel Schroeder was appointed Chairman of the Supervisory Board in April 2015.



## Joachim Ludwig

Joachim Ludwig belongs to the Management Board of Ferrostaal AG (now Ferrostaal GmbH). He has held senior positions at various companies of the Ferrostaal Group since 2007 including, prior to his current Management Board role, as Managing Director of MAN Ferrostaal Piping Supply GmbH and Senior Vice President of Ferrostaal AG. Joachim Ludwig has served on the Supervisory Board of MPC Capital AG since April 2015.



## Dr Ottmar Gast

Dr Ottmar Gast held a range of leadership roles at Hamburg Südamerikanische Dampfschiffahrts-Gesellschaft ApS & Co KG, Hamburg, most recently as Chairman of the Advisory Board. He is also Chairman of the Supervisory Board of Audius AG and a member of several advisory boards, for example of Dr. August Oetker Nahrungsmittel KG and DAL Deutsche Afrika-Linien GmbH & Co. KG. Dr Ottmar Gast was appointed to the Supervisory Board of MPC Capital AG in April 2018.



**Dear Shareholders,**

MPC Capital AG performed very well in a challenging overall market environment. With its diversified asset basis and a high transaction volume, the MPC Capital Group defied the adverse geopolitical and economic climate in the 2022 financial year and expanded its business successfully.

In particular the sale of the Dutch real estate activities, the timing of which could scarcely have been better, the profitable business operations and the high returns from the company's co-investment activities amounted to a highly profitable business performance. The Supervisory Board therefore gladly endorses the proposal of the Management Board to pay a dividend of EUR 0.20 per share for the 2022 financial year.

**Report on the activities of the Supervisory Board in the 2022 financial year**

In the 2022 financial year, the Supervisory Board fulfilled the control and advisory duties required of it by law, the Articles of Association and the Rules of Procedure with considerable diligence. The Supervisory Board advised the Management Board on its management of the company and monitored and examined its work and actions on a regular basis. The Supervisory Board maintained a continuous dialogue with the Management Board and received regular, timely and comprehensive verbal, telephone and written reports about the current position of the company.

In our regular consultations we considered in detail the company's net assets, financial position and results of operations as well as its risk management and the compliance requirements. The Management Board was available to the Supervisory Board to discuss and answer further questions at these meetings. The Supervisory Board also received comprehensive information on time-critical measures and decisions between meetings. The Management Board furthermore held regular discussions and consultations with the Supervisory Board Chairman on the prevailing business situation and on material transactions within the company.

Where transactions required the consent of the Supervisory Board, we approved these after in-depth examination and discussion at our meetings, in telephone conferences or by written circular procedure. All resolutions in the period under review were passed unanimously.



Because the Supervisory Board of MPC Capital AG comprises three members, no committees were formed. To enable both efficient collaboration and intensive dialogue, the Supervisory Board believes it is expedient to keep the number of Supervisory Board members low.

#### **Meetings of the Supervisory Board**

A total of four scheduled Supervisory Board meetings were held in the presence of the Management Board in the period under review.

The first ordinary Supervisory Board meeting of the 2022 financial year took place on 23 February 2022; it was still held virtually due to the impact of the COVID-19 pandemic. This was also the meeting for approval of the annual accounts for the 2021 financial year. The Management Board explained the financial, accounting and fiscal aspects of the annual financial statements for 2021. The auditor presented the findings of its audit. We then discussed and approved the agenda for the Annual General Meeting of MPC Capital AG scheduled for 27 April 2022. Later in the meeting, the Management Board reported to us on the successful completion of the sale of the Dutch real estate activities, the status quo in the business units as well as the current economic development of the Group. We then went on to discuss risk and compliance matters for the company. All three Supervisory Board members were present.

The second ordinary Supervisory Board meeting on 2 June 2022 marked the return to the company's premises and began with a discussion of the development in the business units. Much of the discussion was given over to the new-build programmes in the Shipping unit and the operational development of MPC Energy Solutions. We also discussed opportunities for growth in other markets in that sector. The meeting went on to consider the forecast for the 2022 financial year and discussed risk and compliance matters at the company. It was reported in that connection that the war in Ukraine and sanctions against Russian businesses and private individuals had prompted a marked increase in the intensity of business partner screening. All three Supervisory Board members attended the meeting.

„With its diversified asset basis and a high transaction volume, the MPC Capital Group defied the adverse geopolitical and economic climate in the 2022 financial year and expanded its business successfully.“

We opened the third ordinary Supervisory Board meeting on 22 September 2022 with a business update from the units. In particular we discussed the company's strategic positioning with regard to decarbonisation in the shipping sector. In that connection we addressed the project to build two new container ships that will run on green methanol. We also held an in-depth discussion of the further expansion of the Renewables area. The meeting went on to consider the financial indicators for the first half of 2022 and the forecast for the current financial year. The Management Board again provided a status report on the risk management and compliance area at that meeting. All three Supervisory Board members were present.

The final ordinary Supervisory Board meeting of the year took place on 14 December 2022. There was ample opportunity to consider the outlook and plans for the 2023 financial year. We also discussed the status of current projects and matters from the asset units. Risk and compliance matters were once again addressed at length. All three Supervisory Board members attended the meeting.

#### **Audit of the financial statements**

BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, was appointed as the auditor of the annual and consolidated financial statements by resolution of the Annual General Meeting on 27 April 2022 and mandated accordingly by the Supervisory Board. BDO AG Wirtschaftsprüfungsgesellschaft audited the annual financial statements of MPC Capital AG and the consolidated financial statements of the MPC Capital Group, including the bookkeeping, as well as the combined management report and Group management report, and issued them with an unqualified audit opinion. The annual and consolidated financial statements were prepared in accordance with the German Commercial Code (HGB). The auditor conducted the audit in accordance with the German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer, "IDW") and additionally the provisions of the International Standards on Auditing (ISA). The annual financial statements, the combined management report and Group management report as well as the full audit reports by BDO AG Wirtschaftsprüfungsgesellschaft for the 2022 financial year were provided to all of the members of the Supervisory Board, enabling the Supervisory Board to fulfil its auditing and supervisory duties in full.

At its meeting to approve the annual accounts on 27 February 2023, the Supervisory Board discussed the audit reports and the annual and consolidated financial statements in detail in the presence of the Management Board and the auditor. The auditor provided a comprehensive report on the findings of its audit and was available to answer additional questions.

Following its detailed examination, the Supervisory Board of MPC Capital AG approved the annual and consolidated financial statements including the combined management report and Group management report as well as the corresponding audit report, and endorsed the annual and consolidated financial statements for the year ended 31 December 2022. The financial statements have thereby been adopted.

The Supervisory Board has moreover accepted the Management Board's proposal on the appropriation of profit. The Management Board and Supervisory Board propose to the Annual General Meeting that a dividend of EUR 0.20 per share be distributed.

**Dependent company report by the Management Board in accordance with Section 312 of the German Stock Corporation Act (Aktiengesetz, "AktG")**

In accordance with Section 312 AktG the Management Board of MPC Capital AG submitted a report on its relationships with dependent companies for the past financial year. The Supervisory Board has reviewed this report and does not raise any objections with respect to the report itself or the concluding declaration of the Management Board on relationships with dependent companies.

The Supervisory Board would like to thank all employees and the Management Board for their very dedicated work and the successful business performance in 2022.

Hamburg, 27 February 2023

The Supervisory Board



Dr Axel Schroeder  
Chairman

# MPC CAPITAL SHARES

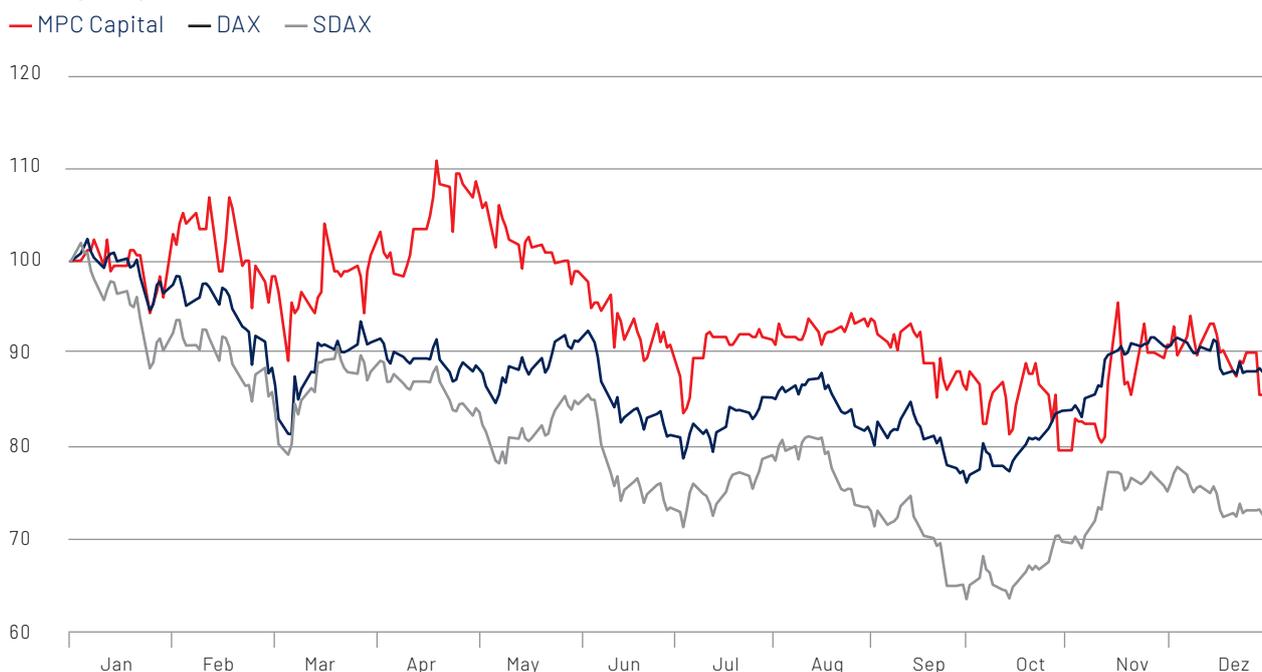
## HIGH LOSSES ON STOCK MARKETS WORLDWIDE

The war in Ukraine, growing pessimism about the economic outlook and concerns surrounding persistently high inflation led to high losses on the stock markets in 2022. Germany's leading index DAX slipped by 12 %, and the SDAX by all of 27 %. North America's markets equally suffered as a result of the worsening economic and geopolitical situation, reporting substantial losses of between 9 % (Dow Jones) and 33 % (Nasdaq) in 2022. The MSCI World shed 13 %.

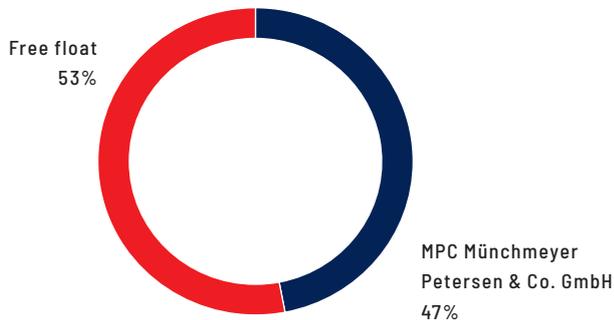
## MPC CAPITAL SHARES STAND THEIR GROUND

MPC Capital shares performed relatively well amid the difficult market conditions and shed only 15 % in 2022 – far less than the SDAX, which comprises small-cap stocks. The shares started the year trading at EUR 3.42, then – like the entire capital market – reacted to the outbreak of war in late February with significant losses, but subsequently recovered to reach the year-high of EUR 3.90 in April. The shares touched a low of EUR 2.60 at the end of October. At the end of the year the shares were trading at EUR 2.91. The average trading volume (Xetra) of MPC Capital shares was around 12,500 units per day (previous year: approx. 17,750).

### Share price performance 2022, indexed



## SHAREHOLDER STRUCTURE



Shareholders of companies whose shares are listed in the Scale Standard of the Frankfurt Stock Exchange are not subject to the obligation to submit voting rights notifications in accordance with the German Securities Trading Act (WpHG). The shareholder structure is therefore presented to the best of the company's knowledge. | As at: February 2023

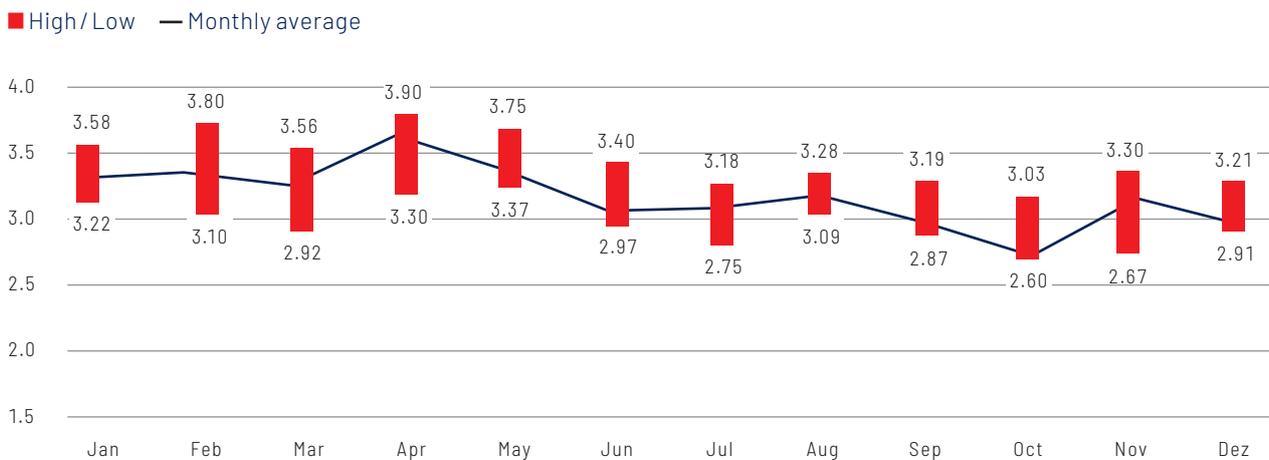
## RESOLUTIONS OF THE ANNUAL GENERAL MEETING

The Annual General Meeting of MPC Capital AG took place on 27 April 2022. To protect the health of the shareholders and employees of MPC Capital AG in light of the COVID-19 pandemic, it was held in the form of a virtual Annual General Meeting without the physical presence of shareholders or their proxies, as in the previous two years. All agenda items were carried by the required majorities. The parties attending and voting results as well as all other documents concerning the Annual General Meeting are permanently available on the Investor Relations web page of MPC Capital AG ([www.mpc-capital.com](http://www.mpc-capital.com)).

## CAPITAL MARKET ACTIVITIES

MPC Capital AG again conducted intensive investor relations work in the 2022 financial year, despite the restrictions imposed by the pandemic. The Management Board and Investor Relations held talks with around 75 investors at virtual and face-to-face conferences, as well as in a variety of one-to-one meetings. Their focus was on Germany, the United Kingdom and Switzerland.

### Highest, lowest and average price of share (Xetra) from 1 January to 31 December 2022 in EUR



**Key share data of MPC Capital AG**

WKN / ISIN	A1TNWJ / DE000A1TNWJ4
Share capital / number of shares	EUR 35,248,484.00 / 35,248,484 units
Share class	Bearer shares with notional capital share of EUR 1.00 each
Trading venues	Open Market in Frankfurt am Main; electronic trading on Xetra; OTC in Berlin-Bremen, Düsseldorf, Hanover, Munich and Stuttgart
Market segment	Scale
Capital market partner	M.M.Warburg & CO
Designated sponsors	M.M.Warburg & CO, Baader Bank AG
Analysts	Baader Helvea, Warburg Research
First day of trading	28 September 2000
Reuters code	MPC6.DE
Bloomberg	MPC GR
Datastream	D:MPC

**Key ratios of MPC Capital shares**

	2018	2019	2020	2021	2022
Earnings per share, EUR	-0.57	-0.01	-0.01	0.17	0.74
Dividend per share, EUR	-	-	-	0.12	0.20
Price at year-end, EUR (Xetra)	2.73	2.14	1.88	3.42	2.91
High, EUR (Xetra)	6.84	2.75	2.08	3.70	3.90
Low, EUR (Xetra)	2.45	1.67	1.01	1.88	2.60
Number of shares	33,470,706	33,470,706	33,470,706	35,248,484	35,248,484
Market capitalisation <sup>1</sup> in EUR million	91	72	63	121	103

1) Based on year-end price

**Investor Relations – your contact**

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# ABOUT US

# COMMITTED TO CREATE VALUE

- + As an investment manager and co-investor, we initiate market-leading investment vehicles.
- + We have extensive know-how, unique market insights and show huge dedication to the management of each of our investments.
- + We find the right projects and partners to deliver the returns that achieve our investors' objectives.
- + Listed since 2000. As a responsible company with a strong family background, we have the necessary financial and organisational flexibility.

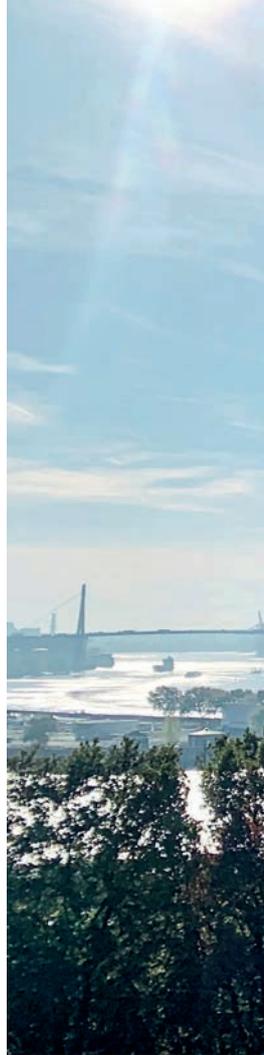


# We combine experience with future-oriented investments

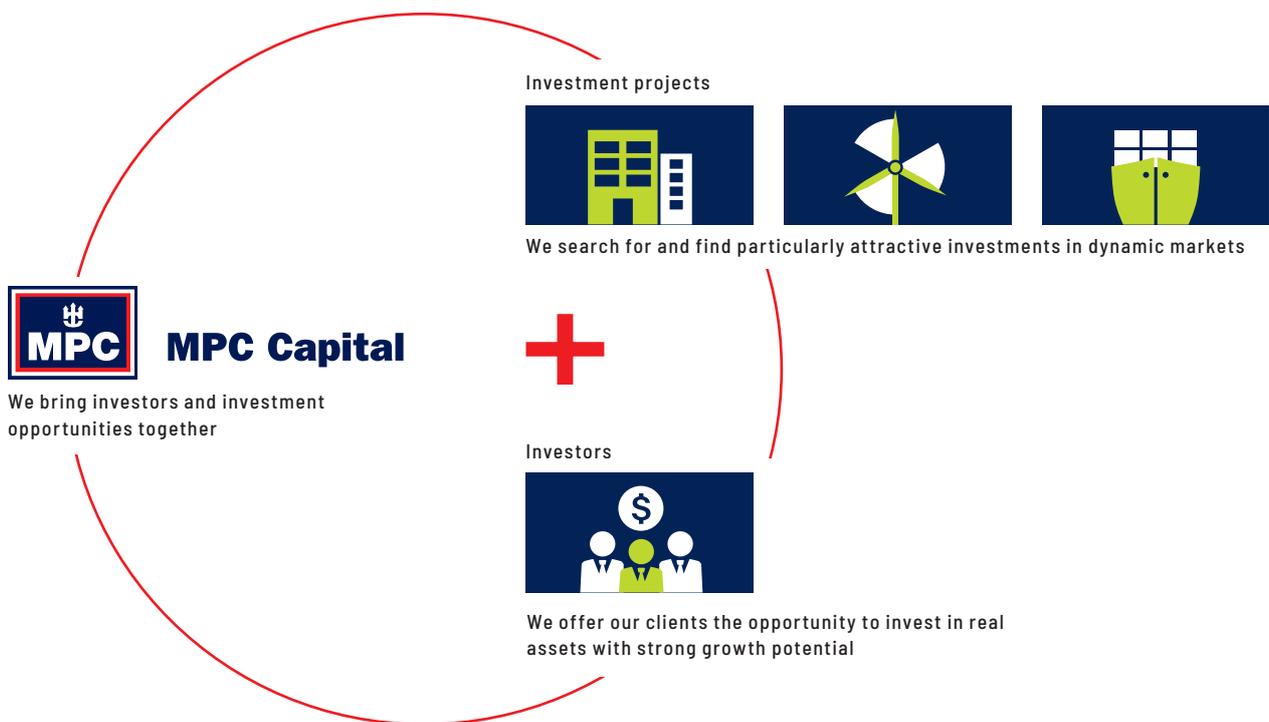
Our expertise resides in the intelligent way we match investors with investment opportunities and implement transactions along the entire value chain – always keeping our focus firmly on the asset.

In our strategic asset segments, we aim to become a leading independent asset and investment manager for real investments and investment products by onboarding asset volumes in the order of EUR 0.5 billion to EUR 1.0 billion annually in business with institutional clients.

Our ambition is to be the best possible partner to our clients. For example we want to create an opportunity for our investors not only to realise excellent returns, but also to be part of the megatrends of the future and actively shape them. Our strong network of partners enables us to have an exceptional impact at every level of the value chain.



## OUR BUSINESS MODEL





## OUR VALUE CHAIN

### Sourcing

- + Unique and proven access to attractive niche asset classes with long-term partnerships
- + Strong and growing pipeline

### Structuring

- + Significant track record in providing tailor-made investment structures
- + Choice of public, private and direct structured investments

### Co-Investment

- + Strong corporate balance sheet and able to put skin in the game
- + We have co-invested over EUR 130 million since 2016
- + Excellent track record: 25% IRR on Co-investments realized

### Management

- + Broad range of assets and investment management services, access to operational excellence with outstanding partners
- + Value chain from a single source with IRRs above industry average

In selecting assets, we identify market requirements early on and actively seek market niches or megatrends. This approach has enabled us to identify and successfully pick up on market trends for sustainability in the Real Estate segment, feeder container ships in the Shipping area or renewable energies in emerging markets.

Our offering is primarily targeted at international institutional investors, family offices and other professional investors. The structural attributes of the investment vehicles reflect primarily the strategy of the individual investor and underlying asset.

We offer comprehensive expertise for a broad spectrum of structuring solutions, from fund solutions to listed platforms to separate accounts.

To synchronise our interests with those of our clients, we provide a portion of the equity (co-investments approach).

# INVESTMENT HIGHLIGHTS 2022

The need for investments in sustainable assets is enormous and will continue to grow in view of the achievement of global climate targets. MPC Capital initiated and developed a large number of new projects in the 2022 financial year. Six exciting investment highlights are shown in more detail on the following pages.



# REAL ESTATE



**Investment Vehicle**  
Special AIF ESG Core Residential  
Real Estate Germany

## + SUSTAINABLE NEW BUILDING PROJECT IN HAMBURG

The apartment building with 22 residential units and 11 underground parking spaces is being built as part of the development of the "Albertinenhof" neighborhood in Hamburg-Schnelsen and is scheduled for completion in the first half of 2023. On the border with Schleswig-Holstein, Schnelsen, with its extensive range of recreational opportunities and leisure activities, has become a popular district, especially among families. At the same time, the center of Hamburg can be reached quickly by public transport and the A7 motorway. Schools, kindergartens, shopping facilities and the Albertinen Hospital are in the immediate vicinity.

The project was acquired for the fund at the beginning of 2022. The fund invests exclusively in real estate projects that meet a comprehensive catalog of quantitative and qualitative sustainability criteria. The ESG Core Residential Real Estate Germany is one of the first financial products in the asset class in Germany, which is classified in accordance with Article 8 of the Sustainable Disclosure Regulation.

### Services MPC Capital

- + Development of the fund concept and ESG scoring
- + Asset sourcing
- + Transaction management
- + Financing



## Highlights

- + New building project with 22 residential units and 11 underground parking spaces
- + Handover to the special AIF earlier than planned despite the currently difficult conditions in the construction industry
- + KfW 55 efficiency house standard
- + North-western city border of Hamburg
- + Total investment: around EUR 15 million
- + Rentable living space: around 2,000 m<sup>2</sup>

## + RE-DEVELOPMENT OF AN OFFICE PROPERTY

### Reconstruction and repositioning of an office property in Duisburg.

The property is an office building built in 2005 for a general tenant with a usable floor space of around 10,600 m<sup>2</sup>, which was occupied for 15 years by a globally active microprocessor manufacturer. Due to restructuring of the general tenant the Duisburg location was abandoned.

A renewal of the general lease was considered unlikely, so that a repositioning of the building from a single tenant to a multi-tenant office was considered. It was decided to separate the rental space into eight office units plus the connected base floor areas, in order to ensure flexible leasing. Substantial interest in several partial areas from potential tenants who knew the premises and were from the same industry as the former general tenant, encouraged MPC Capital to pursue its strategy to convert the property.

The construction work was mainly carried out in the years 2021 and 2022. Despite the challenging market situation in terms of availability of construction companies and rising construction costs, the reconstruction was successfully completed within a reasonable time frame.

The project was implemented in sections with two general contractors, whereby some trades were awarded separately. In addition to the structural implementation of the repositioning, the new leasing was also successfully implemented. Attractive leases have been concluded for 85% of the newly designed rental space.

### Services MPC Capital

- + Strategy development and repositioning
- + Selection process, negotiation of contracts and management of the service providers involved
- + Monitoring and adjustment of technical planning
- + Negotiation of the lease contracts

## Highlights

- + Repositioning of an existing property
- + Conversion of a single tenant into a multi-tenant office property
- + Implementation of the conversion in case of already partial letting and with ongoing business operations
- + Lease-up to 85% of the leasable area in a relatively short time in a challenging market environment

#### Investment Vehicle

Sachwert Rendite-Fonds  
Deutschland Technology 2



# SHIPPING



## ECOBX SERIES OF SIX STATE-OF-THE-ART NEWBUILDING CONTAINER SHIPS

MPC Capital together with its partners ordered six newbuilding container ships at the renowned Korean shipyard HJSC. The ships have a capacity of 5,500 standard containers (TEU) each and feature state-of-the-art specifications and an environmentally friendly design.

Delivery of the vessels is scheduled for 2023/2024. The particularly environmentally friendly eco-design enables fuel savings of 40% compared to the existing fleet and is a transition to carbon-neutral operation based on "green" methanol. The high quality-efficiency of the forward-thinking ship design is underlined by a high-level environmental certification from the classification society DNV.

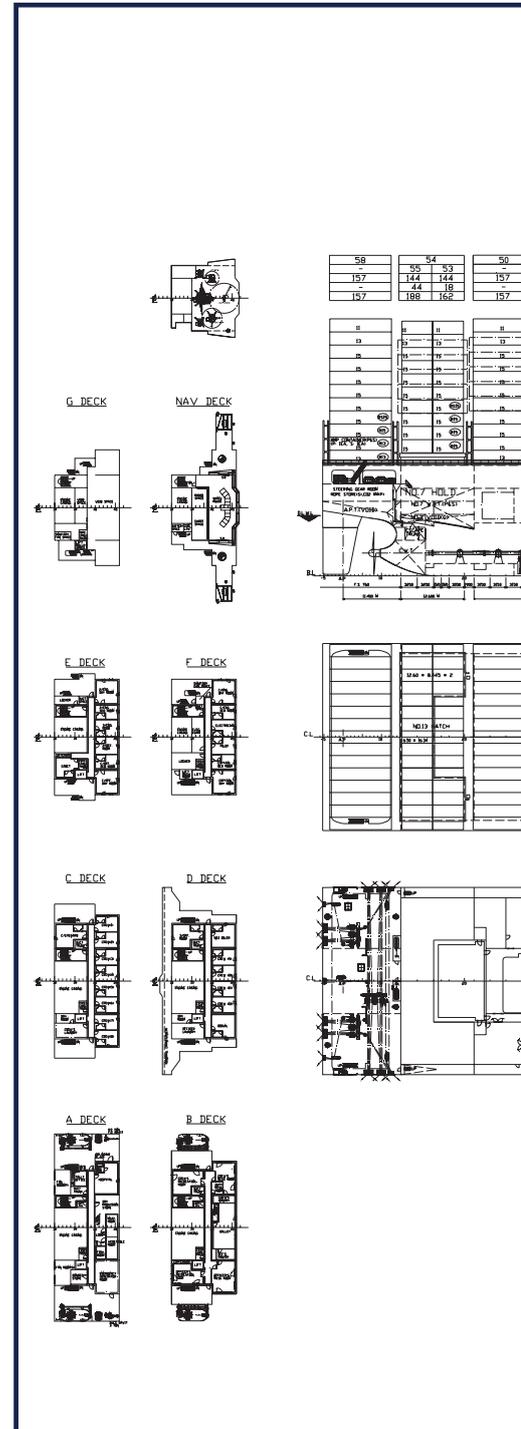
Both the project development and -implementation as well as technical and commercial management is provided by companies of the MPC Capital Group.

### Services MPC Capital

- + Sourcing and project development
- + Negotiations with the shipyard
- + Construction supervision and technical management
- + Chartering and commercial management
- + Financing

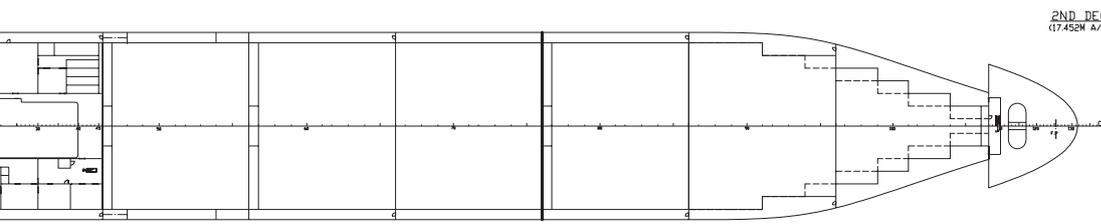
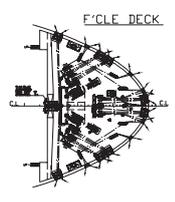
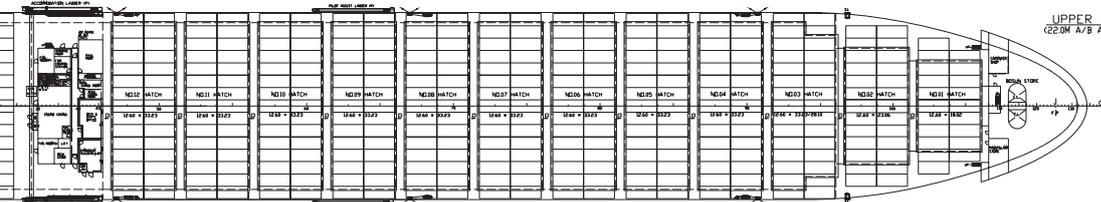
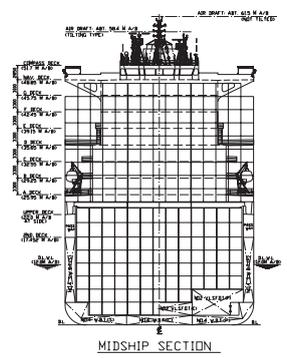
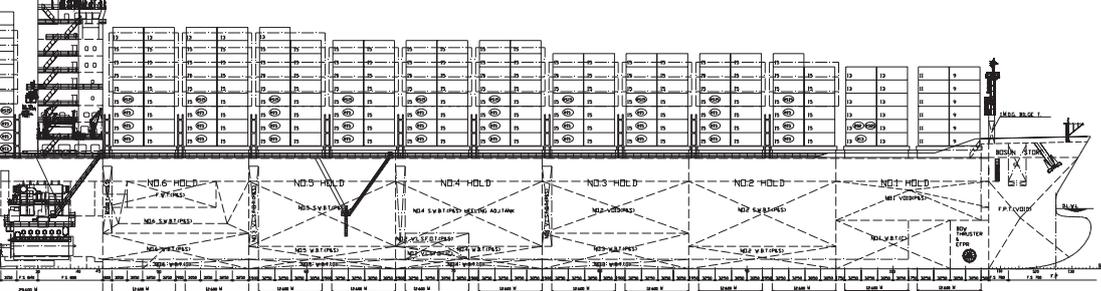
## Highlights

- + 6 newbuilding container ships with modern specifications and an investment volume of approx. USD 420 million
- + Sustainable design and construction quality
- + Consumption savings of 40% compared to conventional propulsion of existing ships
- + Chartering secured for 7 years



# 5,500 TEU CLASS CONTAINER CARRIER

46	45	43	41	39	37	35	34	33	31	29	27	25	23	21	19	17	15	14	13	11	09	07	05	03	01	40 FT BAY	BAY NUMBER		
133	133	133	133	133	133	133	133	133	133	133	133	133	105	105	105	105	105	105	105	105	78	78	66	54	42	30	20	20	
99	95	97	99	102	102	102	102	102	83	83	102	102	98	96	92	90	86	78	66	54	42	32	17	12	17	12	1982	TEU	
222	228	230	232	235	222	222	222	222	203	203	222	222	203	201	197	195	187	183	171	146	120	110	83	67			TOTAL	5504	TEU



**Investment Vehicle**  
 Separately Managed Account  
 with international institutional  
 Investors / MPC Container Ships



**Investment Vehicle**

Separately Managed Account with MPC Topeka / MPC Container Ships



## GREENBOX TWO NEWBUILDING CONTAINER SHIPS WITH CLIMATE-NEUTRAL PROPULSION TECHNOLOGY

MPC Capital is managing the new construction of two container ships that can be powered by carbon neutral (“green”) methanol. The project was developed in cooperation with the Norwegian Wilhelmsen Group and is part of a series of MPC Capital’s decarbonization activities in the maritime sector.

The vessels have a total investment volume of USD 78 million and a capacity of 1,300 standard containers (TEU) each. With their modern, newly developed design and the currently most advanced propulsion technology based on green methanol, they are among the

first container ships that already comply with all the standards set by the International Maritime Organization (IMO) to reduce emissions from shipping. The ships are being built in China using key technologies from Europe and are scheduled for delivery in 2024.

Both ships are chartered out for 15 years to the Norwegian shipping company NCL, the maritime logistics partner of the Elkem industrial group, which is also based in Norway. With the highest EcoVadis sustainability rating “Platinum”, Elkem is one of the world’s most environmentally friendly manufacturers of silicon-based materials.

The methanol for the ships is to be produced largely CO<sub>2</sub>-neutral and regionally in Norway and in other regional plants along the planned shipping route. Together with partners NCL and Elkem, the aim is to create the first “green corridor” in Northern Europe, which will enable carbon neutral seat transport between the North Sea and the Baltic Sea.



## Services MPC Capital

- + Sourcing and project development
- + Negotiations with the shipyard
- + Construction supervision and technical management
- + Chartering and commercial management
- + Financing

## Highlights

- + Two newbuild container ships with climate-neutral propulsion
- + 15-year charter to NCL
- + Tailor-made industrial solution and establishment of a "Green Corridor" for a regional operator
- + Supported by government incentive programs
- + Innovative, highly efficient design

# RENEWABLES

Investment Vehicle  
MPC Energy Solutions

## Highlights

- + 35.7 MWp PV solar
- + 18.2 MW battery storage
- + Largest combined PV/ storage in the Caribbean



## SOLEC POWER PLANT THE LARGEST COMBINED SOLAR POWER AND BATTERY STORAGE SYSTEM IN THE CARIBBEAN

St. Kitts and Nevis is one of several countries in the Caribbean that have decided to diversify their power generation base away from diesel-fueled thermal power, and to develop smarter, more environmentally friendly, and more resilient approaches to improving power generation.

Once commissioned this project will be the largest combined solar power and battery storage system in the Caribbean. It will provide 35.7 MWp of photovoltaic solar power with an 18.2 MW battery storage system to provide St. Kitts with 18 MW of baseload green power supply. Once operational it will meet one-third of St. Kitts' baseload demand and will reduce carbon emissions during its lifetime by more than 740,000 metric tons.

The project, which is being built under an EPC contract (Engineering, Procurement and Construction) by Leclanché, has a power purchase agreement (PPA) with a term of 20 years in USD. The government of St. Kitts and Nevis has leased the land in the Basseterre Valley under a 20-year contract with the option of a five-year extension to the project.

## Services MPC Capital

- + Acquisition
- + Project development
- + Asset management
- + ESG management



The Wayúú are an indigenous tribe in La Guajira in Colombia



## WAKUAIPA HIGH VOLUME WIND FARM PROJECT IN COLOMBIA

The Wakuaipe wind farm with a capacity of 200 megawatts is located in the La Guajira region of Colombia, one of the windiest regions in South America.

MPC Capital began development of the project in 2018, and once completed, the wind farm will provide approx. 500,000 households with clean energy.

La Guajira is home to the Wayúú, an indigenous tribe that has been involved in the project development from the very beginning. All steps are discussed in regular meetings with the community. The community has naturally a say in every decision concerning the land.

In addition, MPC Capital also supports the Wayúú in other projects to improve the local infrastructure. As part of a Christmas campaign 15 tons of food were donated to the community.

### Services MPC Capital

- + Project development
- + ESG management

## Highlights

- + 200 MW wind farm
- + Project development with intensive cooperation with the local community

# **COMBINED MANAGEMENT REPORT AND GROUP MANAGEMENT REPORT FOR THE FINANCIAL YEAR FROM 1 JANUARY 2022 TO 31 DECEMBER 2022**

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# 1. Basis of MPC Capital AG and of the Group

## BUSINESS MODEL

The MPC Münchmeyer Petersen Capital Group (“MPC Capital”, “MPC Capital Group”) is an internationally focused asset and investment manager, and also a co-investor for real asset investments and investment products. MPC Münchmeyer Petersen Capital AG (“MPC Capital AG”) is the Group parent. It has been quoted on the stock market since 2000 and listed in the “Scale” segment of Deutsche Börse in Frankfurt since March 2017 (open market).

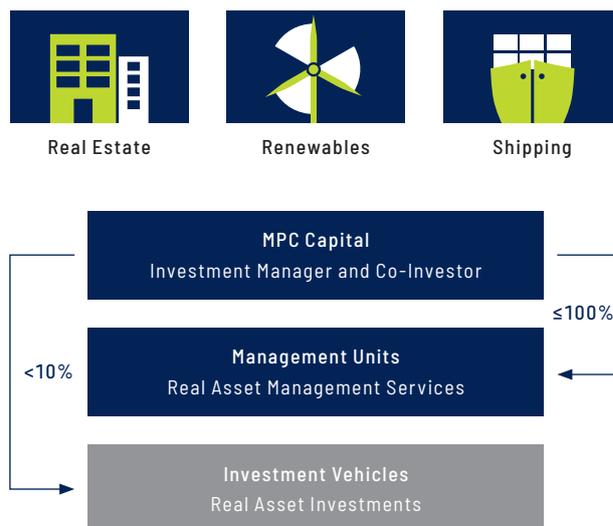
The MPC Capital Group develops and initiates real asset investments for institutional investors. Together with its subsidiaries and partners, the Group offers a broad spectrum of services encompassing the selection, initiating and structuring of an investment in real assets, the active management and administration of the asset, and the development and execution of an exit strategy tailored to the requirements of the investors.

The MPC Capital Group’s product and service offering focuses on the three core segments Real Estate, Renewables and Shipping. With its many years of expertise and a comprehensive international network of partners, the MPC Capital Group seeks to identify market opportunities in order to match investment projects with investors.

The MPC Capital Group generates a steady stream of **management fees** from investment projects, as well as one-off and to some extent performance-based **transaction fees** from the onboarding and sale of assets. The MPC Capital Group is also routinely involved in investment projects as co-investor; it generates other operating income or income from equity investments through this channel.

## ORGANISATIONAL AND MANAGEMENT STRUCTURES

The business activities of the MPC Capital Group are divided into a product generating unit (“MPC Capital”) and service and management units (“Management units”).



**MPC Capital**, as investment manager and co-investor, focuses on the initiating and management of investment solutions (**investment vehicles**) in the three core asset classes Real Estate, Renewables and Shipping. Its goal is to develop real asset investments that are tailored exactly to investor requirements. As co-investor MPC Capital normally provides up to 10 % of the equity for the investment vehicles, but sometimes more. MPC Capital has investment and transaction teams that specialise in the three asset classes Real Estate, Renewables and Shipping. They are supported by overarching functions such as Legal, HR, IT and Marketing.

Another core component of the MPC Capital Group is the **management units**, whose core skill is the operational management of the assets held by the investment vehicles. They exhibit a high level of specialisation and are largely embedded in joint venture structures so that they can join forces with market-leading partners to offer competitive services both for investment vehicles of the MPC Capital Group and for third parties. Strategic partnerships furthermore generate extra growth momentum for investment and transaction business.

The activities of the management units in essence comprise:

**Technical management and IT services for container ships, bulk carriers and tankers:** Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG, Ahrenkiel Vogemann Bolten GmbH & Co. KG and Waterway IT Solutions GmbH & Co. KG.

**Commercial management for container ships and tankers:** Harper Petersen Holding GmbH & Co. KG and Albis Shipping & Transport GmbH & Co. KG.

**Investment and investment-product related services and fiduciary activities for retail business:** MPC Investment Services GmbH and TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH & Co. KG. Various service offerings to provide support for private investors are outsourced to external service providers.

The Dutch subsidiary Cairn Real Estate B.V., which is active in the area of **investment and asset management of real estate in the Netherlands**, was sold to the British company Schroders Group with effect from 31 January 2022.

## GOALS AND STRATEGIES

The MPC Capital Group's goal is to become one of the leading independent asset and investment managers for real investments and investment products in its strategic asset segments. As at 31 December 2022, the Group had assets under management (AUM) totalling approximately EUR 4.2 billion. The aim is to onboard an asset volume of between EUR 0.5 billion and EUR 1.0 billion annually for business with institutional customers.

The cornerstones of the corporate strategy are to generate sustained cash flows, guarantee solid corporate financing and therefore in particular ensure healthy liquidity and capitalisation as well as present a responsible stance on social and ecological issues.

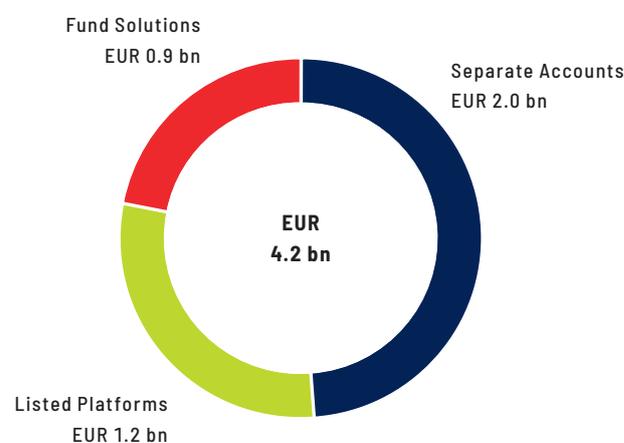
### Link between asset and investor

MPC Capital's core expertise involves introducing investors to investment opportunities, along with implementing asset transactions across the selection, purchase and exit phases. Customers can participate in the entire investment and value creation process with the MPC Capital Group or flexibly use individual phases and services for their investment and business activities, in line with their own needs. To some extent operational management of the assets is presented as a joint offering with market-leading partners. The MPC Capital Group's role is then to manage real asset investments from the three asset classes Real Estate, Renewables and Shipping throughout the selection, active (further) development and exit phases, with a view to maximising their value.

## Investment vehicles that reflect the investor's strategy

The structural attributes of the investment vehicles reflect market conditions, but primarily the strategy of the individual investor and underlying asset. Whether for fund solutions (in the form of an alternative investment fund, for example), listed platforms (e.g. in the form of a market listing), separate accounts (direct investment) or a different legal construct, as an investment manager MPC Capital offers comprehensive expertise for a broad spectrum of structuring solutions.

Assets under management are spread over the investment categories as follows:



MPC Capital's sales activities are primarily focused on international institutional investors, family offices and other professional investors. Its customers also include third-party companies and high net worth retail investors, existing customers and sales partners. The various phases of the asset's life cycle are suited to investors with different risk profiles: for example, the development phase of a project is appropriate for investors with expectations of higher returns and a pronounced risk profile, while investors with expectations of lower returns and a balanced risk profile generally participate in established projects with stable cash flows.

### Asset selection based on market requirements

In selecting assets, the MPC Capital Group focuses on current market requirements and works hard to identify market sectors, market niches or megatrends early on. This approach has enabled it to identify and successfully pick up on market trends such as sustainable residential real estate, feeder container ships in the Shipping area or renewable energies in emerging markets.

## Co-investment: MPC Capital contributes equity

MPC Capital contributes part of the equity itself (co-investment) to ensure that the interests of the investors are aligned with those of the fund manager. Depending on the volume and type of asset, the co-investment amounts to a maximum of 10 % of the equity of the investment vehicle concerned, or more in individual cases. The co-investments are recognised primarily within equity investments under financial assets, or in individual instances also as loans.

At its core, the strategy involves generating other operating income (write-down reversals) and income from equity investments (dividends) from the value gains of the co-investments over and above service business operations.

## ESG as a matter of course and a central plank of the investment strategy

Responsible asset and investment management is enshrined at the heart of the MPC Capital Group and its investments. In product generation and in ongoing asset management, ESG principles act as a guide to sustainable and responsible investments for MPC Capital in all asset classes and demonstrate MPC Capital's commitment to socially and environmentally responsible activity.

MPC Capital AG is a signatory of the Principles of Responsible Investment (PRI). Furthermore, its subsidiaries and investment vehicles belong to or support various other initiatives, programmes and organisations.

MPC Capital AG intends to prepare and publish sustainability reports on a regular basis from mid-2023.

## MANAGEMENT SYSTEM

The management of the MPC Capital Group is geared to long-term value added. The key management performance indicators are **revenue** and **near-market other operating income**, which comprises recurring income from the management and administration of existing funds, asset management, advisory and agency for real investments, as well as project and transaction income and income generated as part of exit strategies for existing funds and investments. **Earnings before tax (EBT)** is a further financial performance indicator which includes income from equity investments and the share of profit of associates.

The foundations for solid and sustainable business planning also include adequate **capitalisation** and maintaining sufficient **liquidity** in the Group over an appropriate planning period.

EBT, capitalisation and liquidity serve as the management performance indicators for MPC Capital AG.

Non-financial performance indicators are not used for internal management.

At Group level, the Management Board is responsible for the initiation, management, compliance and monitoring of business activities; at operating level, this function is assigned to the managing directors of the individual subsidiaries. The management system is also a part of the controlling and planning processes in the MPC Capital Group.

The consolidated financial statements and annual financial statements of MPC Capital AG have been prepared on the basis of the German Commercial Code (Handelsgesetzbuch, "HGB").

## 2. Economic Report

### MACROECONOMIC AND INDUSTRY-SPECIFIC ENVIRONMENT

With the outbreak of war in Ukraine at the end of February 2022, the overall economic environment deteriorated markedly. Whereas 2022 had started with the expectation that the year would see a further recovery in the global economy from the negative economic impact of the coronavirus pandemic, and that growth would again be above the average, global economic growth weakened clearly in the course of the year. The sharp jump in commodity and energy prices, drastically higher rates of inflation as well as interrupted global supply chains and lockdowns in Asia to suppress the coronavirus had a markedly negative impact on global economic growth.

To tackle soaring inflation, central banks completely abandoned their policy of low interest rates and significantly increased the key interest rates in several moves in rapid succession. For example, the key rate of the European Central Bank for the main refinancing operations rose from 0 % at the start of 2022 to now 3.0 % in February 2023. More interest rate moves have been announced.

Rising interest rates and high energy prices led to a fall in demand for real estate. For the first time in more than ten years, the fourth quarter saw a decline in residential property prices in Germany. However no drop in rent levels has been observed. In the renewables sector, too, the change in the geopolitical environment and disrupted supply chains caused some projects to be delayed and pushed up prices. With energy prices simultaneously rising and immense demand for extra capacity, the company believes this will not lead to any significant fall in returns.

In response to rising demand for goods coupled with supply and transport shortages, freight and charter rates initially continued to rise at the start of 2022. The charter rates index HARPEX moved above its high prior-year level to reach a new all-time high of almost 4,600 mid-way through the year. In the second half of the year the index fell back significantly due to weaker demand and the resolution of supply chain problems to close at around 1,700 points. The HARPEX (Harper Petersen Charter Rates Index) is published by Harper Petersen and reflects the general development in prices on the charter market for container ships. Tanker shipping has experienced a marked rise in freight rates due to the geopolitical tension and shift in trade flows.

The market turmoil triggered by the war in Ukraine and higher inflation rates also meant institutional investors had to contend with outflows from funds and contracts. As at 30 September 2022 fund companies based in Germany had assets under management totalling EUR 3.7 trillion. This compares with assets of EUR 4.2 trillion at the end of 2021.

2022 was also an especially weak year for the European fund sector. According to figures released by the analyst firm Refinitiv, fund providers had to absorb outflows of EUR 323.6 billion between the start of January and the end of September, with more than 40 percent of this occurring in the third quarter. While the sector had EUR 15.3 trillion in assets under management across Europe at the end of 2021, the figure was EUR 2.3 trillion lower by the end of September.

### BUSINESS PERFORMANCE

In a challenging market environment for the economy as a whole, MPC Capital's multi-asset strategy continued to prove very robust. The diversification of the asset basis across the three segments Real Estate, Renewables and Shipping cushioned any adverse impact on the development in the 2022 financial year and enabled business to be expanded successfully.

Although rising commodity prices, disrupted supply chains and the shift in the interest rate environment also delayed the realisation of projects and created greater market uncertainty for investments managed by MPC Capital, the Shipping unit was able to benefit from high charter and rising asset valuations in the first half of the year. In the second half, the economic slowdown led to a marked correction in container shipping.

Russia's war of aggression against Ukraine had only a minor impact on the Shipping unit. The share of revenue generated in that region was negligible in the 2022 financial year. The Real Estate and Renewables business units have no exposure to Ukraine or Russia.

Global climate targets are prompting a massive need for investment in alternative forms of energy generation. Growing demand for investments in sustainable real assets is consequently giving the MPC Capital business model a further substantial lift.

### Successful business performance in 2022

The management of MPC Capital considers its business performance in 2022 to have been on the whole a success. The loss of revenue from the disposed-of Dutch real estate activities was partly offset by increased revenue in the Renewables and Shipping units. MPC Capital generated high income from co-investments in the 2022 financial year, ultimately leading to a substantially improved result year on year. MPC Capital also realised a non-recurring accounting profit from the disposal of the Dutch real estate activities. For ease of comparison, MPC Capital reports adjusted earnings before tax (EBT adj.) that do not include this accounting profit.

As anticipated in the forecast issued in February 2022, consolidated revenue was markedly down on the previous year. EBT adj. of around EUR 12.0 million was already at the upper margin of original expectations (EUR 8.0 million to EUR 12.0 million) after

just nine months, prompting the Management Board to increase the full-year forecast to around EUR 15.0 million. In line with this updated forecast, the 2022 financial year ended with EBT adj. of EUR 14.8 million.

The challenging market environment meant new assets onboarded amounting to EUR 0.4 billion fell just short of the long-term target acquisition volume of EUR 0.5 to EUR 1.0 billion per year.

## Real Estate

The transaction for the sale of the Dutch subsidiary Cairn Real Estate B.V. ("Cairn") was closed at the end of January 2022. It was sold to a British investor for a net price of around EUR 30 million. The transaction contributes an accounting profit of EUR 16.5 million to the consolidated earnings of MPC Capital AG.

MPC Capital was able to realise further transaction proceeds from the sale of an office property in Erlangen.

In 2022 MPC Capital acquired two further projects for ESG Core Wohnimmobilien Deutschland, a fund focusing on sustainable residential properties in metropolitan regions. One is located in the northwest of Hamburg and the other project is taking shape in the Berlin metropolitan region. The fund invests specifically in real estate projects that consistently meet a wide range of ESG criteria. The equity is raised from German institutional investors.

## Renewables

In the Renewables area MPC Capital secured further expansion for the portfolio in the Caribbean and Latin America.

MPC Capital currently holds a geographically and technically diversified portfolio through the listed platform MPC Energy Solutions and other investment vehicles. It spans wind, solar PV and storage projects in nine countries with a power generation capacity of around 800 megawatt.

MPC Capital is also examining other growth opportunities in markets elsewhere. In particular it has been analysing wind and solar PV projects in Europe. This interest led it to acquire a wind farm in Germany with a total capacity of some 11 megawatt in August 2022.

## Shipping

Together with international investors, MPC Capital has launched a new construction programme for six container ships each with a capacity of 5,500 standard containers, at a total investment volume of USD 420 million. The ships' special eco-design is among the most advanced and efficient currently available in container shipping.

Their fuel consumption will be about 40 % lower compared to the existing fleet and the new vessels will be supplied ready for a later upgrade to carbon-neutral operation. In addition, charter contracts with a total volume of USD 600 million over a period of seven years have already been secured for the ships.

MPC Capital has also initiated a project to build a further two container ships powered by climate-neutral ("green") methanol. At a total investment volume of USD 78 million, each vessel has a capacity of 1,300 standard containers (TEU). With their modern design and the most advanced propulsion technology based on green methanol, the vessels are among the first container ships to already comply with all the measures launched by the International Maritime Organization (IMO) to reduce emissions in shipping. From their scheduled delivery in 2024, both vessels are chartered to the Norwegian shipping company NCL for 15 years.

The two new-build programmes and the associated charter agreements for seven and 15 years respectively will play a huge role in further expanding income streams from recurring management fees. MPC Capital is participating in the new-build programme on the basis of its co-investment strategy, with the prospect of further profit contributions.

## Development of assets under management (AUM)

As expected, the assets under management (AUM) of the MPC Capital Group as at 31 December 2022 declined to EUR 4.2 billion (31 December 2021: EUR 4.9 billion) as a result of the Cairn disposal.

New business brought in asset additions of EUR 0.4 billion. Conversely there were asset disposals amounting to EUR 1.7 billion, of which EUR 1.2 billion is attributable to the sale of Cairn. The transaction volume for the 2022 financial year was thus EUR 2.1 billion. Measurement and currency effects came to EUR 0.6 billion. These are mainly attributable to increased asset values and a stronger US dollar.

Of the total of EUR 4.2 billion in assets under management, former retail business activities represent around EUR 0.7 billion (31 December 2021: EUR 0.9 billion).

EUR 0.9 billion of assets under management are in fund solutions (special AIF, closed-end funds, etc.), EUR 1.2 billion in listed platforms (assets of listed companies) and EUR 2.0 billion in separate accounts (single or direct investments, club deals and other individual investment structures).

# 3. Net Assets, Financial Position and Results of Operations

## RESULTS OF OPERATIONS OF THE GROUP

**Revenue** for the MPC Capital Group declined from EUR 42.3 million to EUR 36.5 million in the 2022 financial year. The fall in revenue was slightly milder than expected because the loss of revenue from the disposed-of Dutch real estate activities was offset to some extent by stronger growth in the other business units.

The Group generated revenue amounting to EUR 29.2 million from **management services** in the 2022 financial year (2021: EUR 28.1 million). The fall in management fees as a result of the sale of Dutch real estate business was offset by a significant rise in management income from the Shipping and Renewables units.

Income from **transaction services** declined to EUR 7.0 million (2021: EUR 13.8 million) as a result of significantly lower acquisition and sales activities in the Real Estate unit. The transactions completed in the Shipping unit were also down on the previous year, though a number of new construction projects laid the foundations for future income streams. There was a clear increase in transactions in the Renewables unit from the acquisition of various projects in Latin America.

**Other revenue** for 2022 came to EUR 0.3 million (2021: EUR 0.4 million).

**Other operating income** for the 2022 financial year came to EUR 26.5 million (2021: EUR 16.4 million). It substantially comprised the accounting profit from the disposal of Cairn, performance-related income from the Shipping segment and income from changes in exchange rates driven by the rise in the US dollar, which however meant expenses from changes in exchange rates also increased.

The **cost of purchased materials** came to EUR 2.7 million for the 2022 financial year (2021: EUR 2.1 million).

**Personnel expenses** came to EUR 19.8 million for the 2022 financial year (2021: EUR 21.9 million). The fall is mainly attributable to the sale of Cairn. There was a non-recurring increase in these expenses from a special bonus payment to compensate for inflation. The Group employed an average of 154 people in the 2022 financial year. The figure includes an attributed 43 from equity investments in joint ventures. The previous year's figure was an average of 191 (of which 66 from equity investments in joint ventures).

**Amortisation of intangible fixed assets and depreciation of tangible assets** declined further to EUR 1.4 million (2021: EUR 2.0 million) and mainly related to amortisation of the goodwill of the companies Wilhelmsen Ahrenkiel, Harper Petersen and Albis Shipping.

**Other operating expenses** of EUR 23.6 million were well up on the previous year (2021: EUR 20.9 million). The rise is due partly to exchange rate changes (2022: EUR 3.3 million; 2021: EUR 0.3 million) and partly to depreciation and write-downs on receivables (2022: EUR 3.7 million; 2021: EUR 1.6 million). The biggest single item legal and consultancy costs fell from EUR 6.0 million in the previous year to EUR 4.8 million. IT costs came to EUR 1.9 million (2021: EUR 2.2 million) and still showed the non-recurring impact of the migration of IT systems to a cloud-based infrastructure. The switch provides MPC Capital with a future-proof, cost-effective IT environment.

The **operating result (EBIT)** improved by EUR 3.8 million thanks to a substantial improvement in accounting profits, rising from EUR 11.7 million in the previous year to EUR 15.6 million in 2022.

**Income from equity investments** amounted to EUR 2.4 million (2021: EUR 1.2 million) and related to distributions by equity investments in the Shipping and Real Estate unit.

**Other interest and similar income** came to EUR 1.0 million (2021: EUR 2.2 million), primarily from loans for project financing.

**Write-downs on financial assets** in the amount of EUR 3.0 million (2021: EUR 2.1 million) were made. These mainly related to long-term project financing.

**Interest and similar expenses** came to EUR 0.5 million (2021: EUR 0.2 million) and mostly consisted of interest expenses for project financing.

The **result of associates carried at equity** climbed significantly to EUR 15.7 million (2021: EUR -2.5 million). This substantially comprised returns from co-investments in the form of dividends from MPC Container Ships.

**Earnings before taxes (EBT)** came to EUR 31.2 million. In the previous year, the MPC Capital Group posted EBT of EUR 10.4 million. The **adjusted earnings before tax (EBT adj.)** eliminating the accounting profit from the sale of Cairn (EUR 16.5 million) came to EUR 14.8 million.

**Income tax expense and other taxes** for the 2022 financial year came to EUR 3.1 million (2021: EUR 3.2 million).

**Consolidated earnings** were EUR 28.2 million (2021: EUR 7.2 million).

The **consolidated net profit after minority interest** amounted to EUR 26.0 million (2021: EUR 6.1 million).

**Earnings per share** (after minority interest) came to EUR 0.74 (2021: EUR 0.17). Of this figure, EUR 0.47 is attributable to the non-recurring income from the disposal of Dutch real estate business.

## RESULTS OF OPERATIONS OF THE GROUP PARENT

MPC Capital AG realised **revenue** amounting to EUR 10.1 million in the 2022 financial year (2021: EUR 7.5 million). This comprised EUR 3.1 million (2021: EUR 1.3 million) from **management and transaction income** and EUR 7.1 million (2021: EUR 6.2 million) from **charges allocated among Group companies**, mainly for administrative services provided for the subsidiaries by MPC Capital AG as the holding company.

**Other operating income** amounted to EUR 6.4 million in 2022 (2021: EUR 5.4 million) and was substantially attributable to write-ups on impaired receivables from subsidiaries.

**Personnel expenses** came to EUR 6.2 million in the financial year (2021: EUR 5.7 million). The increase is attributable to the special bonus payment to compensate for inflation. The **employee total** for MPC Capital AG was 34, broadly unchanged from the previous year (2021: 35).

**Other operating expenses** showed a clear rise to EUR 14.6 million (2021: EUR 8.1 million). Within this item, there were in particular increases in **depreciation and write-downs on receivables** to EUR 4.4 million (2021: EUR 1.5 million) and in **expenses from changes in exchange rates** to EUR 2.1 million (2021: EUR 0.7 million). **Legal and consultancy costs** increased to EUR 3.0 million (2021: EUR 1.5 million).

**Investment income** rose markedly to EUR 16.8 million (2021: EUR 12.3 million) in a reflection of the dividends of MPC Container Ships. Conversely there were **write-downs of financial assets and marketable securities** in the amount of EUR 4.4 million (2021: EUR 12.2 million). MPC Capital AG generated income from profit transfer agreements amounting to EUR 0.9 million (2021: EUR 4.4 million) and from **interest and similar income** amounting to EUR 1.3 million (2021: EUR 1.7 million). **Interest and similar expenses** increased to EUR 2.0 million (2021: EUR 0.7 million).

**Earnings before tax (EBT)** showed a substantial improvement from EUR 4.1 million in 2021 to EUR 8.2 million in 2022 thanks to increased investment income. **Tax expense** came to EUR 1.0 million in 2022 (2021: EUR 1.0 million).

The **annual net profit** of MPC Capital AG consequently climbed to EUR 7.3 million (2021: EUR 3.1 million). The profit carried forward before dividend distributions was EUR 4.5 million (2021: EUR -9.4 million). After distribution of the dividend for the 2021 financial year amounting to EUR 4.2 million (2021: EUR 0.0 million), the **net retained profit** for the 2022 financial year was EUR 7.5 million.

## NET ASSETS AND FINANCIAL POSITION OF THE GROUP

The **total assets** of the Group as at 31 December 2022 grew to EUR 150.8 million (31 December 2021: EUR 134.6 million) as a result of the substantially higher net retained profit.

**Fixed assets** decreased from EUR 60.1 million to EUR 57.8 million at the balance sheet date of 31 December 2022. Intangible assets accounted for EUR 2.1 million (31 December 2021: 3.0 million) of this amount and mainly comprised the capitalised goodwill for the company Albis Shipping. The prior-year figure still contained goodwill for other companies that were disposed of or the goodwill amortised in the 2022 financial year.

**Financial assets**, which essentially constitute the co-investment portfolio of the MPC Capital Group, declined to EUR 54.9 million as at 31 December 2022 (31 December 2021: EUR 56.4 million).

**Current assets** grew from EUR 74.3 million as at the end of 2021 to EUR 92.8 million as at 31 December 2022. **Receivables and other assets** came to EUR 23.7 million as at 31 December 2022 (31 December 2021: EUR 35.8 million). The sale of Dutch real estate business and high returns from the co-investment portfolio produced a substantial rise in liquidity within the Group (**cash in hand and bank balances**) as at 31 December 2022 to EUR 69.1 million (31 December 2021: EUR 38.5 million).

**Equity** increased from EUR 100.8 million as at 31 December 2021 to EUR 123.2 million as at 31 December 2022 thanks to the clear improvement in net retained profit. The **equity ratio** simultaneously rose from 74.9 % to 81.7 %.

**Provisions** in the amount of EUR 20.3 million were recognised as at 31 December 2022 (31 December 2021: EUR 19.6 million). The increase stems from higher **provisions for personnel expenses**. The Management Board considers that these provisions provide adequate cover for subsequent expenses from the decision to focus on transaction and investment business, and for potential costs in connection with legal disputes.

**Liabilities** were reduced significantly to EUR 7.2 million as at 31 December 2022 (31 December 2021: EUR 14.0 million). The decrease relates primarily to the reduction in **liabilities to other long-term investees and investors** by an amount of EUR 2.9 million, as well as in **other liabilities** by EUR 4.5 million.

In the period under review the MPC Capital Group reported a positive **cash flow from operating activities** of EUR 33.6 million (2021: EUR 3.9 million). Proceeds from dividends rose to EUR 17.8 million (2021: EUR 1.1 million). Changes in inventories, trade receivables and other assets not allocable to investing and financing activities amounted to EUR 21.1 million (2021: EUR -7.6 million).

The **cash flow from investing activities** in the period under review came to EUR 8.6 million (2021: EUR 8.4 million). Payments for investments in financial assets amounting to EUR 30.0 million (2021: EUR 11.8 million) resulted essentially from the involvement as co-investor in various investment projects in the Shipping and Renewables areas. There was an opposite effect from proceeds from the disposal of financial assets in the amount of EUR 38.4 million (2021: EUR 20.9 million). These related to the disposal of financial assets from the Real Estate and Shipping areas, but especially to the disposal of the Dutch real estate activities. In the 2022 financial year MPC Capital moreover received interest and dividends in the amount of EUR 1.4 million (2021: EUR 0.2 million) from its equity investments and loans.

The distribution of a dividend by MPC Capital AG in the total amount of EUR 4.2 million (2021: EUR 0.0 million) as well as dividend payments and distributions to other shareholders led to a negative **cash flow from financing activities** of EUR -6.0 million in the 2022 financial year (2021: EUR 1.8 million). A defining feature of the previous year was a capital increase in the amount of EUR 4.0 million. Capital and interest payments for project financing in the individual asset areas amounted to EUR -0.7 million (2021: EUR -1.5 million).

Total **cash and cash equivalents** at the end of the year came to EUR 69.1 million (31 December 2021: EUR 38.5 million).

## NET ASSETS AND FINANCIAL POSITION OF THE GROUP PARENT

The **total assets** of MPC Capital AG increased to EUR 141.7 million as at 31 December 2022 (31 December 2021: EUR 123.5 million). **Fixed assets**, which mainly comprise shares in affiliated companies and equity investments (**financial assets**) and, to a minor extent, **tangible assets**, rose slightly to EUR 78.1 million (31 December 2021: EUR 76.6 million).

**Current assets** comprised **receivables and other assets** totaling EUR 30.8 million (31 December 2021: EUR 41.8 million). The decrease was largely a result of the scaling-back of **receivables from affiliated companies**. **Cash in hand and bank balances** rose from EUR 5.0 million in the previous year to EUR 32.8 million as at 31 December 2022 thanks to receipt of the purchase price for the disposal of Cairn Real Estate B.V. and returns from the co-investment portfolio.

On the **equity** and liabilities side, equity edged up to EUR 107.2 million (31 December 2021: EUR 104.2 million). The rise in total assets pushed the **equity ratio** down to 75.6% (31 December 2021: 84.4%).

**Provisions** increased to EUR 5.9 million (31 December 2021: EUR 3.7 million). **Liabilities** experienced a substantial rise to EUR 28.6 million (31 December 2021: EUR 15.6 million). They arose mainly from increased **liabilities to affiliated companies**.

## PRINCIPLES AND GOALS OF FINANCIAL MANAGEMENT

The goal of financial management at MPC Capital AG is to safeguard the financial stability and business flexibility of the Group. Liquidity management within the MPC Capital Group maps the Group's short and long-term liquidity requirements on the basis of a planning model. Liquidity planning and the liquidity situation are central factors within the risk management approach of the MPC Capital Group.

## SUMMARY OF THE ECONOMIC SITUATION

The economic position of the MPC Capital Group in the 2022 financial year made very positive progress. The loss of revenue from the disposed-of Dutch real estate activities was partly offset by increased income from the Shipping and Renewables units. The high returns from co-investments, in particular dividend payments by MPC Container Ships, moreover paved the way for a strong financial result. In November 2022 the Management Board upgraded the forecast for EBT adj. from the original range of EUR 8.0 million to EUR 12.0 million to around EUR 15.0 million. The actual figure achieved of EUR 14.8 million meant the target was achieved.

MPC Capital used the strong market phase in container shipping in the years 2021 and 2022 to secure sustainable income flows through long-term charter contracts and returns from co-investment activities, and also to create high visibility for the mid-range earnings trend. Furthermore, the sale of the Dutch real estate activities at the turn of 2021/2022 was concluded at a time when the market environment in the real estate segment was still dynamic.

Group liquidity of EUR 69.1 million as at the balance sheet date was at a very comfortable level, providing a sound basis for the company's further development. MPC identifies substantial growth opportunities especially in the field of renewable energy, sustainable real estate projects and the decarbonisation of the shipping infrastructure.

The key challenge is to identify attractive investment targets amid drastically altered macroeconomic conditions and to gain sufficient access to institutional investors in order to continuing expanding business.

## Proposed dividend in the amount of EUR 0.20 per share

On the basis of the positive development in the 2022 financial year, the Management Board and Supervisory Board intend to propose a dividend of EUR 0.20 for the 2022 financial year to the Annual General Meeting on 27 April 2023. The Annual General Meeting had resolved a dividend of EUR 0.12 for the 2021 financial year.

This would represent dividend growth of 67 % year on year and a dividend yield of 6.2 % based on an average share price of EUR 3.22 in 2022. The payout ratio would therefore be 74 % based on consolidated earnings after minority interest and adjusted for the non-recurring income from the disposal of Dutch real estate business. The payout ratio is consequently above the company's target to distribute up to 50 % in dividends, taking prevailing growth opportunities into account, but also reflects the very positive business performance in 2022 and the healthy level of financial resources.

## FINANCIAL AND NON-FINANCIAL PERFORMANCE INDICATORS

The financial performance indicators developed as follows in the period under review:

Financial performance indicators in EUR '000	MPC Capital Group			MPC Capital AG		
	2022	2021	Change in %	2022	2021	Change in %
Revenue	36,492	42,284	-14 %	Not a financial performance indicator		
Earnings before tax (EBT)	31,222	10,401	+200 %	8,217	4,104	+100 %
Adjusted earnings before tax (EBT adj.)	14,761	10,401	+42 %	-	-	-
Liquidity (cash in hand and bank balances)	69,068	38,497	+79 %	32,788	5,008	555 %
Equity ratio	81.7 %	74.9 %	+6.8 pp	75.6 %	84.4 %	-8.7 pp

No analysis of non-financial performance indicators is carried out as they are not used for internal management purposes.

## 4. Other Disclosures

### DEPENDENT COMPANY REPORT BY THE MANAGEMENT BOARD IN ACCORDANCE WITH SECTION 312 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

#### EMPLOYEES

The employees of the MPC Capital Group contributed to the positive development in the 2022 financial year through their huge dedication. The long-term retention of highly qualified employees is the basis for the sustained, successful development of the MPC Capital Group. The MPC Capital Group pursues the goal of holding onto employees even more effectively and keeping them performing at a high level by offering both performance-related remuneration components and non-financial incentives. Non-monetary instruments include more flexible working hours and scope for a work/life balance.

In the 2022 financial year the Management Board granted employees of the MPC Capital Group a one-off payment towards the increased cost of living as a result of high inflation and sharp energy price rises, in the form of an inflation compensation bonus. In Germany this bonus was the maximum amount permitted by law. Employees at international locations were paid amounts that reflected the situation in each country.

Over the 2022 financial year the MPC Capital Group had an average of 154 employees, including 43 employees from equity investments in joint ventures. On the reporting date of 31 December 2022, the Group had 155 employees. MPC Capital AG employed an average of 34 people in the financial year, and 33 people on the reporting date.

In the 2022 financial year, MPC Capital AG was a dependent company of MPC Münchmeyer Petersen & Co. GmbH, Hamburg, Germany, within the meaning of Section 312 AktG. The Management Board of MPC Capital AG has therefore prepared a report in accordance with Section 312(1) AktG on relationships with dependent companies that contains the following closing statement:

“The Management Board of MPC Capital AG hereby declares that for the transactions listed in the dependent company report for the period 1 January to 31 December 2022, under the circumstances known to the Management Board at the time when the transactions were conducted, the company received appropriate consideration for each transaction and was not disadvantaged in any way. No actions were taken or not taken at the instigation or in the interests of the controlling company or a dependent company.”

# 5. Report on Risks and Opportunities

## BASIC PRINCIPLES

Our policy on risks reflects our efforts to grow consistently and increase our corporate value, while managing or avoiding disproportionate risks. Our risk management work is an integral part of planning and implementing our business strategies; the fundamental risk policy is laid down by the Management Board.

### Risk management system

Risk management works to identify risks in the MPC Capital Group in addition to analysing, assessing, monitoring and controlling them.

A Group-wide risk inventory is carried out at regular intervals, but at least once per year, as part of the risk management process. The risk inventory is performed by the individual units in line with a bottom-up principle. The people in charge here are the risk management officers within the respective units, who assign probabilities of occurrence and loss levels to the potential risks. This information is aggregated in the Group Controlling department, and recorded and passed on in reporting.

Thanks to integrated, regular reporting, the Management Board is kept informed about the development of the risk situation of the individual units and the MPC Capital Group as a whole. The Management Board must also be informed immediately of extraordinary and/or unscheduled changes in the risk position via the risk early warning system; if necessary, the Management Board must then also notify the Supervisory Board of the change in the risk situation without delay.

The risk management system of the MPC Capital Group enables Group-wide, systematic risk controlling and early and sufficient risk provisioning. Risk management is a dynamic, evolving process. Lessons learned from the daily handling of risks and risk provisioning make an important contribution to the continuous optimisation of the system.

## Presentation of opportunities and risks

The categorisation of the principal opportunities and risks of the MPC Capital Group reflects the structure laid down internally for risk management purposes and adopts the gross approach. MPC Capital AG, as the parent company of the MPC Capital Group, is included in the risk management system. The disclosures fundamentally also apply to the annual financial statements of MPC Capital AG.

The following principal opportunities and risks for the business of the MPC Capital Group were identified:

## OPPORTUNITIES

### Business environment and market-related opportunities

Investments in real assets such as real estate, ships or systems for generating renewable energies will remain an appealing prospect notwithstanding moderate rises in interest rates and higher inflation. Meanwhile an increased interest level is likely to erode demand for liquid assets such as shares.

At the same time investors worldwide are increasingly on the lookout for investment opportunities. MPC Capital identifies major growth opportunities for its business in the need for investment in the upcoming global ecological transformation. Environmental aspects, social issues and corporate governance factors will become ever more important considerations when developing new investments.

Efforts worldwide to tackle global warming provide opportunities for the MPC Capital Group. According to a study by IIGCC (The Institutional Investors Group on Climate Change), the goals of the Paris agreement are likely to necessitate the investment of over USD 126 trillion in climate solutions by 2050, of which more than USD 32 trillion will need to be spent in the 2020s, with the private sector potentially providing over 70 % of this amount.

The MPC Capital Group therefore sees considerable market potential for real investments and investment products, as well as for services that intelligently bring together investors and investment projects and provide long-term advisory and support.

The combination of the three uncorrelated or at most only marginally correlated asset areas of Real Estate, Renewables and Shipping makes it possible to spread risks, realise economies of scale and, as a consequence, increase the profitability of the MPC Capital Group.

MPC Capital sees market corrections as creating fresh opportunities for attractive investments. The change in the interest rate environment is initially expected to put the brakes on prices mainly in the real estate and shipping sectors.

#### **Competitive opportunities**

As an independent asset and investment manager, MPC Capital specialises in real asset investments and their management. Together with its subsidiaries, it develops and offers individual investment opportunities and services for national and international institutional investors, family offices and third-party companies.

Its product and service offering focuses on the three asset units Real Estate, Renewables and Shipping. The company has an extensive and proven track record, particularly in the Real Estate and Shipping asset units. The MPC Capital Group can also draw on expertise in renewable energies acquired over many years thanks to its close cooperation with established industrial partners and its experienced team.

Furthermore, the Group can call on an extensive international network of business partners and partner companies to secure and implement attractive projects.

#### **Opportunities from the co-investment strategy**

To ensure that the interests of the investor are aligned with those of the asset and investment manager, in consultation with the investors for the specific project in question the MPC Capital Group normally provides up to 10 % of the equity for the investment project, by way of co-investment. The essence of this strategy is fundamentally to account for merely the co-investment share, rather than for any assets in full, in order to keep dependence on possible market and valuation fluctuations as low as possible (asset-light approach). The proceeds achieved from the value gains of the equity investments are reflected in the income statement as other operating income or income from equity investments.

## RISKS

### Business environment and market-related risks

The war in Ukraine plus the combination of high inflation and rising interest rates have significantly increased geopolitical and economic risks. This could mean that projects in which MPC Capital is involved as investment manager and in some cases also as co-investor might fail to achieve the anticipated returns. In addition, the changed circumstances could prompt investors to hold back with the result that planned new projects or investments are delayed or not realised.

#### **Market-related risks**

The MPC Capital Group's business success is heavily dependent on developments in the global financial and capital markets. High market turbulence can represent a threat to the existence of businesses such as MPC Capital. Negative developments might not only endanger the launch of new investment projects and services; they could also undermine the performance of existing real investments and investment products and cause reputational damage to the MPC Capital brand.

In addition, a sustained period of high interest rates could have a positive impact on other forms of investment and cause demand for real asset investments and investment products to stagnate or even backtrack.

The MPC Capital Group counters market-related risks by constantly heeding the need for diversification and taking into account cyclical patterns when identifying investment targets. Merely by striving to spread its exposure more evenly across the three asset classes Real Estate, Renewables and Shipping, the Group has already reduced its market-related risks compared with sector specialists who focus on individual industries.

#### **Growing focus on sustainability**

Growing demands from governments, investors and business partners regarding sustainability aspects and financing constraints on greenhouse-gas-intensive assets could lead to additional costs for the MPC Capital Group. New regulatory frameworks such as the European Commission's Corporate Sustainability Reporting Directive (CSRD) or indeed voluntary commitments to internal sustainability or climate change goals

harbour further liability risks. In addition, corporate commitments in areas that are in the spotlight of the society-wide debate on sustainability may be received negatively and trigger adverse media attention. This could lead to reputational damage and be detrimental to the attainment of business objectives.

MPC Capital counters these risks for example by expanding its own ESG processes and prospectively adopting suitable ESG reporting based on market-leading standards and frameworks. In this connection MPC Capital will closely monitor implementation of the CSRD, and especially approval of the European Sustainability Reporting Standards to be anchored in the framework, as well as the EU Taxonomy and prepare accordingly to satisfy the relevant requirements in risk management and (non-) financial reporting.

#### Availability of real assets

As an investment manager for real investments and investment products, MPC Capital is reliant on having a suitable range of attractive real assets in the asset units of Real Estate, Renewables and Shipping. Global economic, competitive and regulatory changes can have a significant influence on their availability. The risk of a shortage of products is classified as low at MPC Capital thanks to its diversification across three sectors, an extensive portfolio of existing funds and investment vehicles, a broad network of partners and good market access.

#### Demand for real investment products

The MPC Capital Group is dependent on future demand for real investment products. Currently no drop in demand for real investment products has been identified yet. The risk of a fall in demand that could have an adverse effect on the development of the MPC Capital Group has nevertheless increased in light of the significant interest rate hikes in the USA and the eurozone.

#### Regulatory risks

Regulatory measures are significantly influenced by the European Union and continue to be pursued in its member states. The depth and scope of supervisory and consumer protection regulations affect asset and investment managers and can involve regulatory costs that may affect the MPC Capital Group's margin. In addition, in certain situations the MPC Capital Group must work with external service providers to meet supervisory requirements. That, too, can adversely affect the MPC Capital Group's margin.

## Performance-related, organisational and strategic risks to the company

#### Competition risk

The MPC Capital Group aspires to use its individual investment strategies to become one of Germany's leading independent investment managers for real investments and investment

products. As such, the company is in competition with other providers of real-asset financial products and services. As a result of focusing its sales activities on international institutional investors, family offices and third-party companies, the field of competitors now includes similar international companies.

There is a fundamental business risk that the MPC Capital Group will not be sufficiently successful at repositioning and establishing itself sustainably among its customers, offering the products and services that its target groups want, or consistently generating income. There is furthermore the risk that the Group will not be sufficiently successful at onboarding assets within its individual investment strategies.

The MPC Capital Group counters this risk by concentrating on real asset products and services in special markets with high demand momentum within its core segments. By diversifying into various asset classes, it can reduce the risk of cyclical dependence on one single segment. The special expertise and experience within the company, its broad network spanning major shareholders, business partners and the MPC Capital Group as well as its targeted recruitment of employees with many years of experience, particularly in business with institutional investors, have helped to reduce this risk.

#### Operating risks

During the planning and development of new investment projects, the MPC Capital Group incurs expenses when seeking out suitable assets, analysing the opportunities and risks of assets and structuring the real investment products. These costs are incurred in part through the use of own staff and also through the use of external service providers, consultants and advisers. The majority of these costs incurred by the MPC Capital Group are only compensated for when a certain investment product materialises and the MPC Capital Group has received the corresponding fees. If a real investment product fails to materialise, any costs incurred during planning and development must be borne by the MPC Capital Group itself.

The MPC Capital Group launches investment projects with well-known and reliable partners, and often participates in these projects as a minority shareholder. Partners could demand a larger co-investment share from the MPC Capital Group, negative project developments could result in losses on the part of the MPC Capital Group, and the loss of such partners could adversely affect the MPC Capital Group's ability to acquire suitable assets.

Because it manages real-asset investment products, and also through its participation in investment products through co-investments, the MPC Capital Group is exposed to structural, legal and environmental-law risks, for example. Right from the planning and implementation stage, projects require compliance with a wide range of rules and regulations and their development is dependent on whether the relevant permits have been obtained.

This process can still be frustrated by statutory or regulatory requirements during the realisation phase, or such requirements can result in delays, a need for modifications and significant cost increases. Cost budget overruns could also adversely affect the remuneration received by the MPC Capital Group.

For project financing for its investment vehicles, the MPC Capital Group is sometimes dependent on obtaining financing from lending institutions and, going forward, might not be able to obtain sufficient financing, or follow-on financing for expiring financing, from credit institutions.

In the Shipping asset class, risks furthermore arise from operating activities (breakdowns, damage, maritime accidents) and the underutilisation of the ships, which could lead to lower fees or even the loss of the charter or ship management contract. Operating risks are also an intrinsic aspect of operating real estate and renewables projects. All risks are approached with the utmost professionalism. This is reflected in the MPC Capital Group's organisation, but also in its choice of partners and service providers. Operating risks can also be limited to some extent with insurance cover.

#### Supply chain management

As an asset and investment manager, MPC Capital is only indirectly dependent on supply chains. The results of the operational units and of certain investment vehicles nevertheless depend to some extent on reliable and effective management of the supply chains for components, materials and commodities. Capacity restrictions and supply bottlenecks that stem from ineffective management of supply chains could lead to production shortages, delayed deliveries, quality problems, additional costs and diminished returns from the investment vehicles. Unexpected price increases for materials and commodities due to market shortages or for other reasons could equally have an adverse effect on the performance of MPC Capital.

#### HR risks

The future development of the MPC Capital Group is particularly dependent on the expertise and experience of the company's employees. In particular, the company must retain key employees. The MPC Capital Group has previously achieved this through a corporate culture based on partnership and various financial and non-financial incentives.

## Legal risks

The consolidated financial statements as at 31 December 2022 include provisions for legal and consultancy costs of approximately EUR 8.4 million (31 December 2021: EUR 8.5 million). The company believes the provisions constitute adequate risk provisioning for the MPC Capital Group's potential or pending legal risks.

The number and volume of lawsuits brought against the MPC Capital Group declined further in 2022. As before, there are no final judgements against the MPC Capital Group. Private placements, for which no prospectus is required, are associated with the risk of claims for violation of pre-contractual information obligations. However such funds are generally subscribed by highly experienced investors who have fundamentally lower requirements with regard to the volume of information to be supplied.

There continue to be proceedings pending before the Hanseatic Higher Regional Court under the German Capital Markets Model Case Act (Kapitalanleger-Musterverfahrensgesetz, "KapMuG"). In these proceedings, the prospectuses in particular are subjected to advance scrutiny by the Higher Regional Court. The Higher Regional Court conducts a binding examination for the proceedings generally pending at the District Court to establish whether or not prospectuses contain errors. The decision of the Higher Regional Court can initially be reviewed by the Federal Supreme Court before the proceedings continue at the District Court. In this connection the Federal Supreme Court repeatedly ruled in 2022 that the basis of the claims asserted under the scope of the German Prospectus Act has been supplanted by the specially legislated provisions. The latter have generally become time-barred.

The MPC Capital Group continues to defend claims by Austrian investors with regard to sales activities conducted in Austria and halted in 2012. The local sales subsidiary, CPM Anlagen Vertriebs GmbH, in liquidation, a subsidiary of MPC Capital AG, had been appointed to handle sales. Investors are appealing on the grounds of not having received a so-called investor's confirmation or of there being substantial omissions to the investor's confirmation received. In this connection investors are claiming the right to withdraw from their subscription and demanding the difference between the amounts invested and those collected over the term of the contract, plus interest.

The MPC Capital Group seeks to use insurance protection to cover foreseeable risks, including liability risks arising from its activities as an asset manager. However, this insurance protection may potentially prove insufficient to fully cover the risks to which the MPC Capital Group is exposed.

#### Prospectus liability risk

Prospectuses or information memoranda ("sales documentation") are issued for sales of the funds launched by the MPC Capital Group. In the event of inaccurate or incomplete disclosures in the sales documentation, there is a possibility that the MPC Capital Group could be held liable.

The MPC Capital Group addresses these risks by carrying out appropriate controls and requiring high quality standards in the preparation of this documentation and subsequent obligations, and also takes out insurance cover. It calls on external consultants for support especially for performing accuracy checks.

When compiling the supplements, the MPC Capital Group proceeds with the same care and quality that it applies in preparing the sales documentation itself.

Since 22 July 2013 the requirements governing the sales documentation have been specified in the German Investment Code ("KAGB").

#### Risks relating to Section 172 (4) HGB

TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH & Co. KG ("TVP") holds a large volume of limited partner shares in trust for a wide range of funds, and is entered on the Commercial Register as the limited partner. To the extent that payments not covered by profits under German commercial law were made to investors in the past, this may constitute a liability risk to the trust company. In the case of distressed or insolvent fund companies, creditors can claim such payments not covered by profits back from the companies. They do so by asserting their claims against the trust company by virtue of its trust status. The trust company then bears the risk of having to individually assert its claims for compensation under the trust agreement against the respective fund investors. In 2022, the risk that existed to that extent was reduced further by the disposal of assets and the scaling back of loans. TVP has entered into an agreement with the fund companies' creditors for claims to be asserted primarily against the investors. However the insolvency administrator is not bound by these agreements in the event that insolvency proceedings are initiated against the assets of fund companies. Yet the insolvency administrator likewise accepts assignment of claims against the investors and does not generally take action directly against the trust company.

## Financial risks

#### Measurement risks from equity investments

The MPC Capital Group holds various equity investments in enterprises, companies and assets. As part of its comprehensive and regular risk management, the MPC Capital Group reviews the intrinsic value of these equity investments and/or assets and where necessary corrects their carrying amounts on the separate and/or consolidated balance sheet of MPC Capital AG. Corporate law regulations at other long-term investees and investors may also result in changes to carrying amounts with a negative effect on the Group.

#### Liquidity risk

Liquidity risk monitoring is managed centrally in the MPC Capital Group. To ensure solvency, sufficient liquidity reserves are maintained so that payment obligations can be satisfied throughout the Group as they mature.

The MPC Capital Group has a comfortable level of liquidity. The liquidity available as at the balance sheet date of 31 December 2022 and the Group's financial liabilities as at the reporting date, along with the maturity structures, are reported in the notes to the consolidated financial statements of the MPC Capital Group and MPC Capital AG.

#### Interest rate risk

Risks from interest rate changes are rated as low for the MPC Capital Group. The company had not entered into any interest rate hedges as at the balance sheet date.

#### Risk of additional tax payments

It cannot be ruled out that the assessment reached by the tax authorities as part of future tax audits or based on a change in the administration of justice by the supreme court may differ from that reached by the MPC Capital Group or may alter previous measurements, and that the tax authorities may claim additional tax payments in respect of past assessment periods. The same applies to future assessment periods. The risk of additional tax payments is likewise associated with a not inconsiderable interest rate risk, since late additional tax payments in Germany fundamentally attract the statutory interest rate.

#### Currency risks

The MPC Capital Group is exposed to currency risks through its international business activities. These arise from changes in exchange rates between the Group currency (EUR) and other currencies.

The companies from the Shipping and Renewables asset units realise revenue in US dollars. Meanwhile expenditure is incurred largely in euros, so movements in the exchange rates can have a major impact on the result.

To hedge against currency risks, a significant portion of the contractually fixed US dollar revenues for 2022 was backed by derivative financial instruments. Exchange rate developments are continuously analysed as part of Group Treasury's activities so that currency hedges can be taken out as required.

#### Risk of bad debt and loss of income

The MPC Capital Group's business activities also include financing and management services for fund companies and subsidiaries. The Group has built up receivables in connection with this. The MPC Capital Group regularly conducts impairment testing of all receivables. Write-downs are recognised in the accounts and reported under other operating expenses; they amounted to EUR 3.7 million in the 2022 financial year (2021: EUR 1.6 million).

It cannot be ruled out that the MPC Capital Group will have to write down receivables in future as well.

#### Contingent liabilities

Contingent liabilities in accordance with Section 251 HGB amounted to EUR 2.2 million as at 31 December 2022 (31 December 2021: EUR 3.4 million); these mainly comprised directly enforceable warranties and guarantees. There are currently no indications that contingent liabilities will crystallise. The Management Board of MPC Capital AG therefore classifies the economic risk as low.

If one or more contingent liabilities were to crystallise, contrary to the assessment made by the company's Management Board, this could have a clear impact on the financial position of the MPC Capital Group.

## OVERALL ASSESSMENT OF RISK AND OPPORTUNITY SITUATION

The MPC Capital Group's overall risk and opportunity situation is the net result of the individual risks and opportunities presented above. The company has implemented an extensive risk management system to ensure that these risks are controlled. Even if the macroeconomic and geopolitical framework has changed substantially, the risk position of the MPC Capital Group has not deteriorated significantly since the previous year.

Based on the information available to us today, there are no risks that could present a threat to major Group companies or to the MPC Capital Group overall as going concerns.

## KEY FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM IN TERMS OF THE ACCOUNTING PROCESS

In terms of the accounting process, the risk management system is geared towards compliance with legal and industry standards, the correct recognition of items in the accounts and the appropriate assessment and consideration of accounting risks. Where the accounting process is concerned, therefore, the internal control and risk management system aims to ensure proper bookkeeping and accounting and guarantee the reliability of the financial reporting.

Ongoing monitoring takes place as part of an accounting-related internal control system (ICS), which is an integral part of the risk management system. The ICS contains legal and internal rules and procedures, as well as controls designed for prevention and detection.

The integrated safeguards are intended to prevent errors. Controls are designed to reduce the probability of errors occurring in workflows and to identify errors that may have occurred. In particular, these measures include the separation of functions, approval processes and the dual-control principle, IT controls, access restrictions and permissions concepts in the IT system.

Qualified employees, the use of standard industry software and clear internal standards and compliance with statutory provisions form the primary basis for a uniform and continuous accounting process within the MPC Capital Group.

As the parent company of the MPC Capital Group, MPC Capital AG is included in the accounting-related internal control system presented above. The above disclosures also apply in principle to the annual financial statements of MPC Capital AG.

## 6. Report on Expected Developments

The following forecasts contain assumptions that are not certain to materialise. If one or more assumptions fail to materialise, the actual events and developments may differ significantly from the forecasts presented.

### GENERAL ECONOMIC CONDITIONS

The war in Ukraine, very high inflation and rising interest rates have clearly dampened the underlying economic situation. Even if the sentiment indicators have recently shown a slight improvement thanks to healthy labour market data and the reduced risk of an energy crisis in Europe, the global challenge facing economic policy is to hold high inflation in check without putting the brakes on the economy too abruptly. For 2023, the Institute for the World Economy ("IfW") anticipates 2.2 % growth in global output, following on from 3.2 % in 2022. In the eurozone and Germany, the economy finds itself in a phase of stagflation. The IfW expects 2023 to feature a slight decline in gross domestic product of -0.1 % in the eurozone (2022: 3.0 %) and -0.3 % for Germany (2022: 1.5 %).

The sharp rise in inflation led to a more restrictive monetary policy across the world. The ECB agreed its latest key rate rise to 3.0 % at the start of February 2023 and announced further interest rate moves to keep inflation under control. In response to the latest renewed slight uptick in inflation in the United States, the Federal Reserve there scaled back the rate of interest rate rises and put up the key rate by a modest 25 basis points at the start of February 2023 - to a new range of 4.5 to 4.75 %, the highest interest rate level since November 2007.

The US dollar initially appreciated sharply against the euro in 2022 and even moved below parity with the euro mid-way through the year. More recently, growing uncertainty about the continuing economic development of the United States helped the euro stage clear recovery. For 2023, leading banks expect a volatile, range-bound development.

The French asset manager Amundi believes investors should give greater consideration to investments in real assets (private markets) because of the prevailing environment of rising interest rates, slowing global growth and sustained inflation. It sees such investments as more resilient in the current phase. It identifies

decarbonization as a priority for governments, but with additional private capital needed to top up public-sector financing. It points out that massive new investment is needed not just in the construction of solar and wind farms, but also in the digitalization of grids to handle the changeover to new forms of power generation. Substantial new infrastructure investment would also be required to achieve energy independence from Russia and fossil fuels.

### ANTICIPATED BUSINESS PERFORMANCE

Operationally, business development in 2023 will focus mainly on the further expansion of the investment platforms for renewable energies, sustainable real estate projects and shipping activities, with an emphasis on projects that involve the decarbonization of shipping.

The forecast for the 2023 financial year is based on the assumption that geopolitical tension does not worsen and there is no huge deterioration in the financial and economic environment.

**Real Estate:** Following the sell-off of activities in the Netherlands, for the time being the MPC Capital Group is concentrating on the German real estate market. The shift in the interest rate environment and increased construction costs have made it significantly harder to identify investments that give investors the level of returns they want. Conversely, the change in the market environment is creating opportunities for new investment projects. MPC Capital continues to look to sell off office properties from its existing funds and thus potentially generate extra transaction proceeds.

In the **Renewables** area, 2023 will see the MPC Capital Group focus on the further expansion of its investment strategy in Central America and the Caribbean, and assess whether to launch further investment vehicles. Its focus will initially be on onboarding further projects for MPC Energy Solutions and on measures to increase its capital resources in order to generate extra growth potential. In addition, the MPC Capital Group is examining whether to enter further markets. Against a backdrop of pressure to achieve global climate targets, there is an extremely high need for investment. With its proven business model, MPC Capital consequently also has excellent opportunities for growth in established markets.

In the **Shipping** unit, despite the increased market uncertainty MPC Capital expects the very dynamic trend to continue and the capacity utilisation of the fleet managed by MPC Capital Group companies to remain high, thanks in part to medium-term contracts. There is also substantial interest in further fleet renewal projects, especially involving alternative, sustainable propulsion

technologies. The equity investment in MPC Container Ships ASA offers the prospect of sustained returns well beyond 2023, as do the projects that MPC Capital positioned in 2022.

**Forecast for the MPC Capital Group:** For the 2023 financial year, the Management Board expects consolidated revenue that is likely to be on a par with the previous year.

After adjustment for the non-recurring effect from the sale of the Dutch real estate activities in the 2022 financial year, a further improvement in profitability is expected in the 2023 financial year. Consolidated earnings before tax (EBT) should be in the range of EUR 15.0 million to EUR 20.0 million because of a lower cost base and sustained high income from co-investments.

Liquidity should decline noticeably, due to a combination of a positive operating cash flow, steady capital returns from co-investments and a sharp rise in investing activities in the course of the financial year. The Management Board continues to target an equity ratio of more than 70 %.

For the **Group parent, MPC Capital AG**, the Management Board expects income and expenses as well as EBT for the 2023 financial year to be on a par with the previous year. The liquidity level and equity ratio should equally be in line with the previous year.

Hamburg, 20 February 2023



**Ulf Holländer**  
Chairman



**Constantin Baack**



**Dr Philipp Lauenstein**

# CONSOLIDATED FINANCIAL STATEMENTS

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# Consolidated Balance Sheet

## ASSETS

EUR'000	31/12/2022	31/12/2021
<b>A. Fixed assets</b>	<b>57,829</b>	<b>60,088</b>
<b>I. Intangible assets</b>	<b>2,138</b>	<b>2,979</b>
1. Purchased concessions, industrial rights and software	211	226
2. Goodwill	1,928	2,753
<b>II. Tangible assets</b>	<b>768</b>	<b>694</b>
1. Land, land rights and buildings including buildings on third-party land	164	550
2. Other fixtures and fittings, operating and office equipment	144	144
3. Advance payments	460	0
<b>III. Financial assets</b>	<b>54,923</b>	<b>56,415</b>
1. Shares in affiliated companies	156	537
2. Shares in associated companies	29,270	15,986
3. Equity investments	16,383	23,552
4. Investment securities	8,534	8,344
5. Other loans	581	7,996
<b>B. Current assets</b>	<b>92,767</b>	<b>74,268</b>
<b>I. Receivables and other assets</b>	<b>23,700</b>	<b>35,771</b>
1. Trade receivables	3,279	8,540
2. Receivables from other long-term investees and investors	1,951	9,991
3. Other assets	18,470	17,240
<b>II. Cash in hand and bank balances</b>	<b>69,068</b>	<b>38,497</b>
<b>C. Prepaid expenses</b>	<b>196</b>	<b>204</b>
<b>Total assets</b>	<b>150,792</b>	<b>134,559</b>

Note: Rounding differences may occur.

## EQUITY AND LIABILITIES

EUR '000	31/12/2022	31/12/2021
<b>A. Equity</b>	<b>123,189</b>	<b>100,761</b>
I. Subscribed capital	35,248	35,248
II. Additional paid-in capital	51,917	51,917
III. Difference in equity from currency translation	-15	-26
IV. Net retained profits	29,582	7,825
V. Minority interest	6,457	5,797
<b>B. Provisions</b>	<b>20,337</b>	<b>19,624</b>
1. Provisions for taxes	4,029	4,667
2. Other provisions	16,308	14,957
<b>C. Liabilities</b>	<b>7,158</b>	<b>14,006</b>
1. Liabilities to banks	331	771
2. Trade payables	2,051	975
3. Liabilities to other long-term investees and investors	836	3,771
4. Other liabilities	3,941	8,489
<b>D. Deferred income</b>	<b>108</b>	<b>168</b>
<b>Total equity and liabilities</b>	<b>150,792</b>	<b>134,559</b>

Note: Rounding differences may occur.

# Consolidated Income Statement

from 1 January to 31 December 2022

EUR '000	2022	2021
1. Revenue	36,492	42,284
2. Other operating income	26,496	16,369
3. Cost of materials: cost of purchased services	-2,699	-2,099
4. Personnel expenses	-19,751	-21,882
a) Wages and salaries	-17,710	-19,425
b) Social security, post-employment and other employee benefit costs	-2,041	-2,457
5. Amortisation of intangible fixed assets and depreciation of tangible assets	-1,365	-1,989
6. Other operating expenses	-23,590	-20,944
<b>7. Operating result</b>	<b>15,582</b>	<b>11,739</b>
8. Income from equity investments	2,403	1,245
9. Other interest and similar income	1,028	2,211
10. Write-downs on financial assets	-3,033	-2,112
11. Interest and similar expenses	-502	-199
12. Result of associates carried at equity	15,744	-2,483
<b>13. Earnings before taxes (EBT)</b>	<b>31,222</b>	<b>10,401</b>
14. Taxes on income	-3,049	-3,077
<b>15. Earnings after taxes (EAT)</b>	<b>28,173</b>	<b>7,324</b>
16. Other taxes	-16	-107
<b>17. Consolidated net profit</b>	<b>28,157</b>	<b>7,217</b>
18. Minority interest	-2,170	-1,149
19. Profit carried forward (PY: loss carried forward)	7,825	-9,045
20. Withdrawal from other retained earnings	0	10,803
21. Dividends paid	-4,230	0
<b>22. Net retained profits</b>	<b>29,582</b>	<b>7,825</b>

Note: Rounding differences may occur.



# Consolidated Statement of Changes in Equity

## Capital and reserves attributable to the shareholders of the parent company

EUR '000	Share capital	Additional paid-in capital	Other retained earnings	Net retained result
<b>As at 1 January 2022</b>	<b>35,248</b>	<b>51,917</b>	<b>0</b>	<b>7,825</b>
Capital increase	0	0	0	0
Capital reduction	0	0	0	0
Profit distributions	0	0	0	-4,230
Changes in consolidation	0	0	0	0
Consolidated earnings	0	0	0	25,987
Currency translation differences	0	0	0	0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,987</b>
<b>As at 31 December 2022</b>	<b>35,248</b>	<b>51,917</b>	<b>0</b>	<b>29,582</b>

Note: Rounding differences may occur.

## Capital and reserves attributable to the shareholders of the parent company

EUR '000	Share capital	Additional paid-in capital	Other retained earnings	Net retained result
<b>As at 1 January 2021</b>	<b>33,471</b>	<b>54,092</b>	<b>10,804</b>	<b>-9,045</b>
Gradual acquisition of shares	0	-300	0	0
Capital increase	1,778	2,222	0	0
Capital reduction	0	0	0	0
Profit distributions	0	0	0	0
Changes in consolidation	0	-4,098	-1	0
Consolidated earnings	0	0	0	6,067
Withdrawal from other retained earnings	0	0	-10,803	10,803
Currency translation differences	0	0	0	0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-10,803</b>	<b>16,870</b>
<b>As at 31 December 2021</b>	<b>35,248</b>	<b>51,917</b>	<b>0</b>	<b>7,825</b>

Note: Rounding differences may occur.

## Minority interest

Difference in equity from currency translation	Equity	Shareholders' equity before allocation of retained earnings	Net retained result	Equity	Consolidated equity
-26	94,964	4,575	1,221	5,797	100,761
0	0	1,983	0	1,983	1,983
0	0	-1,735	0	-1,735	-1,735
0	-4,230	0	-982	-982	-5,212
0	0	-622	-153	-775	-775
0	25,987	0	2,170	2,170	28,157
11	11	0	0	0	11
11	25,998	0	2,170	2,170	28,168
-15	116,732	4,201	2,256	6,457	123,189

## Minority interest

Difference in equity from currency translation	Equity	Shareholders' equity before allocation of retained earnings	Net retained result	Equity	Consolidated equity
16	89,337	5,525	1,405	6,931	96,268
0	-300	0	0	0	-300
0	4,000	0	0	0	4,000
0	0	-104	0	-104	-104
0	0	0	-1,278	-1,278	-1,278
0	-4,099	-846	-55	-901	-5,000
0	6,067	0	1,149	1,149	7,217
0	6,067	0	1,149	1,149	7,217
-42	-42	0	0	0	-42
-42	6,025	0	1,149	1,149	7,174
-26	94,964	4,575	1,221	5,797	100,761

# Consolidated Cash Flow Statement

from 1 January to 31 December 2022

EUR '000	2022	2021
<b>Cash flow from operating activities</b>	<b>33,589</b>	<b>3,922</b>
Consolidated net profit	28,157	7,217
Amortisation of intangible assets and depreciation of tangible assets	1,365	1,989
Write-downs on financial assets	3,033	2,112
Result of associates carried at equity	-15,744	2,483
Gain/loss on the disposal of intangible and tangible assets	-2,156	-2,993
Gain on the disposal of financial assets	-17,625	-7,039
Changes in inventories, trade receivables and other assets not allocable to investing and financing activities	21,059	-7,627
Changes in trade payables and other liabilities not allocable to investing and financing activities	-3,292	712
Changes in other provisions	1,351	497
Proceeds from dividends	17,796	1,098
Income tax expense	3,049	3,077
Income taxes received / paid	-3,850	721
Interest expenses and interest income	435	2,003
Other non-cash expenses and income	11	-328
<b>Cash flow from investing activities</b>	<b>8,582</b>	<b>8,386</b>
Payments for investments in intangible and tangible assets	-1,288	-875
Payments for investments in financial assets	-30,007	-11,847
Proceeds from the disposal of intangible and tangible assets	205	3
Proceeds from the disposal of financial assets	38,384	20,934
Effects of changes in consolidation	-139	0
Interest received	112	25
Proceeds from dividends	1,315	146
<b>Cash flow from financing activities</b>	<b>-5,988</b>	<b>1,779</b>
Proceeds from other shareholders	1,983	618
Dividends paid by MPC Capital AG	-4,230	0
Dividends paid to other shareholders	-683	0
Payments to other shareholders	-1,572	-1,382
Repayments of borrowings	-690	-1,423
Interest paid	-21	-34
Effects of changes in consolidation	-775	0
Capital increases of MPC Capital AG (less costs of the capital increases)	0	4,000
<b>Changes in cash and cash equivalents</b>	<b>36,183</b>	<b>14,087</b>
Cash and cash equivalents at the start of the period	38,497	24,750
Effects of changes in consolidation	-5,612	-340
<b>Cash and cash equivalents at the end of the period</b>	<b>69,068</b>	<b>38,497</b>

Note: Rounding differences may occur.

Cash and cash equivalents corresponds to the balance sheet item "Cash in hand and bank balances".

Cash inflows that, in accordance with their economic character, result from cash inflows from non-current assets held in the course of operating activities (proceeds from disposals and dividends) are included in operating cash flow in the cash flow statement.

The cash and cash equivalents from the joint ventures using proportionate consolidation amount to EUR 3.2 million.

# Notes to the Consolidated Financial Statements

of MPC Münchmeyer Petersen Capital AG, Hamburg, as at 31 December 2022

## 1. BASIC INFORMATION

The MPC Münchmeyer Petersen Capital Group ("MPC Capital", "MPC Capital Group") is an independent asset and investment manager for real asset investments. MPC Münchmeyer Petersen Capital AG ("MPC Capital AG") is the Group parent. Together with its subsidiaries, MPC Capital AG develops and manages real asset investments and investment products for international institutional investors, family offices and professional investors. The financial year of MPC Capital AG and of its included subsidiaries corresponds to the calendar year.

MPC Münchmeyer Petersen Capital AG ("MPC Capital AG") is entered in the Commercial Register of the Hamburg District Court, Department B, under 72691 and its shares are listed in the "Scale" segment of Deutsche Börse AG. The company's registered office is Hamburg, Germany.

## 2. SUMMARY OF KEY ACCOUNTING POLICIES

The key accounting policies applied in the preparation of these consolidated financial statements are presented below. Unless stated otherwise, the policies described were applied consistently in the reporting periods presented.

### 2.1 Principles for the preparation of the financial statements

MPC Capital AG has prepared its consolidated financial statements for the 2022 financial year in accordance with German commercial law and the additional requirements of the German Stock Corporation Act (AktG). The consolidated financial statements were prepared on the assumption of business continuation.

The consolidated financial statements comprise the balance sheet, income statement, cash flow statement, notes and statement of changes in equity.

To enhance the clarity of presentation, various items have been grouped together in the consolidated balance sheet and consolidated income statement, and correspondingly shown separately and annotated in the notes to the consolidated financial statements. In addition, the additional disclosures required for individual items have been carried over into the notes to the consolidated financial statements. The consolidated income statement has been prepared according to the nature of expense method. In conformity with Section 265 (5) of the German Commercial Code (HGB) "Earnings before tax (EBT)" has been added to the consolidated income statement.

The financial statements of the companies included in the consolidated financial statements were prepared using uniform accounting principles. The accounting policies of subsidiaries were amended as necessary to ensure uniform Group accounting. The realisation and parity principle was observed.

The management report of the MPC Capital Group was combined with the management report of MPC Capital AG in application of Section 315 (5) HGB in conjunction with Section 298 (2) HGB.

The consolidated financial statements have been prepared in euros. Unless stated otherwise, all amounts are shown in thousand euros (EUR thousand, EUR '000). Commercial practice was followed in the rounding of amounts and percentages. As a result, minor rounding differences may occur.

These consolidated financial statements were approved by the Management Board and released for publication on 20 February 2023.

## 2.2 Principles and methods of consolidation

### 2.2.1 Consolidation

All domestic and international companies in which the MPC Capital Group can directly or indirectly influence financial and operating policy are included in the consolidated financial statements.

**Subsidiaries:** Subsidiaries are all companies (including special purpose entities) where MPC Capital AG can exercise a controlling influence over financial and operating policy (control). This is usually accompanied by a share in the voting rights of more than 50 %. Subsidiaries are included in the consolidated financial statements (fully consolidated) from the date at which MPC Capital AG assumes control. They are deconsolidated at the date on which control ends.

Companies founded by MPC Capital AG or acquired from third parties are included in the consolidated financial statements as at the acquisition date in line with the purchase method in accordance with Section 301 HGB. Under the remeasurement method applied, the acquisition cost of the shares acquired is offset against the applicable share of the assets, liabilities, prepaid expenses, deferred income and special reserves of the subsidiary measured at fair value as at the acquisition date. Any positive difference resulting from this, if deemed sound, is capitalised as derivative goodwill. Negative goodwill arising on consolidation as at the acquisition date is reported under equity as a difference arising on consolidation.

The subsidiaries previously not included in the consolidated financial statements in accordance with Section 296 HGB are reported at fair value upon first-time inclusion.

If further shares in a subsidiary are acquired or sold after control has been achieved (increase or decrease in interest) without the status of subsidiary being lost, this is presented as a capital process.

**Special purpose entities (SPE):** An SPE is a company formed for a clearly defined and limited purpose. If the MPC Capital Group bears the majority of the risks and rewards of its companies formed for limited and narrowly defined purposes, these companies are fully consolidated in accordance with Section 290 (2) No. 4 HGB.

**Minority interests:** In accordance with Section 307 HGB, an adjustment item is recognised in equity for shares in a subsidiary included in the consolidated financial statements held by a third-party shareholder in the amount of the pro rata equity. This item is updated in subsequent periods.

**Associates:** Associates are those companies over which MPC Capital AG exercises significant influence but does not control, usually entailing a share of voting rights of between 20 % and 50 %. Investments in associates are accounted for using the equity method in accordance with Section 312 HGB and recognised at amortised cost. The MPC Capital Group's investments in associates include the goodwill arising on acquisition (after taking into account accumulated impairment).

The MPC Capital Group's share in the profits and losses of associates is recognised in profit or loss from the date of acquisition. If the MPC Capital Group's share of the loss in an associate is equal to or exceeds the MPC Capital Group's share in that company, the MPC Capital Group does not recognise any further losses unless it has entered into commitments for or made payments on behalf of the associate.

The key accounting policies of associates are amended if necessary to ensure standardised accounting throughout the Group. Capital gains and losses resulting from the partial disposal of investments in associates are recognised in profit or loss.

**Joint venture:** A joint venture is a contractual agreement under which two or more partners pursue an economic activity under common control. HGB provides an option regarding inclusion in the consolidated financial statements: inclusion using either proportionate consolidation or the equity method.

MPC Capital recognises joint ventures using proportionate consolidation.

## 2.2.2 Consolidated companies

In addition to MPC Capital AG, 129 (previous year: 145) German and 5 (previous year: 16) international subsidiaries are included in consolidation.

The following table shows all fully consolidated companies in accordance with Section 313(2) No. 1 sentence 1 HGB:

Name of company	Shareholding
Albis Shipping & Transport GmbH & Co. KG, Hamburg	60.00% <sup>2)</sup>
AVB Ahrenkiel Vogemann Bolten GmbH & Co. KG, Hamburg	50.10% <sup>1)</sup>
AVB Verwaltungs GmbH, Hamburg	100.00%
CPM Anlagen Vertriebs GmbH, in liquidation, Vienna / Austria	100.00%
Deepsea Oil Explorer Plus GmbH & Co. KG, Hamburg	100.00% <sup>1)</sup>
Duisburg Invest Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00% <sup>1)</sup>
ELG Erste Liquidationsmanagement GmbH, Hamburg	100.00%
HLD Vermögensverwaltungsgesellschaft UG (haftungsbeschränkt), Hamburg	100.00%
Immobilienmanagement MPC Student Housing Venture GmbH, Quickborn	100.00%
Immobilienmanagement Sachwert Rendite-Fonds GmbH, Hamburg	100.00%
Management Sachwert Rendite-Fonds Immobilien GmbH, Hamburg	100.00%
Managementgesellschaft MPC Bioenergie mbH, Hamburg	100.00%
Managementgesellschaft MPC Global Maritime Opportunity Private Placement mbH, Hamburg	100.00%
Managementgesellschaft MPC Solarpark mbH, Hamburg	100.00%
Managementgesellschaft Oil Rig Plus mbH, Hamburg	100.00%
Managementgesellschaft Sachwert Rendite-Fonds Indien mbH, Hamburg	100.00%
MPC Achte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Achte Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Best Select Company Plan Managementgesellschaft mbH, Quickborn	100.00%
MPC Capital Advisory GmbH, Hamburg	100.00%
MPC Capital Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00% <sup>1)</sup>
MPC Capital GmbH, Hamburg	100.00%
MPC Capital Investments GmbH, Hamburg	100.00%
MPC CCEF Participation GmbH, Hamburg	100.00%
MPC Dritte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC ECOBOX OPCO 1 Beteiligungs GmbH & Co. KG, Hamburg	54.26% <sup>1)</sup>
MPC ECOBOX OPCO 2 Beteiligungs GmbH & Co. KG, Hamburg	77.56% <sup>1)2)</sup>
MPC ECOBOX OPCO 4 GmbH & Co. KG, Hamburg	100.00% <sup>1)2)</sup>
MPC Elfte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Erste Vermögensverwaltungsgesellschaft mbH, Quickborn	100.00%
MPC Fünfte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Industrial Projects GmbH, Hamburg	100.00%
MPC Investment Partners GmbH, Hamburg	100.00%
MPC Investment Services GmbH, Hamburg	100.00% <sup>1)</sup>
MPC Maritime Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00% <sup>1)</sup>
MPC Maritime Beteiligungsverwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Maritime Holding GmbH, Hamburg	100.00% <sup>1)</sup>
MPC Maritime Investments GmbH, Hamburg	100.00%
MPC Micro Living Development GmbH, Hamburg	100.00%
MPC Multi Asset Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Münchmeyer Petersen Real Estate Consulting GmbH, Hamburg	100.00%
MPC Neunte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Real Value Fund Verwaltungsgesellschaft mbH, Quickborn	100.00%
MPC Renewable Panama S.A., Panama	100.00%
MPC Schiffsbeteiligung Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Niebüll	100.00%
MPC Shipping Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00%
MPC Sechste Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Siebte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Silica Invest GmbH, Hamburg	100.00% <sup>2)</sup>
MPC Student Housing Beteiligungs UG & Co. KG, Quickborn	100.00%
MPC Venture Invest AG, Vienna / Austria	100.00%

MPC Vierte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Zehnte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Zweite Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MS STADT RAVENSBURG ERSTE T + H Verwaltungs GmbH, Hamburg	100.00%
MSV Vermögensverwaltungsgesellschaft mbH, Hamburg	100.00%
Panda Invest GmbH, Hamburg	100.00%
Palmaille Ship Invest GmbH, Hamburg	30.99% <sup>3)</sup>
PB BS GMO Verwaltungs GmbH, Hamburg	100.00%
PBH Maritime Verwaltungsgesellschaft mbH, Hamburg	100.00%
RES Inside B.V., Amsterdam / Netherlands	71.50%
RES Maxis B.V., Amsterdam / Netherlands	71.50%
TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH & Co. KG, Hamburg	100.00% <sup>1)</sup>
Verwaltung "Rio Blackwater" Schifffahrtsgesellschaft mbH, Hamburg	100.00%
Verwaltung "Rio Thompson" Schifffahrtsgesellschaft mbH, in liquidation, Hamburg	100.00%
Verwaltung "Rio Taku" Schifffahrtsgesellschaft mbH, in liquidation, Hamburg	100.00%
Verwaltung Achte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%
Verwaltung AIP Alternative Invest Private Equity GmbH, Hamburg	100.00%
Verwaltung Asien Opportunity Real Estate GmbH, Hamburg	100.00%
Verwaltung Bluewater Investments GmbH, Hamburg	100.00%
Verwaltung Dreiundfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Dreiundvierzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Dritte MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH, Quickborn	100.00%
Verwaltung Dritte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%
Verwaltung Einundsiebzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Elfte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%
Verwaltung Fünfte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%
Verwaltung MPC Bioenergie Brasilien GmbH, Hamburg	100.00%
Verwaltung MPC Capital Beteiligungsgesellschaft mbH, Hamburg	100.00%
Verwaltung MPC Global Maritime Opportunity Private Placement GmbH, Hamburg	100.00%
Verwaltung MPC Real Estate Opportunity Private Placement Amerika GmbH, Quickborn	100.00%
Verwaltung MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH, Quickborn	100.00%
Verwaltung MPC Sachwert Rendite-Fonds Opportunity Asien GmbH, Hamburg	100.00%
Verwaltung MPC Solarpark GmbH, Hamburg	100.00%
Verwaltung MPC Student Housing Beteiligung UG, Quickborn	100.00%
Verwaltung MPC Student Housing Venture GmbH, Quickborn	100.00%
Verwaltung Neunte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%
Verwaltung Neunundfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Neunundsechzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Sachwert Rendite-Fonds Indien GmbH, Hamburg	100.00%
Verwaltung Sachwert Rendite-Fonds Japan GmbH, Quickborn	100.00%
Verwaltung Sachwert Rendite-Fonds Österreich GmbH, Hamburg	100.00%
Verwaltung Schifffahrtsgesellschaft MS "PEARL RIVER" mbH, in liquidation, Hamburg	100.00%
Verwaltung Schifffahrtsgesellschaft MS "YANGTZE RIVER" mbH, in liquidation, Hamburg	100.00%
Verwaltung Sechste Sachwert Rendite-Fonds Deutschland (Private Placement) GmbH, Hamburg	100.00%
Verwaltung Sechsendvierzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung SHV Management Participation GmbH, Quickborn	100.00%
Verwaltung Siebenundfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Siebenundvierzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Siebte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%
Verwaltung Siebzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung TVP Treuhand GmbH, Hamburg	100.00%
Verwaltung Vierundfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Wilhemsen Ahrenkiel GmbH, Hamburg	100.00%
Verwaltung Zehnte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%
Verwaltung ZLG Abwicklungsgesellschaft mbH, Hamburg	100.00%
Verwaltung Zweite MPC Real Estate Opportunity Private Placement Amerika GmbH, Quickborn	100.00%
Verwaltung Zweite MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH, Quickborn	100.00%
Verwaltung Zweite Reefer-Flottenfonds GmbH, Hamburg	100.00%
Verwaltung Zweite Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%

Verwaltung Zweiundsiebzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltungsgesellschaft Achte MPC Global Equity mbH, Hamburg	100.00%
Verwaltungsgesellschaft Deepsea Oil Explorer Protect GmbH, Hamburg	100.00%
Verwaltungsgesellschaft Dritte MPC Rendite-Fonds Britische Leben plus mbH, Hamburg	100.00%
Verwaltungsgesellschaft Duisburg Invest mbH, Hamburg	100.00%
Verwaltungsgesellschaft Elfte Private Equity GmbH, Hamburg	100.00%
First Fleet Philipp Beteiligungs GmbH, Delmenhorst	100.00%
Verwaltungsgesellschaft MPC Global Equity Step by Step II mbH, Hamburg	100.00%
Verwaltungsgesellschaft MPC Global Equity Step by Step III mbH, Hamburg	100.00%
Verwaltungsgesellschaft MPC Global Equity Step by Step IV mbH, Hamburg	100.00%
Verwaltungsgesellschaft MPC Global Equity Step by Step mbH, Hamburg	100.00%
Verwaltungsgesellschaft MPC Rendite-Fonds Britische Leben plus II mbH, Quickborn	100.00%
Verwaltungsgesellschaft MPC Rendite-Fonds Britische Leben plus mbH, Quickborn	100.00%
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus V mbH, Quickborn	100.00%
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus VI mbH, Quickborn	100.00%
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus VII mbH, Quickborn	100.00%
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus spezial III mbH, Quickborn	100.00%
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus spezial IV mbH, Quickborn	100.00%
Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus spezial V mbH, Quickborn	100.00%
Verwaltungsgesellschaft Neunte Global Equity mbH, Hamburg	100.00%
Verwaltungsgesellschaft Oil Rig Plus mbH, Hamburg	100.00%
Verwaltungsgesellschaft Siebte MPC Global Equity mbH, Hamburg	100.00%
Zweite MPC Best Select Company Plan Managementgesellschaft mbH, Quickborn	100.00%
ZLG Abwicklungsgesellschaft mbH & Co. KG, Hamburg	100.00% <sup>1)</sup>

1) These companies make use of the exemption provisions of Section 264 (3) and Section 264b HGB.

2) Companies fully consolidated for the first time in the financial year.

3) Corporate-law agreements result in control over these companies.

In total, 7 (previous year: 14) German and 5 (previous year: 6) international subsidiaries were not included in the consolidated financial statements. These companies conduct no significant business operations, and even combined they are not material to the presentation of a true and fair view of the net assets, financial position and results of operations of the MPC Capital Group in accordance with Section 296 (2) HGB and are therefore recognised at acquisition cost.

The following table shows all non-consolidated companies in accordance with Section 313 (2) No. 1 sentence 2 HGB:

Name of company	Shareholding
Asien Opportunity Real Estate GmbH & Co. KG, Hamburg	100.00%
CCEF (Barbados) Feeder Limited, Barbados	100.00%
MPC Caribbean Clean Energy Feeder Ltd., Trinidad and Tobago	100.00%
MPC Clean Energy Ltd., Cayman Islands	100.00%
MPC Multi Asset Schiff Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Student Housing Venture I GmbH & Co. KG, Quickborn	100.00%
MPC Team Investment GP Ltd., Cayman Islands	100.00%
MPC Team Investment LP, Cayman Islands	100.00%
MVG Maritime Verwaltungsgesellschaft mbH, Hamburg	100.00%
Verwaltung Beteiligungsgesellschaft Reefer-Flottenfonds mbH, Hamburg	100.00%
Verwaltung Reefer-Flottenfonds GmbH, Hamburg	100.00%
Talleur GmbH, Hamburg	50.10%

### a) Associates

The following companies are associates and are included in consolidation at equity in accordance with Section 312 HGB:

Name of company	Shareholding
Ahrenkiel Steamship Asset Holding GmbH & Co. KG, Hamburg	50.00%
Aurum Insurance Ltd., Isle of Man	50.00%
Barber Ship Management Germany GmbH & Co. KG, Hamburg	20.00%
BB Amstel B.V., Amsterdam / Netherlands	41.49%
BBG Bulk Beteiligungs GmbH & Co. KG, Hamburg	35.00%
BHK Bionenergie Holding GmbH & Co. KG, Hamburg	20.00%
Bluewater Investments GmbH & Co. KG, Hamburg	40.39%
Breakwater Shipbrokers GmbH, Hamburg	40.00%
CSI Beteiligungsgesellschaft mbH, Hamburg	21.97%
Global Vision AG Private Equity Partners, in liquidation, Rosenheim	31.88%
MPC Bioenergie GmbH & Co. KG, Hamburg	46.67%
MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg	25.10%
Parque Eólico Wakuaipa S.A.S., Bogotá / Colombia	100.00% <sup>1)</sup>
SHV Management Participation GmbH & Co. KG, Quickborn	51.25%
Topeka MPC Maritime AS, Oslo / Norway	50.00%
Trevamare Management Holding GmbH, Hamburg	50.00%
Waterway IT Solutions GmbH & Co. KG, Hamburg	30.04%
Wessels Marine GmbH, Hamburg	27.50%

1) The shares are partly held for sale.

### b) Joint ventures

The following companies are joint ventures and are included in consolidation proportionately in accordance with Section 310 HGB:

Name of company	Shareholding
Harper Petersen Holding GmbH & Co. KG, Hamburg	60.00% <sup>1)</sup>
Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG, Hamburg	50.00%

1) On the basis of agreements under company law, this company is under common control.

## 2.2.3 Changes in consolidation

### a) Additions

The following companies were fully consolidated for the first time in the financial year:

- + Albis Shipping & Transport GmbH & Co. KG, Hamburg (shareholding: 60.0 percent)
- + MPC ECOBOX OPCO 2 Beteiligungs GmbH & Co. KG, Hamburg (shareholding: 77.56 percent)
- + MPC ECOBOX OPCO 4 GmbH & Co. KG, Hamburg (shareholding: 100.0 percent)
- + MPC Shipping Beteiligungsgesellschaft mbH & Co. KG, Hamburg (shareholding: 100.0 percent)

### b) Disposals

The following companies were deconsolidated in the financial year:

- + Anteil Austria an der Verwaltung "Michelangelo Star" Schiffahrtsgesellschaft mbH, in liquidation, Hamburg
- + Anteil Austria an der Verwaltung "Miro Star" Schiffahrtsgesellschaft mbH, in liquidation, Hamburg
- + Beteiligungsverwaltungsgesellschaft MPC Solarpark mbH, Hamburg

- + Cairn KS Management Services Real Estate B.V., Amsterdam / Netherlands
- + Dutch REAM B.V., Amsterdam / Netherlands
- + HCRE Beheerder B.V., Amsterdam / Netherlands
- + IAK Fonds Management GmbH, in liquidation, Hamburg
- + MPC Lux Investments SARL, Luxembourg
- + MPC Maritime PTE Ltd., Singapore
- + MPC Zweite Holland Vermögensstrukturfonds Verwaltungsgesellschaft mbH, in liquidation, Hamburg
- + Real Estate Growth Fund Management B.V., Amsterdam / Netherlands
- + RES Participations B.V., Amsterdam / Netherlands
- + RES Transit II B.V., Amsterdam / Netherlands
- + Verwaltung "Mahler Star" Schiffahrtsgesellschaft mbH, in liquidation, Hamburg
- + Verwaltung "Manet Star" Schiffahrtsgesellschaft mbH, in liquidation, Hamburg
- + Verwaltung "Mendelssohn Star" Schiffahrtsgesellschaft mbH, in liquidation, Hamburg
- + Verwaltung "Menotti Star" Schiffahrtsgesellschaft mbH, in liquidation, Hamburg
- + Verwaltung "Michelangelo Star" Schiffahrtsgesellschaft mbH, in liquidation, Hamburg
- + Verwaltung "Miro Star" Schiffahrtsgesellschaft mbH, in liquidation, Hamburg
- + Verwaltung "Monteverdi Star" Schiffahrtsgesellschaft mbH, in liquidation, Hamburg
- + Verwaltung Achtundsechzigste Sachwert Rendite-Fonds Holland GmbH, in liquidation, Hamburg
- + Verwaltung Beteiligungsgesellschaft Vorzugskapital Rio - Schiffe mbH, in liquidation, Hamburg
- + Verwaltung Fünfundfünfzigste Sachwert Rendite-Fonds Holland GmbH, in liquidation, Hamburg
- + Verwaltung Sechsfundfünfzigste Sachwert Rendite-Fonds Holland GmbH, in liquidation, Hamburg
- + Verwaltung Siebenundsechzigste Sachwert Rendite-Fonds Holland GmbH, in liquidation, Hamburg
- + Verwaltung Vierundvierzigste Sachwert Rendite-Fonds Holland GmbH, in liquidation, Hamburg
- + Verwaltungsgesellschaft MPC Rendite-Fonds Leben plus IV mbH, in liquidation, Quickborn

#### **c) Mergers**

The following company was merged with MPC Capital GmbH, Hamburg, in the financial year:

- + MPC Real Estate Solutions GmbH, Hamburg

#### **d) Changes to the consolidated balance sheet and consolidated income statement**

The following changes result from the deconsolidation of Cairn Real Estate B.V., Amsterdam / Netherlands, the shares of which were sold to a British investor at the end of January 2022 for strategic reasons, as well as from the intrayear switch from proportionate consolidation to full consolidation for Albis Shipping & Transport GmbH & Co. KG, Hamburg.

**Consolidated balance sheet**

	EUR million
A. Fixed assets	-3.5
B. Current assets	-5.9
C. Provisions	-1.0
D. Liabilities	-0.1

Note: Rounding differences may occur.

**Consolidated income statement**

	EUR million
Revenue	-5.9
Cost of purchased materials	0.3
Gross profit	-5.6
Personnel expenses	3.2
Other operating expenses	1.6
Financial result	-1.2
<b>Earnings before tax</b>	<b>-2.0</b>
Taxes on income	0.1
<b>Earnings after tax / consolidated earnings</b>	<b>-1.9</b>

Note: Rounding differences may occur.

**2.2.4 Consolidation of intragroup balances, consolidation of income and expenses, elimination of intragroup profits**

Receivables and liabilities, revenues, expenses and income are eliminated within the consolidated group. This also includes contingent liabilities and other financial obligations within the consolidated group.

There were no material intragroup profits between the companies included in consolidation.

## 2.3 Currency translation

**a) Transactions**

Transactions in foreign currencies are translated into the reporting currency at the exchange rate on the date of the transaction.

Foreign currency receivables and liabilities with a remaining term of less than one year are measured using the respective middle spot rate on the balance sheet date in accordance with Section 256a HGB. The resulting translation differences are recognised as other operating income or other operating expenses in the reporting period. All foreign currency receivables and liabilities with a remaining term of more than one year are translated in compliance with the realisation principle (§ 252 (1) No. 4, second half of sentence, HGB) and the historical cost convention (§ 253 (1) HGB).

**b) Group companies**

The modified closing rate method is used in accordance with Section 308a HGB to translate the financial statements of subsidiaries whose reporting currency differs from the euro. Asset and liability items are translated using the respective middle spot rate on the balance sheet date, and expense and income items using the average rate. Items of equity are translated using the historic rates that applied on first-time inclusion in consolidation. Accounting currency translation differences are recognised directly in equity under reserves as "Difference in equity from currency translation" until the foreign operation is sold.

The same principles are used to translate the financial statements of international subsidiaries measured using the equity method as for subsidiaries included in consolidation.

**c) Exchange rates**

Exchange rates for the currencies significant to the MPC Capital Group:

per EUR	Reporting date rate		Annual average rate	
	31/12/2022	31/12/2021	2022	2021
British pound sterling	0.8869	0.8403	0.8528	0.8596
Brazilian real	5.6386	6.3101	5.4399	6.3779
Canadian dollar	1.4440	1.4393	1.3695	1.4826
Colombian peso	5,191.05	4,627.59	4,472.25	4,428.74
Norwegian krone	10.5138	9.9888	10.1026	10.1633
Swiss franc	0.9847	1.0331	1.0047	1.0811
US dollar	1.0666	1.1326	1.0530	1.1827

These are the interbank rates as at 31 December 2022 and 31 December 2021.

## 2.4 Intangible assets

Acquired intangible assets with a temporally limited useful life are recognised at cost. They are amortised in line with their respective useful lives. With the exception of goodwill, amortisation is recognised on a straight-line basis over a period of three to five years. Impairment losses are recognised by way of write-downs. If the reasons for write-downs no longer apply, they are reversed up to a maximum of amortised cost for the intangible assets in question, with the exception of goodwill.

Goodwill is the excess of the cost of company acquisitions over the fair value of the Group's interest in the net assets of the company acquired as at the date of acquisition. In accordance with Section 309 (1) in conjunction with Section 253 (3) p. 1 pp. HGB, goodwill arising from company acquisitions is amortised annually in line with the expected useful life. The goodwill identified is amortised on a scheduled straight-line basis over its period of use of seven years because it is expected to be recouped over that period. If there are indications of expected permanent impairment, write-downs are recognised in accordance with Section 309 (1) in conjunction with Section 253 (3) sentence 5 HGB. Reversals of write-downs are prohibited under Section 309 (1) in conjunction with Section 253 (5) sentence 2 HGB.

## 2.5 Tangible assets

Leasehold improvements as well as operating and office equipment are reported at cost less accumulated depreciation and any write-downs. Depreciation is usually recognised by the straight-line method over the anticipated, normal useful life of the asset. The anticipated, normal useful life is three to ten years.

Leasehold improvements in rented premises are depreciated on a straight-line basis over the shorter of the tenancy or anticipated useful life of the leasehold improvements, usually three to 15 years.

Depreciation of operating and office equipment as well as of leasehold improvements is reported under depreciation and amortisation expense. Costs for maintenance and repairs are expensed as incurred. Gains or losses from disposals are recognised under other operating income or other operating expenses.

## 2.6 Financial assets

Financial assets are recognised at cost upon transfer of economic or legal ownership and measured at the lower fair value on the balance sheet date if permanent impairment is expected.

## 2.7 Receivables and other assets

Receivables and other assets are measured at nominal amount, possibly less impairment for specific risks.

Impairment losses are recognised on receivables for specific risks if there is objective evidence that the amounts due by a debtor are not fully recoverable. Considerable financial difficulties or an increased likelihood that a debtor will enter insolvency or other restructuring proceedings are regarded as indicators of impairment. Conversely, if the probability of a bad debt is considered to be low, a receivable that is already impaired is written up again. Impairment losses and write-ups on receivables are recognised in other operating expenses or income.

## 2.8 Bank balances and cash in hand

Bank balances and cash in hand are carried at nominal amount.

## 2.9 Prepaid expenses and deferred income

Prepaid expenses and deferred income are recognised for expenses and income in each case before the balance sheet date that represent expenses and income for the period after the balance sheet date.

## 2.10 Provisions

Provisions take into account all identifiable risks and uncertain obligations at the time of preparation of the financial statements, as well as expected losses from pending transactions relating to the past financial year.

They are measured at the settlement amount determined in line with reasonable commercial judgement in accordance with Section 253(1) sentence 2 HGB, taking account of expected price and cost increases.

Long-term provisions with a remaining term of over one year are discounted in accordance with Section 253(2) sentence 1 HGB using the average market interest rate for the last seven financial years appropriate to their remaining term. Increases in the amounts of provisions resulting from interest are recognised in profit and loss under net interest income.

The provisions for expected losses which may arise in connection with the measurement of derivative financial instruments are determined according to the closing-out method.

## 2.11 Liabilities

Liabilities are carried at the settlement amount in accordance with Section 253(1) sentence 2 HGB.

## 2.12 Current and deferred taxes

Deferred tax expense or income is reported for temporary differences between the figures reported in the tax accounts and the figures reported in the HGB consolidated financial statements and for tax loss carryforwards. Deferred tax assets are reported if it is likely that there will be taxable income against which the deductible temporary difference can be used. Deferred tax liabilities, which arise as a result of temporary differences in connection with investments in subsidiaries and associates, are reported unless the date of the reversal of the temporary differences can be determined by the MPC Capital Group and it is likely that the temporary differences will not reverse on the basis of this influence for the foreseeable future.

Deferred taxes are measured using the tax rates and tax legislation applicable on the balance sheet date or which have in essence been legally adopted and are expected to apply on the date the deferred tax assets are realised or the deferred tax liability is settled. The option to capitalise according to Section 298(1) HGB in conjunction with Section 274 HGB for the asset surplus of primary deferred taxes was not exercised. Deferred tax assets and liabilities resulting from the consolidation of capital are reported offset. A tax rate of 32.28 % is used as the basis.



## 3. NOTES TO THE CONSOLIDATED BALANCE SHEET

### 3.1 Development of fixed assets

EUR '000	Costs				As at 31/12/2022
	As at 01/01/2022	Additions	Disposals	Change in consolidation	
<b>I. Intangible assets</b>					
1. Purchased concessions, industrial rights and software	1,930	70	7	3	1,996
2. Goodwill	29,850	730	0	-901	29,679
	<b>31,780</b>	<b>800</b>	<b>7</b>	<b>-898</b>	<b>31,675</b>
<b>II. Tangible assets</b>					
1. Land, land rights and buildings, including buildings on third-party land	2,017	13	0	-595	1,435
2. Other fixtures and fittings, operating and office equipment	2,589	134	36	-109	2,578
3. Advance payments	0	460	0	0	460
	<b>4,606</b>	<b>607</b>	<b>36</b>	<b>-704</b>	<b>4,473</b>
<b>III. Financial assets</b>					
1. Shares in affiliated companies	4,554	337	730	0	4,162
2. Shares in associated companies	16,705	22,846	20,470	10,508	29,589
3. Equity investments	39,182	12,163	4,986	-15,184	31,175
4. Investment securities	8,344	191	0	0	8,534
5. Other loans	16,440	469	4,390	-5,566	6,953
	<b>85,225</b>	<b>36,006</b>	<b>30,576</b>	<b>-10,242</b>	<b>80,413</b>
<b>Fixed assets</b>	<b>121,611</b>	<b>37,413</b>	<b>30,619</b>	<b>-11,844</b>	<b>116,561</b>

Note: Rounding differences may occur.

Depreciation and amortisation						Carrying amount		
As at 01/01/2022	Additions	Disposals	Write-ups	Change in consolidation	As at 31/12/2022	As at 31/12/2022	As at 31/12/2021	
1,703	86	7	0	3	1,785	211	226	
27,097	1,129	0	0	-475	27,752	1,928	2,753	
<b>28,800</b>	<b>1,215</b>	<b>7</b>	<b>0</b>	<b>-472</b>	<b>29,537</b>	<b>2,138</b>	<b>2,979</b>	
1,467	51	0	0	-247	1,271	164	550	
2,445	99	31	0	-79	2,434	144	144	
0	0	0	0	0	0	460	0	
<b>3,911</b>	<b>150</b>	<b>31</b>	<b>0</b>	<b>-326</b>	<b>3,705</b>	<b>768</b>	<b>694</b>	
4,017	1	12	0	0	4,006	156	537	
719	127	22	505	0	319	29,270	15,986	
15,631	584	1,356	69	3	14,793	16,383	23,552	
0	0	0	0	0	0	8,534	8,344	
8,444	2,321	3,821	0	-572	6,372	581	7,996	
<b>28,811</b>	<b>3,033</b>	<b>5,211</b>	<b>574</b>	<b>-569</b>	<b>25,490</b>	<b>54,923</b>	<b>56,415</b>	
<b>61,522</b>	<b>4,398</b>	<b>5,249</b>	<b>574</b>	<b>-1,367</b>	<b>58,732</b>	<b>57,829</b>	<b>60,088</b>	

## 3.2 Intangible assets

The intangible assets are predominantly made up of goodwill arising in the course of first-time consolidation of the following companies:

EUR '000	31/12/2022	31/12/2021
Albis Shipping & Transport GmbH & Co. KG, Hamburg	1,928	1,698
HCRE Beheerder B.V., Amsterdam / Netherlands <sup>1</sup>	0	621
Harper Petersen Holding GmbH & Co. KG, Hamburg	0	168
MPC Capital GmbH, Hamburg	0	157
Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG, Hamburg	0	108
<b>Goodwill</b>	<b>1,928</b>	<b>2,753</b>

Note: Rounding differences may occur.

1) The equity investment was sold in the first half of the 2022 financial year.

Subsequent acquisition costs for the acquisition of the shares of Albis Shipping & Transport GmbH & Co. KG, Hamburg, increased the relevant goodwill figure. Goodwill has been reduced by disposal transactions and amortisation.

## 3.3 Tangible assets

Leasehold improvements and operating and office equipment or related advance payments account for the bulk of tangible assets. No write-downs were made.

## 3.4 Financial assets

### 3.4.1 Shares in associated companies and equity investments

Shares in associated companies and equity investments are made up as follows:

EUR '000	31/12/2022	31/12/2021
<b>1. Shares in associated companies</b>	<b>29,270</b>	<b>15,986</b>
CSI Beteiligungsgesellschaft mbH, Hamburg	11,943	0
Bluewater Investments GmbH & Co. KG, Hamburg	7,412	8,262
Ahrenkiel Steamship Asset Holding GmbH & Co. KG, Hamburg	3,270	0
BB Amstel B.V., Amsterdam / Netherlands	3,060	5,400
Parque Eólico Wakuaipa S.A.S., Bogotá / Colombia	741	812
Topeka MPC Maritime AS, Oslo / Norway	717	0
BBG Bulk Beteiligungs GmbH & Co. KG, Hamburg	714	650
Trevamare Management Holding GmbH, Hamburg	492	0
Waterway IT Solutions GmbH & Co. KG, Hamburg	388	100
Aurum Insurance Ltd., Isle of Man	309	161
Data Invest B.V., Amsterdam / Netherlands <sup>1</sup>	0	226
Other investments in associates	224	375
<b>2. Equity investments</b>	<b>16,383</b>	<b>23,552</b>
MPC ECOBOX OPCO 2 GmbH & Co. KG, Hamburg	4,156	1,682
MPC Caribbean Clean Energy Fund LLC, Cayman Islands	3,730	3,730
Chemtrans Carolina UG (haftungsbeschränkt) & Co. KG, Hamburg <sup>2</sup>	1,923	0
Zweite Sachwert Rendite-Fonds Deutschland Technology GmbH & Co. KG, Hamburg	1,451	1,451
Stille Beteiligungen MPC IT Services GmbH & Co. KG, Hamburg	840	840
ECOBX II AS, Oslo / Norway	741	634
Atlantica Bay AS, Oslo / Norway	589	589
Atlantica Breeze AS, Oslo / Norway	523	628
Njord Julie AS, Oslo / Norway	392	681
MPC ECOBOX OPCO 1 GmbH & Co. KG, Hamburg	312	1,374
AG CRE Maxis C.V., Amsterdam / Netherlands	270	541
AG CRE Netherlands C.V., Amsterdam / Netherlands	60	26
Burgundy Container AS, Oslo / Norway	20	140
CSI Beteiligungsgesellschaft mbH, Hamburg	0	6,030
MPC Student Housing Venture I GmbH & Co. KG, Quickborn	0	575
Atlantic Bridge AS, Oslo / Norway <sup>1</sup>	0	1,109
AT&C Amstel Holdings B.V., Amsterdam / Netherlands <sup>1</sup>	0	746
Danubia Tanker AS, Oslo / Norway <sup>1</sup>	0	272
Transit Holding II B.V., Amsterdam / Netherlands <sup>1</sup>	0	128
Other equity investments, in particular various investment companies	1,376	2,375

Note: Rounding differences may occur.

1) The equity investment was sold in the 2022 financial year.

2) The equity investment was acquired in the 2022 financial year.

MPC Capital indirectly holds shares in MPC Container Ships ASA through CSI Beteiligungsgesellschaft mbH, Hamburg, and Bluewater Investments GmbH & Co. KG, Hamburg.

The equity investment in CSI Beteiligungsgesellschaft mbH, Hamburg, is reported for the first time under equity investments in associated companies to reflect the increased shareholding as a result of a capital increase.

### 3.4.2 Key figures of the equity investments

The following table summarises the key figures for the principal equity investments:

	Capital share	Annual result EUR '000	Equity EUR '000
AG CRE Maxis C.V.	5.00%	-469	8,312 <sup>2)</sup>
Atlantica Bay AS	12.50%	n/a	n/a <sup>4)</sup>
Atlantica Breeze AS	10.00%	n/a	n/a <sup>4)</sup>
Chemtrans Carolina UG (haftungsbeschränkt) & Co. KG	16.00%	n/a	n/a <sup>4)</sup>
ECOBX II AS	5.67%	64	5,315 <sup>1), 2)</sup>
MPC Caribbean Clean Energy Fund LLC	14.31%	1,519	33,196 <sup>1), 2)</sup>
MPC ECOBOX OPCO 1 GmbH & Co. KG	16.70%	-6	8,143 <sup>2)</sup>
MPC ECOBOX OPCO 2 GmbH & Co. KG	20.50%	-6	8,143 <sup>1), 2)</sup>
Njord Julie AS	10.00%	n/a	n/a <sup>4)</sup>
Stille Beteiligungen MPC IT Services GmbH & Co. KG	5.38%	-20	2,618 <sup>3)</sup>
Zweite Sachwert Rendite-Fonds Deutschland Technology GmbH & Co. KG	25.00%	-1,096	10,224 <sup>2)</sup>

Note: Rounding differences may occur.

1) Shares are held for sale.

2) According to annual financial statements for the financial year from 1 January to 31 December 2021

3) According to annual financial statements for the financial year from 1 January to 31 December 2020

4) No disclosure pursuant to Section 313(3) sentence 5 HGB

### 3.4.3 Commercial partnerships

A company included in the consolidated financial statements is personally liable partner in the following partnerships:

Achte MPC Best Select Immobilien GmbH & Co. KG, in liquidation, Hamburg
Achte MPC Global Equity GmbH & Co. KG, in liquidation, Hamburg
Achte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg
AIP Alternative Invest Private Equity - geschlossene GmbH & Co. Investment-KG, Hamburg
Beteiligungsgesellschaft Reefer-Flottenfonds mbH & Co. KG, Hamburg
Comoros Stream Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Dreiundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg
Dreiundvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg
Dritte Best Select Deutschlandimmobilien II GmbH & Co. KG, Hamburg
Dritte MPC Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg
Dritte MPC Best Select Leben GmbH & Co. KG, Hamburg
Dritte MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg
Dritte MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH & Co. KG, in liquidation, Quickborn
Dritte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, in liquidation, Hamburg
Eastern Bay Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Einundsiebzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
Elfte MPC Private Equity GmbH & Co. KG, in liquidation, Hamburg
Elfte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg
Elvira Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Emerald Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Fünfte Best Select Deutschlandimmobilien GmbH & Co. KG, in liquidation, Hamburg
Fünfte Best Select Deutschlandimmobilien II GmbH & Co. KG, Hamburg
Fünfte Best Select Leben GmbH & Co. KG, Hamburg
Fünfte Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg
HCI Deepsea Oil Explorer GmbH & Co. KG, in liquidation, Hamburg

Lombok Strait Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Luzon Strait Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
MPC Best Select Company Plan GmbH & Co. KG, Hamburg
MPC Best Select Dynamik GmbH & Co. KG, in liquidation, Hamburg
MPC Best Select Rente GmbH & Co. KG, in liquidation, Hamburg
MPC Best Select Wachstum GmbH & Co. KG, in liquidation, Hamburg
MPC Deepsea Oil Explorer GmbH & Co. KG, in liquidation, Hamburg
MPC Global Equity Step by Step GmbH & Co. KG, in liquidation, Hamburg
MPC Global Equity Step by Step II GmbH & Co. KG, Hamburg
MPC Global Equity Step by Step III GmbH & Co. KG, Hamburg
MPC Global Equity Step by Step IV GmbH & Co. KG, Hamburg
MPC Global Maritime Opportunity Private Placement GmbH & Co. KG, in liquidation, Hamburg
MPC Real Estate Opportunity Private Placement Amerika GmbH & Co. KG, in liquidation, Quickborn
MPC Real Value Fund GmbH & Co. KG, Quickborn
MPC Rendite-Fonds Britische Leben plus II GmbH & Co. KG, in liquidation, Quickborn
MPC Rendite-Fonds Leben plus spezial IV GmbH & Co. KG, in liquidation, Quickborn
MPC Rendite-Fonds Leben plus spezial V GmbH & Co. KG, in liquidation, Quickborn
MPC Rendite-Fonds Leben plus V GmbH & Co. KG, in liquidation, Quickborn
MPC Rendite-Fonds Leben plus VI GmbH & Co. KG, Quickborn
MPC Rendite-Fonds Leben plus VII GmbH & Co. KG, in liquidation, Quickborn
MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH & Co. KG, in liquidation, Quickborn
MPC Sachwert Rendite-Fonds Opportunity Asien GmbH & Co. KG, Hamburg
MPC Solarpark GmbH & Co. KG, in liquidation, Hamburg
MPC Student Housing Venture I GmbH & Co. KG, Hamburg
Neunte MPC Best Select I GmbH & Co. KG, in liquidation, Hamburg
Neunte Global Equity GmbH & Co. KG, in liquidation, Hamburg
Neunte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, in liquidation, Hamburg
Neunundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg
Neunundsechzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
Objektgesellschaft MPC München Gräfelfing GmbH & Co. KG, in liquidation, Hamburg
PB BS GMO GmbH & Co. KG, Hamburg
Polarlight Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Rio Blackwater Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg
Rio Dawson Schifffahrtsgesellschaft mbH & Co. KG, in liquidation, Hamburg
Sachwert Rendite-Fonds Indien GmbH & Co. KG, in liquidation, Hamburg
Sachwert Rendite-Fonds Japan GmbH & Co. KG, Quickborn
Santa Lucia Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Santa Maria Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Sechste Best Select Deutschlandimmobilien GmbH & Co. KG, in liquidation, Hamburg
Sechste Best Select Deutschlandimmobilien II GmbH & Co. KG, in liquidation, Hamburg
Sechste Best Select Leben GmbH & Co. KG, in liquidation, Hamburg
Sechste Best Select Schiffsbeteiligungen GmbH & Co. KG, in liquidation, Hamburg
Sechste Sachwert Rendite-Fonds Deutschland (Private Placement) GmbH & Co. KG, Hamburg
Sechsendvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg
Siebenundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg
Siebenundvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg
Siebte Best Select Deutschlandimmobilien GmbH & Co. KG, in liquidation, Hamburg
Siebte Best Select Deutschlandimmobilien II GmbH & Co. KG, in liquidation, Hamburg
Siebte Best Select Leben GmbH & Co. KG, in liquidation, Hamburg
Siebte Best Select Schiffsbeteiligungen GmbH & Co. KG, in liquidation, Hamburg
Siebte MPC Global Equity GmbH & Co. KG, in liquidation, Hamburg
Siebte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg
Siebzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
Vierte Best Select Deutschlandimmobilien II GmbH & Co. KG, in liquidation, Hamburg

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Vierte MPC Best Select Deutschlandimmobilien GmbH & Co. KG, in liquidation, Hamburg

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Vierte MPC Best Select Leben GmbH & Co. KG, in liquidation, Hamburg

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Vierte MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, in liquidation, Hamburg

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Vierundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg

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Youniq Greifswald GmbH & Co. KG, Hamburg

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Youniq Karlsruhe GmbH & Co. KG, Hamburg

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Youniq München II GmbH & Co. KG, Hamburg

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Zehnte MPC Best Select GmbH & Co. KG, Hamburg

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Zehnte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg

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Zweite Beteiligungsgesellschaft Reefer-Flottenfonds mbH & Co. KG, Hamburg

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Zweite MPC Best Select Company Plan GmbH & Co. KG, in liquidation, Hamburg

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Zweite MPC Best Select Deutschlandimmobilien GmbH & Co. KG, in liquidation, Hamburg

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Zweite MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, in liquidation, Hamburg

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Zweite MPC Best Select Venture Capital GmbH & Co. KG, in liquidation, Hamburg

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Zweite MPC Real Estate Opportunity Private Placement Amerika GmbH & Co. KG, in liquidation, Quickborn

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Zweite MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH & Co. KG, in liquidation, Quickborn

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Zweite Sachwert Rendite-Fonds Deutschland Technology GmbH & Co. KG, Hamburg

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Zweiundsiebzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, in liquidation, Hamburg

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Zweite Beteiligungsgesellschaft Reefer-Flottenfonds mbH & Co. KG, Hamburg

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Zweite MPC Best Select Company Plan GmbH & Co. KG, Hamburg

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Zweite MPC Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg

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Zweite MPC Best Select Hollandimmobilien GmbH & Co. KG i. L., Hamburg

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Zweite MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg

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Zweite MPC Best Select Venture Capital GmbH & Co. KG, Hamburg

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Zweite MPC Real Estate Opportunity Private Placement Amerika GmbH & Co. KG, Quickborn

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Zweite MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH & Co. KG, Quickborn

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Zweite Sachwert Rendite-Fonds Deutschland Technology GmbH & Co. KG, Hamburg

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Zweiundsiebzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

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#### 3.4.4 Investment securities

Investment securities include in particular the shares in MPC Energy Solutions N.V., Amsterdam / Netherlands, in the amount of EUR 8.5 million (previous year: EUR 8.3 million), whose shares were placed on the Norwegian stock exchange in Oslo in the previous year.

#### 3.4.5 Other loans

The other loans are predominantly for project financing with a medium to long term of up to ten years.

### 3.5 Receivables and other assets

The statement of changes in receivables is as follows:

EUR '000		Maturities			
		Total	up to 1 year	over 1 year	of which over 5 years
<b>1. Trade receivables</b>	<b>31/12/2022</b>	<b>3,279</b>	<b>3,279</b>	<b>0</b>	<b>0</b>
	31/12/2021	8,540	8,540	0	0
<b>2. Receivables from other long-term investees and investors</b>	<b>31/12/2022</b>	<b>1,951</b>	<b>1,951</b>	<b>0</b>	<b>0</b>
	31/12/2021	9,991	9,991	0	0
- of which from joint ventures	31/12/2022	32	32	0	0
	31/12/2021	0	0	0	0
- of which from associated equity investments	31/12/2022	51	51	0	0
	31/12/2021	754	754	0	0
- of which from fund companies	31/12/2022	1,801	1,801	0	0
	31/12/2021	9,173	9,173	0	0
- of which from other equity investments	31/12/2022	66	66	0	0
	31/12/2021	63	63	0	0
- of which trade receivables	31/12/2022	1,020	1,020	0	0
	31/12/2021	7,992	7,992	0	0
- of which other assets	31/12/2022	931	931	0	0
	31/12/2021	1,999	1,999	0	0
<b>3. Other assets</b>	<b>31/12/2022</b>	<b>18,470</b>	<b>18,389</b>	<b>81</b>	<b>0</b>
	31/12/2021	17,240	10,270	6,970	0
<b>Receivables and other assets</b>	<b>31/12/2022</b>	<b>23,700</b>	<b>23,619</b>	<b>81</b>	<b>0</b>
	31/12/2021	35,771	28,801	6,970	0

Note: Rounding differences may occur.

The receivables from other long-term investees and investors essentially comprise trade receivables, loans and disbursements.

### 3.6 Other assets

Other assets are composed as follows:

EUR '000	31/12/2022	31/12/2021
Collateral provided	6,732	6,823
Project financing	7,489	0
Income tax receivables	2,465	2,302
Loan receivables from project companies	775	1,026
Sales tax receivables	670	508
Creditors with debit balances	41	163
Outstanding purchase price receivable from sales of shares	0	6,082
Miscellaneous assets	298	337
<b>Other assets</b>	<b>18,470</b>	<b>17,240</b>

Note: Rounding differences may occur.

## 3.7 Cash in hand and bank balances

Bank balances and cash in hand are made up as follows:

EUR '000	31/12/2022	31/12/2021
Bank balances	69,055	38,490
Cash in hand	13	7
<b>Cash in hand and bank balances</b>	<b>69,068</b>	<b>38,497</b>

Note: Rounding differences may occur.

A detailed analysis of changes in cash and cash equivalents is shown in the consolidated cash flow statement.

## 3.8 Equity

The details of the changes in equity are shown in the consolidated statement of changes in equity.

### 3.8.1 Subscribed capital

The fully paid-up share capital of MPC Capital AG remains unchanged at EUR 35.2 million (31 December 2021: EUR 35.2 million). The share capital is divided into 35,248,484 (31 December 2021: 35,248,484) no-par-value bearer shares each with a notional value of EUR 1.00.

### 3.8.2 Authorised Capital 2021

The Management Board was authorised by the Annual General Meeting on 22 April 2021 to increase the share capital of the company, with the approval of the Supervisory Board, on one or several occasions until 21 April 2026 by up to a total of EUR 17,624,242.00 through the issuance of up to 17,624,242 new no-par-value bearer shares against cash and/or non-cash contributions (Authorised Capital 2021).

In the event of a capital increase, the shareholders are fundamentally to be granted a pre-emptive right; the statutory pre-emptive right may also be granted in such a form that the new shares are taken on wholly or in part by a bank or consortium of banks designated by the Management Board with the obligation to offer them to the shareholders of the company for subscription (indirect pre-emptive right pursuant to Section 186(5) sentence 1 AktG). The Management Board is also authorised, with the approval of the Supervisory Board, to disapply pre-emptive rights

1. For capital increases against non-cash contributions, particularly in connection with the acquisition of companies, business units, equity investments or economic assets;
2. To the extent necessary to grant pre-emptive rights to the bearers of bonds with conversion or option rights or with conversion obligations for shares of the company that were previously issued by the company or by its subordinate group companies, to the same extent as would be granted to them as shareholders after exercising their conversion rights or options, or after satisfying conversion requirements;
3. For fractional amounts;
4. If the shares are issued at an issue amount not significantly less than the market price and the capital increase does not exceed 10 % of the total share capital, either at the time this authorisation takes effect or is exercised. The number of treasury shares sold shall be added to this limit, provided the sale takes place during the term of this authorisation excluding the pre-emptive right pursuant to Section 186(3) sentence 4 AktG. Those shares that have been or will be issued to service bonds with conversion or option rights or with a conversion obligation shall also be added to this limit, provided the bonds were issued during the term of this authorisation excluding the pre-emptive right applicable mutatis mutandis in accordance with Section 186(3) sentence 4 AktG;
5. To implement a scrip dividend where the shareholders are offered the option of contributing their dividend entitlement (in whole or part) to the company as a contribution in kind in exchange for the granting of new shares from the Authorised Capital 2021.

### 3.8.3 Additional paid-in capital

Additional paid-in capital remained unchanged at EUR 51.9 million as at 31 December 2022 (31 December 2021: EUR 51.9 million).

### 3.8.4 Dividend

Based on the proposal of the Management Board and Supervisory Board, the Annual General Meeting on 27 April 2022 resolved the distribution of a dividend of EUR 0.12 per share with a total amount of EUR 4.2 million for the 2021 financial year. The dividend of MPC Capital AG was paid entirely from the fiscally recognised contribution account within the meaning of Section 27 of the German Corporation Tax Act.

## 3.9 Provisions

The provisions are made up as follows:

EUR '000	31/12/2022	31/12/2021
<b>1. Provisions for taxes</b>		
for current taxes	4,029	4,667
<b>2. Other provisions</b>	<b>16,308</b>	<b>14,957</b>
- Provisions for legal and consultancy expenses	8,354	8,547
- Provisions for personnel expenses	3,385	2,605
- Provisions for expected losses	2,000	2,112
- Provisions for audit of annual financial statements	237	348
- Miscellaneous provisions	2,332	1,345
<b>Provisions</b>	<b>20,337</b>	<b>19,624</b>

Note: Rounding differences may occur.

## 3.10 Liabilities

The liabilities schedule below shows the maturity structure of liabilities:

EUR '000		Maturities			
		Total	up to 1 year	over 1 year	of which over 5 years
<b>1. Liabilities to banks</b>	<b>31/12/2022</b>	<b>331</b>	<b>331</b>	<b>0</b>	<b>0</b>
	31/12/2021	771	443	328	0
<b>2. Trade payables</b>	<b>31/12/2022</b>	<b>2,051</b>	<b>2,051</b>	<b>0</b>	<b>0</b>
	31/12/2021	975	975	0	0
<b>3. Liabilities to other long-term investees and investors</b>	<b>31/12/2022</b>	<b>836</b>	<b>836</b>	<b>0</b>	<b>0</b>
	31/12/2021	3,771	3,771	0	0
- of which from other liabilities	31/12/2022	836	836	0	0
	31/12/2021	3,771	3,771	0	0
<b>4. Other liabilities</b>	<b>31/12/2022</b>	<b>3,941</b>	<b>2,840</b>	<b>1,101</b>	<b>0</b>
	31/12/2021	8,489	7,375	1,114	0
- of which taxes	31/12/2022	404	404	0	0
	31/12/2021	1,684	1,684	0	0
- of which social security	31/12/2022	25	25	0	0
	31/12/2021	15	15	0	0
<b>Liabilities</b>	<b>31/12/2022</b>	<b>7,158</b>	<b>6,057</b>	<b>1,101</b>	<b>0</b>
	31/12/2021	14,006	12,564	1,442	0

Note: Rounding differences may occur.

### 3.11 Liabilities to banks

The liabilities to banks comprise loans for project financing.

### 3.12 Trade payables

Trade payables essentially include liabilities from consultancy costs as well as from ongoing shipping operations. These payables were higher than in the previous year for reporting date reasons.

### 3.13 Liabilities to other long-term investees and investors

Liabilities to other long-term investees or investors result in particular from unpaid contributions to project companies and from distributions received.

### 3.14 Other liabilities

Other liabilities are composed as follows:

EUR '000	31/12/2022	31/12/2021
Liabilities from project financing	1,549	1,177
Liabilities from purchase price payments outstanding	1,105	4,633
Wage tax liabilities	322	465
Liabilities to the MPC Group	119	173
VAT liabilities	82	1,219
Social security liabilities	25	15
Liabilities to debtors with credit balances	17	102
Miscellaneous	722	704
<b>Other liabilities</b>	<b>3,941</b>	<b>8,489</b>

Note: Rounding differences may occur.

### 3.15 Deferred taxes

Deferred tax assets in the amount of EUR 7.4 million result from the following balance sheet items:

- + Receivables from other long-term investees and investors (EUR 3.6 million)
- + Other assets (EUR 1.7 million)
- + Other provisions (EUR 2.1 million)

As in the previous year, the write-downs in the reporting year on receivables from other long-term investees and investors as well as on other assets essentially relate to future deductible temporary differences from the different measurement of receivables. Temporary differences in other provisions also resulted from the recognition of provisions for expected losses.

As in the previous year, there are no substantial temporary differences giving rise to deferred tax liabilities.

Primary deferred taxes have not been recognised as the corresponding disclosure option under commercial law has been exercised.

### 3.16 Derivative financial instruments

To hedge against future currency risks which arise particularly in the context of normal business operations in the shipping sector, derivative financial instruments were used to compensate for risks from exchange rate fluctuations.

For example Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG and its subsidiaries as well as Harper Petersen Holding GmbH & Co. KG and its subsidiaries realise a large portion of their revenue in US dollars, while expenditure is incurred largely in euros, so a movement in the exchange rate can have a major impact on the result. To hedge these currency risks, the following currency hedges were taken out on a portion of the contractually agreed USD revenues for the subsequent financial year:

- + Currency forwards on a monthly basis were concluded for the fees from January to December with a volume averaging USD 0.8 million. Their market value at the balance sheet date is EUR 0.4 million.
- + Currency options on a monthly basis were concluded for a large portion of the fees for January to December with an average volume of USD 38 thousand. The difference compared with their market value at the balance sheet date is EUR 11 thousand.

The valuation for determining market value followed the Black & Scholes model.

The option premiums paid are reported in the amount of EUR 6 thousand under other assets.

Subject to the conditions being met, the derivative financial instruments are combined with the hedged underlying transaction to form one valuation unit in accordance with Section 254 HGB. By applying the net hedge presentation method, the opposite value changes of the underlying transaction and hedge are not disclosed in the consolidated financial statements.

As at the balance sheet date, future incoming payments under firm customer contracts for the entire 2023 financial year amounting to USD 9.8 million in total were hedged through valuation units.

Hedges falling due are – insofar as necessary – extended by means of new hedges. The effectiveness of the valuation unit is assessed prospectively by means of the critical term match method. The expected effectiveness of the hedging relationship is 100 % because the material valuation-relevant features of the underlying transactions and hedges match.

### 3.17 Contingent liabilities and other financial obligations

There are contingent liabilities as defined in Section 251 HGB. These are default and fixed liability guarantees.

There are warranties and guarantees totalling EUR 2.2 million (previous year: EUR 3.4 million) essentially relating to directly enforceable warranties and guarantees.

There are currently no indications that the MPC Capital Group will utilise the existing contingent liabilities because no material deterioration has arisen in the economic situation of the companies for which corresponding contingent liabilities were entered into. Utilisation of one or more contingent liabilities would have a considerable impact on the financial position of the MPC Capital Group.

Other financial obligations relate to rent and lease obligations in the amount of EUR 14.8 million (previous year: EUR 3.6 million). The increase results especially from long-term extensions to rental agreements.

Contributions by limited partners held in trust amount to EUR 0.9 billion (previous year: EUR 1.3 billion). They essentially relate to the amounts entered on the Commercial Register for TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds GmbH & Co. KG, Hamburg. If and to the extent that payments that are not covered by profits are made by funds on these contributions by limited partners held in trust, the risk of being sued is within the limits of Section 172 (4) HGB. TVP has scope for recourse against the respective trustors for the greater part of these contingent liabilities.

In addition, MPC Investment Services GmbH manages bank deposits in trust in the amount of EUR 30.1 million (previous year: EUR 32.2 million).

## 4. NOTES TO THE CONSOLIDATED INCOME STATEMENT

### 4.1 Revenue

Revenue essentially results from the provision of services.

The table below shows a breakdown by revenue type and region:

EUR '000	2022	2021
<b>By revenue types</b>		
Management services	29,223	28,081
Transaction services	6,960	13,765
Miscellaneous	309	438
<b>Revenue</b>	<b>36,492</b>	<b>42,284</b>
<b>By region</b>		
Germany	36,696	37,125
Netherlands	5,288	14,829
Hong Kong	1,749	712
Singapore	636	499
Panama	52	0
Consolidation	-7,929	-10,881
<b>Revenue</b>	<b>36,492</b>	<b>42,284</b>

Note: Rounding differences may occur.

### 4.2 Other operating income

Other operating income is made up as follows:

EUR '000	2022	2021
Income from asset disposals	19,781	11,411
Income from changes in exchange rates	4,263	1,139
<i>Realised income from changes in exchange rates</i>	3,768	776
<i>Unrealised income from changes in exchange rates</i>	495	363
Income from the reversal of provisions	1,415	1,476
Income from write-ups on financial assets	574	0
Income from the reversal of write-downs on receivables	145	921
Gains on deconsolidation	39	151
Miscellaneous	279	1,272
<b>Other operating income</b>	<b>26,496</b>	<b>16,369</b>

Note: Rounding differences may occur.

The other operating income results in particular from extraordinary income from asset disposals arising mainly through the disposal of the Dutch subsidiary Cairn Real Estate B.V.

Prior-period income of EUR 1.6 million (previous year: EUR 2.4 million) comes mainly from income from the reversal of provisions as well as income from the reversal of write-downs on receivables.

### 4.3 Cost of materials – cost of purchased services

Costs of purchased services in connection with the management and maintenance of real estate and ships are a major component of this item.

### 4.4 Personnel expenses

Personnel expenses are composed as follows:

EUR '000	2022	2021
Wages and salaries	-17,710	-19,425
Social security contributions	-2,041	-2,457
<b>Personnel expenses</b>	<b>-19,751</b>	<b>-21,882</b>

Note: Rounding differences may occur.

Wages and salaries include post-employment benefit costs in the amount of EUR 0.1 million (previous year: EUR 0.2 million).

The average number of employees is made up as follows:

	Annual average 2022	Annual average 2021
Germany	135	142
Netherlands	10	38
Panama	6	6
Singapore	1	2
Austria	0	1
China	2	2
<b>Employees</b>	<b>154</b>	<b>191</b>

Note: Rounding differences may occur

An average of 43 employees (previous year: 66 employees) are attributed to MPC Capital from the equity investment in joint ventures.

As at 31 December 2022 there were 155 employees in total.

## 4.5 Other operating expenses

Other operating expenses are composed as follows:

EUR '000	2022	2021
Legal and consultancy costs	-4,782	-5,963
Write-downs on receivables	-3,735	-1,642
Expenses from currency translation differences	-3,272	-253
IT costs	-1,903	-2,166
Other personnel expenses	-1,814	-1,296
Cost of premises	-1,465	-1,697
Services	-1,030	-1,053
Insurance and subscriptions	-1,010	-977
Travel and hospitality expenses	-578	-295
Maintenance costs	-368	0
Costs of payments	-356	-204
Donations	-296	-304
Vehicle costs	-259	-426
Communications costs	-226	-290
Supervisory Board remuneration	-180	-180
Advertising expenses	-140	-254
Losses from asset disposals	-110	-116
Prior-period expenses	-78	-428
Miscellaneous	-1,988	-3,399
<b>Other operating expenses</b>	<b>-23,590</b>	<b>-20,944</b>

Note: Rounding differences may occur.

## 4.6 Income from equity investments

Income from equity investments amounting to EUR 2.4 million (previous year: EUR 1.2 million) originated mainly from profit distributions by project companies.

## 4.7 Other interest and similar income

Other interest and similar income amounting to a total of EUR 1.0 million (previous year: EUR 2.2 million) stems mainly from the loans for project financing.

## 4.8 Write-downs on financial assets

In the financial year, write-downs of EUR 3.0 million (previous year: EUR 2.1 million) were required where permanent impairment is assumed. These write-downs relate to isolated value adjustments made out of due commercial prudence in light of the changed economic environment.

## 4.9 Interest and similar expenses

Interest and similar expenses arise particularly in the form of interest expenses for project financing.

As in the previous year, there was no discounting of receivables and compounding of liabilities.

## 4.10 Result of associates carried at equity

The result of associates carried at equity of EUR 15.7 million (previous year: EUR -2.5 million) substantially comprises dividends from MPC Container Ships ASA.

## 4.11 Taxes on income

Taxes on income paid or owed in the individual countries are reported as taxes on income. Taxes on income comprise German and international taxes made up as follows:

EUR '000	2022	2021
<b>Current taxes</b>	<b>-3,049</b>	<b>-3,077</b>
Germany	-2,534	-2,270
International	-515	-807

Note: Rounding differences may occur.

In the 2022 financial year, corporations based in Germany were subject to corporation tax of 15%, a solidarity surcharge of 5.5% on corporation tax as well as trade tax, the amount of which depends on the various assessment rates levied by individual municipalities.

Group income taxes are also influenced by the possibility in Germany, subject to certain conditions, when operating merchant vessels internationally, of determining profit as a lump-sum tax on the basis of the net storage space of the ship instead of by comparing operating assets.

The Group tax rate corresponds to the German tax rate for the parent company MPC Capital AG and is 32.28 % (previous year: 32.28 %). This tax rate comprises corporation tax of 15%, a solidarity surcharge of 5.5% on corporation tax, and trade tax with an assessment rate of 470%. The application of the income tax rate for Group companies of 32.28 % to consolidated earnings before tax would result in an expected tax expense of EUR -10.1 million (previous year: EUR -3.4 million). The following reconciliation statement shows the difference between this amount and the effective tax expense of EUR -3.0 million (previous year: EUR -3.1 million).

EUR '000	2022	2021
Earnings before tax (EBT)	31,222	10,401
Expected taxes on income (32.28% (previous year: 32.28%))	-10,077	-3,357
Different tax rates	224	169
Temporary differences and loss carryforwards for which no deferred tax assets were recognised	841	-1,022
Non-tax-deductible expenses	-234	-240
Tax-free income	5,740	1,187
Deviation from the basis of assessment for trade tax	212	504
Current taxes on income for previous years	311	-190
Withholding tax / foreign tax	-23	-3
Other deviations	-43	-125
<b>Taxes on income</b>	<b>-3,049</b>	<b>-3,077</b>

Note: Rounding differences may occur.

The differences shown under the item "Different tax rates" are attributable to the differences between the tax rates of the German and international group companies on the one hand and the tax rate of MPC Capital AG on the other.

## 5. OTHER DISCLOSURES

### 5.1 Name and registered office of the parent company

MPC Capital AG, as the parent company, is obliged to prepare consolidated financial statements pursuant to Section 290 HGB. These have been prepared under the regulations of German commercial law in accordance with Section 290 ff. HGB. The consolidated financial statements are announced in the Federal Gazette.

The parent company of MPC Capital AG, which prepares the consolidated financial statements for the largest group of consolidated companies, is MPC Münchmeyer Petersen & Co. GmbH, Hamburg. The consolidated financial statements of MPC Münchmeyer Petersen & Co. GmbH, Hamburg, are submitted to the Federal Gazette for publication under the number HRB 149498.

### 5.2 Governing bodies of the company

#### a) Members of the Management Board in the reporting year

**Ulf Holländer**, Management Board, Hamburg (Chairman)  
(CEO; Chief Executive Officer)

**Dr Philipp Lauenstein**, Management Board, Hamburg  
(CFO; Chief Financial Officer)

**Constantin Baack**, Management Board, Hamburg  
(Management Board Member for Shipping)

#### b) Members of the Supervisory Board in the reporting year

**Dr Axel Schroeder** (Chairman)  
Managing Director of MPC Münchmeyer Petersen & Co. GmbH, Hamburg

**Joachim Ludwig**  
Managing Director of Ferrostaal GmbH, Essen

**Dr Ottmar Gast**  
Former Chairman of the Advisory Board of Hamburg Südamerikanische Dampfschiffahrts-Gesellschaft ApS & Co KG, Hamburg

#### c) Remuneration of governing bodies

The members of the Management Board of MPC Capital AG were granted total remuneration of EUR 1.5 million (previous year: EUR 1.4 million) for the 2022 financial year.

In the same period, total gross remuneration of EUR 180 thousand (previous year: EUR 180 thousand) was granted to the members of the Supervisory Board.

All remuneration for governing bodies is classified as current.

### 5.3 Appropriation of earnings

The Management Board will, with the approval of the Supervisory Board, propose to the shareholders at the next Annual General Meeting on 27 April 2023 that the net retained profit of the company amounting to EUR 7.5 million for the 2022 financial year be appropriated as follows:

- + A partial amount of EUR 7.05 million is to be used for the payment of a dividend of EUR 0.20 per share on a total of 35,248,484 shares eligible for dividends;
- + The balance amounting to EUR 0.45 million is to be carried forward for new account.

## 5.4 Auditor's fees

EUR '000	2022	2021
Auditing services for the financial statements	189	286
Tax consultancy services	71	142
Other services	24	8
<b>Auditor's fees</b>	<b>284</b>	<b>436</b>

Note: Rounding differences may occur.

## 5.5 Report on post-balance sheet date events

After 31 December 2022 there were no further significant transactions with a material effect on the net assets, financial position or results of operations of MPC Capital AG.

Hamburg, 20 February 2023



**Ulf Holländer**  
Chairman



**Constantin Baack**



**Dr Philipp Lauenstein**

# INDEPENDENT AUDITOR'S REPORT

# Independent auditor's report

## AUDIT OPINIONS

We have audited the consolidated financial statements of MPC Münchmeyer Petersen Capital AG, Hamburg, and its subsidiaries (the Group) – comprising the consolidated balance sheet as at 31 December 2022, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January 2022 to 31 December 2022 as well as the notes to the consolidated financial statements, including the presentation of the accounting policies.

We have also audited the combined management report of MPC Münchmeyer Petersen Capital AG for the financial year from 1 January 2022 to 31 December 2022.

In our opinion, based on the findings of our audit,

- + the enclosed consolidated financial statements comply in all material respects with the requirements of German commercial law and, in accordance with the German principles of proper accounting, give a true and fair view of the net assets and financial position of the Group as at 31 December 2022 as well as of its results of operations for the financial year from 1 January 2022 to 31 December 2022 and
- + the enclosed combined management report as a whole provides a suitable view of the Group's position. In all material respects this combined management report is consistent with the consolidated financial statements, complies with the requirements of German law and suitably presents the opportunities and risks of future development.

Pursuant to Section 322(3) sentence 1 HGB, we declare that our audit has not led to any objections regarding the correctness of the consolidated financial statements and combined management report.

## BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and combined management report in accordance with Section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW).

Under those regulations and principles our responsibility is described further in the section "RESPONSIBILITY OF THE AUDITOR FOR THE AUDITING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT" of our Auditor's Report.

We are independent of the Group companies, as is consistent with German commercial law and professional law, and have fulfilled our other German professional duties in accordance with these requirements.

We are of the opinion that the audit evidence we obtained is adequate and suitable to serve as a basis for our audit opinions on the consolidated financial statements and combined management report.

## RESPONSIBILITY OF MANAGEMENT AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT

The management is responsible for the preparation of the consolidated financial statements, which comply in all material respects with the requirements of German commercial law and, in accordance with the German principles of proper accounting, for ensuring that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group.

The management is also responsible for the internal controls that it has determined to be necessary, in accordance with the German principles of proper accounting, to enable the preparation of consolidated financial statements that are free from material misrepresentations due to fraud or error (i.e. manipulation of the financial statements and misappropriation of assets).

In preparing the consolidated financial statements, the management is responsible for assessing the group's ability to remain a going concern. In addition it has the responsibility to state matters, where relevant, in connection with remaining a going concern. Furthermore, it is responsible for preparing the accounts based on the going concern accounting principle, unless there are conflicting actual or legal circumstances.

The management is also responsible for the preparation of the combined management report, which as a whole provides a suitable view of the Group's position and is consistent in all material respects with the consolidated financial statements, complies with the requirements of German law and suitably presents the opportunities and risks of future development. The management is in addition responsible for the precautions and measures (systems) that it has deemed necessary to enable the preparation of a combined management report that is consistent with the applicable requirements of German law, and to enable it to furnish sufficient suitable evidence for the statements made in the combined management report.

The Supervisory Board is responsible for overseeing the Group's accounting process for the preparation of the consolidated financial statements and combined management report.

## RESPONSIBILITY OF THE AUDITOR FOR THE AUDITING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT

Our objective is to obtain reasonable assurance whether the consolidated financial statements are as a whole free from material misrepresentations due to fraudulent acts or errors, and whether the combined management report as a whole provides a suitable view of the Group's position and is consistent in all material respects with the consolidated financial statements as well as with the findings of our audit, complies with the requirements of German law and suitably presents the opportunities and risks of future development, as well as to provide an audit report that contains our audit opinions on the consolidated financial statements and combined management report.

Reasonable assurance means a high degree of assurance, but no guarantee that an audit conducted in accordance with Section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer will always reveal a material misrepresentation. Misrepresentations may result from fraudulent acts or errors and are regarded as material if it could reasonably be expected that they might individually or as a whole influence the economic decisions of the reader made on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement during the audit and maintain a critical basic attitude. In addition

- + we identify and assess the risks of material misrepresentations in the consolidated financial statements and combined management report due to fraudulent acts or errors, plan and conduct audit procedures in response to those risks, and obtain audit evidence that is sufficient and suitable to serve as the basis for our audit opinions. The risk that material misstatements resulting from fraudulent acts will not be detected is higher than the risk that material misstatements resulting from errors will not be detected, as fraudulent acts may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls.
- + we acquire an understanding of the relevant internal control system for the audit of the consolidated financial statements and the relevant precautions and measures for the audit of the combined management report in order to plan audit procedures that may be appropriate in the circumstances, but not with the aim of submitting an audit opinion on the effectiveness of those systems.
- + we assess the appropriateness of the accounting methods used by the management as well as the justifiability of the value estimates presented by the management and of related disclosures.
- + we draw conclusions on the appropriateness of the going concern accounting principle used by the management and, based on the audit evidence obtained, on whether a material uncertainty exists in connection with events or circumstances that may raise significant doubts about the ability of the Group to remain a going concern.

If we reach the conclusion that a material uncertainty exists, we are obliged to point out the affected disclosures contained in the consolidated financial statements and combined management report in the Auditor's Report or, if those disclosures are inappropriate, to modify our audit opinion on the matter in question. We reach our conclusions on the basis of the audit evidence obtained as of the date of our Auditor's Report. However future events or circumstances may result in the Group no longer being able to operate as a going concern.

- + we assess the overall presentation, structure and content of the consolidated financial statements including the disclosures, as well as whether the consolidated financial statements present the underlying transactions and events such that, taking account of the German principles of proper accounting, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group.
- + we obtain sufficient appropriate audit evidence for the accounting information of the enterprises or business activities within the Group to be able to provide audit opinions on the consolidated financial statements and combined management report. We are responsible for guiding, monitoring and conducting the audit of the consolidated financial statements. We bear sole responsibility for our audit opinions.
- + we assess whether the combined management report is consistent with the consolidated financial statements, and also its compliance with the legal requirements and the impression it gives of the situation of the Group.
- + we conduct audit procedures on the futurerelated statements by management in the combined management report. Based on sufficient, suitable audit evidence we in particular seek to comprehend the material assumptions which underlie the futurerelated statements by management and assess whether the futurerelated statements have been derived properly from those assumptions. We do not give a separate audit opinion on the futurerelated statements nor on their underlying assumptions. There is a considerable unavoidable risk that future events will deviate materially from the futurerelated statements.

We discuss with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hamburg, 24 February 2023

BDO AG  
Wirtschaftsprüfungsgesellschaft

**gez. Härle**  
German Public Auditor

**gez. Naqschbandi**  
German Public Auditor

# FINANCIAL CALENDAR 2023

# Financial calendar 2023

28 February 2023

Publication of Annual Report 2022

27 April 2023

Annual General Meeting

11 May 2023

Publication of Q1 2023 key figures

24 August 2023

Publication of Q1 2023 key figures

16 November 2023

Publication of Q3 2023 key figures

27-29 November 2023

Analyst conference in Frankfurt at the Equity Forum 2023

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**Investor Relations**

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**MPC Capital**