



MPC Capital

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ANNUAL REPORT 2021

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 2021 we had a total volume of around EUR 4.9 billion assets under management.



REAL ESTATE



RENEWABLES



SHIPPING

MPC Capital Group in figures

EUR '000	2021	2020
Result		
Revenue	42,284	50,489
Earnings before taxes (EBT)	10,401	1,263
Consolidated earnings	7,217	-147
Balance Sheet		
Total assets	134,559	126,598
Financial assets	56,415	67,162
Liquidity ¹	38,497	24,750
Equity	100,761	96,268
Equity ratio	74.9%	76.0%
Shares		
Earnings per share, EUR	0.20	-0.01
Employees		
Average for year (total)	191	260
Personnel expenses	21,882	26,332

¹ Cash in hand and bank balances

EUR 4.9 bn
Assets under Management

over EUR 20 bn
Investment volume

approx. 300
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 sharp upturn in merchant shipping, the continuing real estate boom and rising demand for investments in sustainable real assets gave our business model a lift.”

**Dear Readers,
Dear Shareholders,**

The past financial year of 2021 was decidedly successful for MPC Capital AG. With an even stronger balance sheet and the distribution of a dividend, we have reached another milestone as we position ourselves as a globally active asset and investment manager.

The start of 2021 saw the return of optimism across extensive areas of the global economy. However it was disrupted again in the second half by supply bottlenecks, commodity shortages and the flaring-up of new coronavirus variants. Economic observers were consequently obliged to gradually downgrade their ambitious growth forecasts for 2021. In this challenging market environment, the multi-asset strategy that we pursue with our business model proved highly resilient. With an asset basis spread across our three segments Real Estate, Renewables and Shipping and broad diversification within the segments, we succeeded in cushioning the negative effects of the pandemic.

In fact, the sharp upturn in merchant shipping, the continuing real estate boom and rising demand for investments in sustainable real assets gave our business model a substantial lift. We increased our assets under management by EUR 0.5 billion in the 2021 financial year to EUR 4.9 billion. The transaction volume, in other words the sum of acquisitions and disposals, came to an impressive EUR 1.7 billion.

Hand in hand with this development, our consolidated revenue and consolidated earnings for 2021 lay at the upper limit of our expectations. In addition, in view of the markedly improved visibility for the mid-range results of operations we will propose the commencement of dividend distributions at EUR 0.12 per share to the Annual General Meeting. Equally going forward, it is our ambition to return a portion of our profits to our shareholders, subject to the investment opportunities available to us.

Our successful development would have been inconceivable without our employees, who display enthusiasm and determination in realising our ambitious corporate goals. We owe them our heartfelt thanks for their commitment, which they have often shown despite difficult circumstances throughout the pandemic.



f.l.t.r.: Constantin Baack,
Ulf Holländer (CEO),
Dr Philipp Lauenstein

Finally we would like to thank you, dear Shareholders, for making the success of this past financial year possible and for your readiness to continue this journey with us. We genuinely do appreciate your loyalty.

Kind regards,

The Management Board of MPC Capital AG

Ulf Holländer (Chairman)

Constantin Baack

Dr Philipp Lauenstein

February 2022

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 VDAL Deutsche Afrika-Linien GmbH & Co. KG. Dr Ottmar Gast was appointed to the Supervisory Board of MPC Capital AG in April 2018.

“We consider the company to be excellently equipped with economic, operational and human resources.”

Dear Shareholders,

MPC Capital AG is able to look back on a successful business performance in 2021, which gained further momentum in a fourth quarter that featured a high transaction volume. The upturn in merchant shipping, the continuing real estate boom and rising demand for investments in sustainable real assets gave the business model of the MPC Capital Group a substantial lift.

In economic, operational and human resources terms we consider the company to be excellently equipped to handle challenges arising from shifting interest rates, rising inflation or geopolitical conflicts. Against the backdrop of markedly improved visibility for the mid-range results of operations, the Management Board has announced the resumption of dividend distributions. The Supervisory Board is pleased to endorse its proposal to pay a dividend of EUR 0.12 per share for the 2021 financial year.

Report on the activities of the Supervisory Board in the 2021 financial year

In the 2021 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 – including in particular the capital increase for cash in January 2021 and the sale of the Dutch subsidiary Cairn Real Estate in November 2021 – 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 financial year took place on 23 February 2021. This was also the meeting for approval of the annual accounts for the 2020 financial year. The Management Board explained the financial, accounting and fiscal aspects of the annual financial statements for 2020. The auditor presented the findings of its audit. We then discussed and approved the agenda for the Annual General Meeting of MPC Capital AG, which was scheduled for 22 April 2021 and again adopted a virtual format due to the impact of the COVID-19 pandemic. Later in the meeting, the Management Board reported to us on the status quo in the individual 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 took place on 2 June 2021 in the form of a telephone conference and began with a discussion of the development in the business units. Much of the discussion was given over to the Renewables segment, which had attracted particular attention following the IPO of MPC Energy Solutions at the start of the year. In the Real Estate segment, the sales process for the Dutch subsidiary Cairn Real Estate was also discussed. The meeting went on to consider risk and compliance matters at the company, along with further plans for the 2021 financial year. All three Supervisory Board members attended the meeting.

The third ordinary Supervisory Board meeting on 16 September 2021 focused largely on the business update from the segments, with the meeting concentrating particularly on the discussion involving the expansion of the Renewable Energies segment, a programme of new construction for four container ships and finally an explanation of the sales process for Cairn Real Estate. At that meeting we also discussed the financial indicators for the first half of 2021 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 16 December 2021. At it, we discussed the status of current projects and matters from the asset units. We then proceeded to discuss the current financial indicators, outlook and plans for the 2022 financial year, and also risk and compliance matters. All three Supervisory Board members attended the meeting, which was held as a video conference.

Personnel changes on the Management Board

As previously noted in our report on the 2020 financial year, Dr Ignace Van Meenen and Dr Karsten Markwardt left the Management Board of MPC Capital AG with effect from 31 March 2021.

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 22 April 2021 and mandated by the Supervisory Board accordingly. 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 2021 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 23 February 2022, 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. In view of the restrictions on contact during the COVID-19 pandemic, the meeting was held in the form of a video conference.

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 and the corresponding audit report and endorsed the annual and consolidated financial statements for the year ended 31 December 2021. 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 0.12 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 success of the 2021 financial year was based on the sustainable, long-term oriented strategy of the company, in conjunction with the commitment shown by Management Board and employees alike, for which the Supervisory Board expresses its particular thanks.

Hamburg, 23 February 2022

The Supervisory Board

A handwritten signature in blue ink, appearing to read 'Axel Schroeder', with a long horizontal stroke extending to the right.

Dr Axel Schroeder
Chairman

MPC CAPITAL SHARES

INTERNATIONAL STOCK MARKETS AT RECORD LEVEL

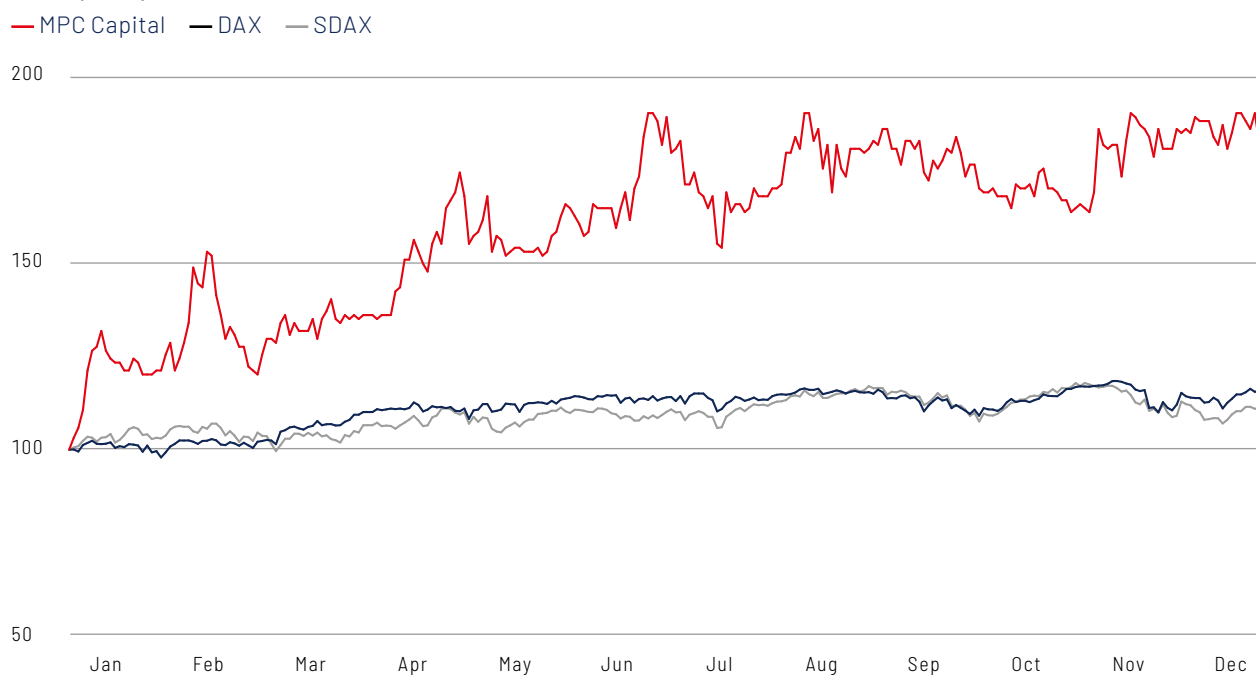
Driven by good economic data and high corporate profits, many stock markets produced a very positive performance in 2021 – despite rising commodity prices, supply bottlenecks and continuing uncertainty surrounding the further course of the COVID-19 pandemic. In industrial nations in particular, various indices reached new record levels. For example, the DAX climbed to its highest-ever level of 16,290 points in mid-November. Germany's leading index ended the stock market year on 15,885 points. Year on year, this represents a gain of almost 16%.

Internationally, other stock markets fared even better. The US lead index Dow Jones put on around 21% in 2021. The broader-based S&P 500 Index in the USA was actually almost 29% up on the start of 2021 by the end of December.

STRONG PERFORMANCE OVER YEAR FOR MPC CAPITAL SHARES

MPC Capital shares easily outstripped the market as a whole, with a price performance of 82% in 2021. The shares opened the stock market year trading at EUR 1.88, which was also the year-low. The shares reached a year-high of EUR 3.70 in July. The shares closed at EUR 3.42 on 30 December 2021. The company's market capitalisation at the end of 2021 was around EUR 120 million. The figure had been around EUR 65 million at its start. The average trading volume (Xetra) of MPC Capital shares rose slightly compared with the previous year and averaged around 17,750 shares per day (previous year: approx. 14,250).

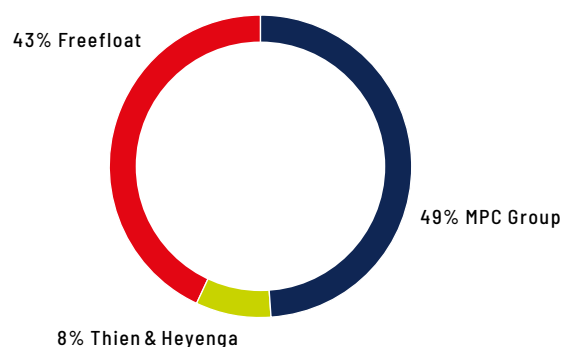
Share price performance 2021, indexed



CAPITAL INCREASE FOR EQUITY INVESTMENT IN MPC ENERGY SOLUTIONS

Under its co-investment strategy MPC Capital took out an equity investment in MPC Energy Solutions N.V., a platform for renewable energies initiated by MPC Capital. MPC Capital refinanced EUR 4 million of the USD 10 million co-investment share payable in cash through a capital increase with exclusion of subscription rights on 8 January 2021. In total 1,777,778 new shares were issued for contributions in cash and placed at a price of EUR 2.25 per share. This move increased the share capital of the company by EUR 1,777,778.00, from EUR 33,470,706.00 to EUR 35,248,484.00 through the issuance of 1,777,778 new no-par-value bearer shares, making partial use of the "Authorised Capital 2018". The subscription right of the shareholders was excluded. The capital increase was entered on the Commercial Register on 21 January 2021.

SHAREHOLDER STRUCTURE

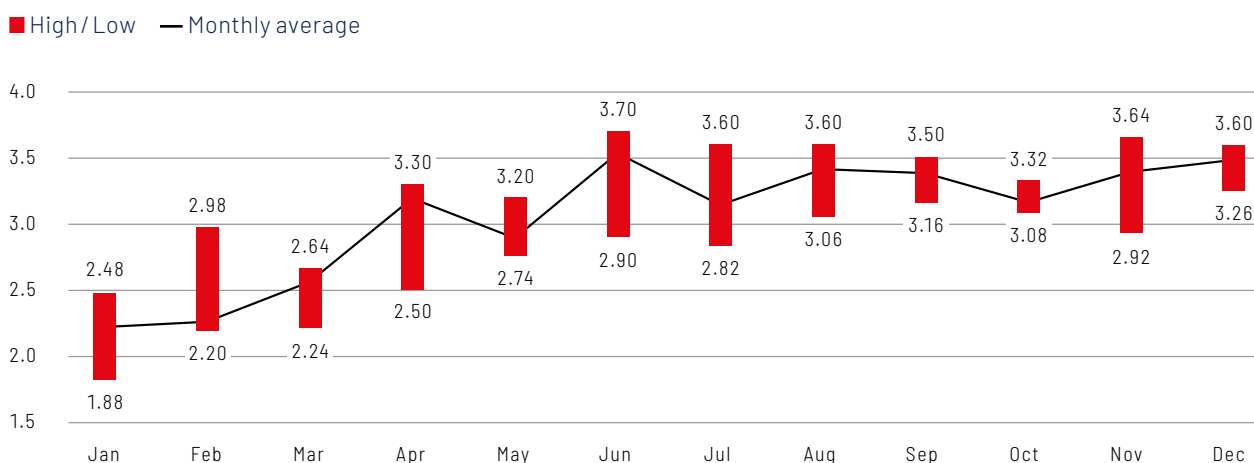


Shareholders of companies whose shares are listed in the Scale Standard of the Frankfurt Stock Exchange are not subject to the obligation to submit voting rights notifications in accordance with the German Securities Trading Act (WpHG). The shareholder structure is therefore presented to the best of the company's knowledge. / As at: February 2022

RESOLUTIONS OF THE ANNUAL GENERAL MEETING

The Annual General Meeting of MPC Capital AG was held on 22 April 2021 in virtual form due to the effects of the COVID-19 pandemic. The meeting was broadcast online from the business premises of the company. All motions were carried by clear majorities. The parties attending, voting results and 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/HV).

Highest, lowest and average price of share (Xetra) from 1 January to 31 December 2021 in EUR



CAPITAL MARKET ACTIVITIES

MPC Capital AG again conducted intensive investor relations work in the 2021 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.

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, Edison Research, Warburg Research
First day of trading	28 September 2000
Reuters code	MPCG.DE
Bloomberg	MPC GR
Datastream	D:MPC

Key ratios of MPC Capital shares

	2017	2018	2019	2020	2021
Earnings per share, EUR	0.41	-0.57	-0.01	-0.01	0.20
Dividend per share, EUR	-	-	-	-	0.12
Price at year-end, EUR (Xetra)	6.45	2.73	2.14	1.88	3.42
High, EUR (Xetra)	6.89	6.84	2.75	2.08	3.70
Low, EUR (Xetra)	5.73	2.45	1.67	1.01	1.88
Number of shares ¹	30,427,916	33,470,706	33,470,706	33,470,706	35,248,484
Market capitalisation ¹ in EUR million	196	91	72	63	121

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.
- + Through co-investments, we align our interests directly with those of our clients.



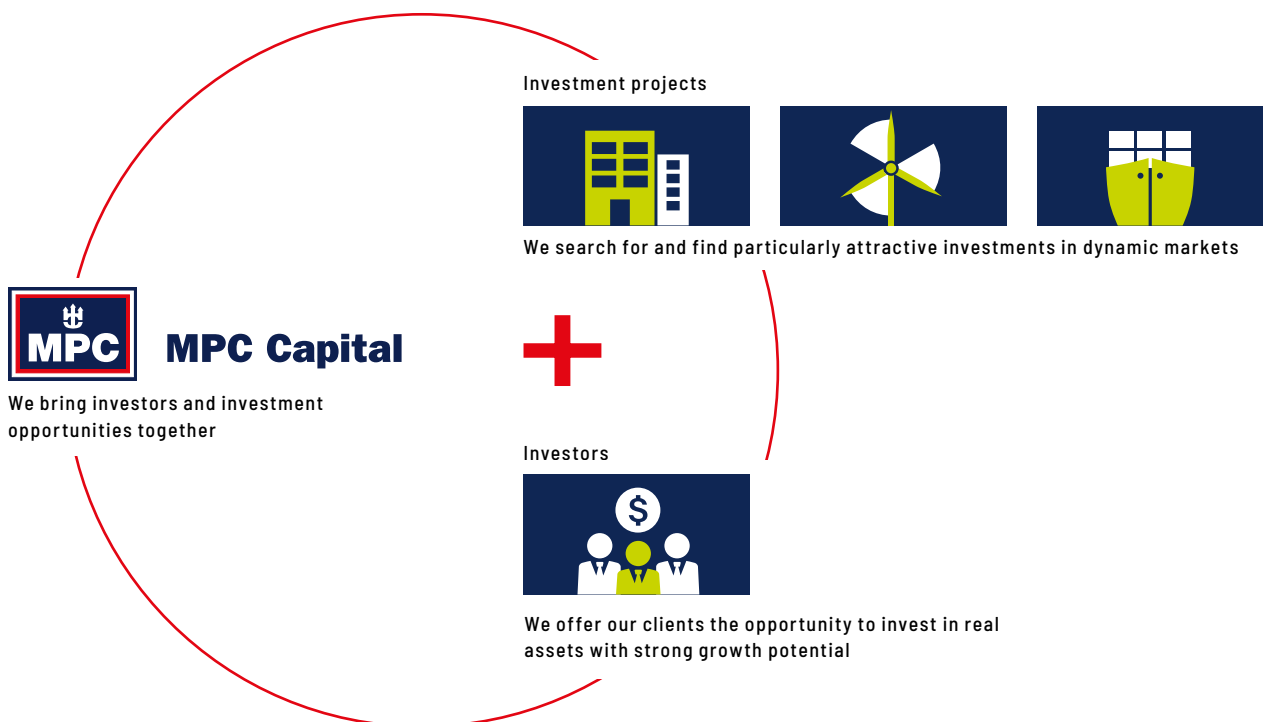
We combine experience with future-oriented investments

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 investment 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.

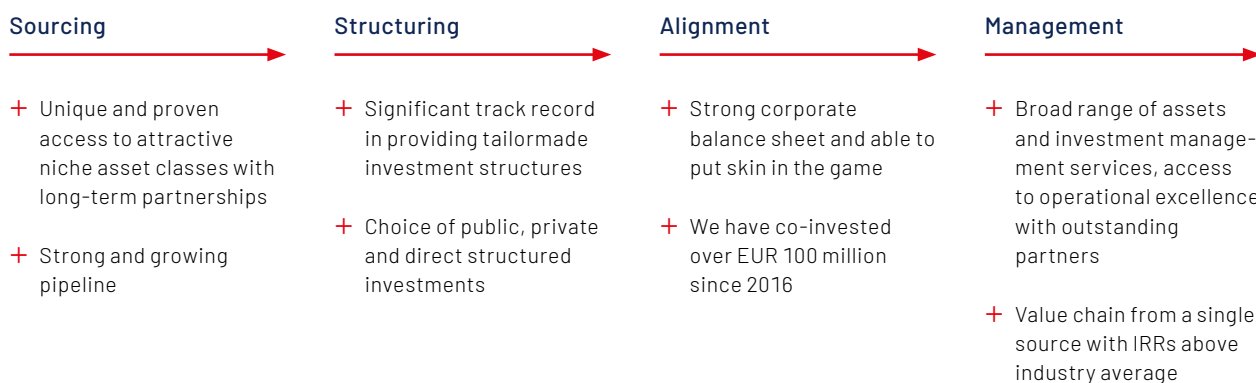
OUR BUSINESS MODEL





Container ships are the prevailing transport medium for a wide range of industrial and consumer goods.

OUR VALUE CHAIN



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).

Highlights of the financial year

We recorded successes in every area in 2021, helping us progress towards becoming a leading independent asset and investment manager.



REAL ESTATE

In launching the ESG Core Wohnimmobilien Deutschland fund, MPC Capital paved the way for a new strategy in the German residential real estate market. The fund, which was certified under the Sustainable Finance Disclosure Regulation which took effect in March 2021, applies ESG criteria and therefore looks for specific environmental and social features as well as sound corporate governance.

To build the fund up into an "Article 8 product", specially developed scoring models were applied in compiling a sustainable portfolio of residential properties.

Thanks to lively interest among institutional investors in the open-end special alternative investment fund, an equity base of EUR 140 million was built up in two stages by December 2021. In view of the sustained strong demand for residential properties, the fund is ultimately targeting an overall investment volume of EUR 300 million.

It is currently investing in three properties to a high energy standard in the Hamburg, Frankfurt and Münster metro regions.



RENEWABLES

In January 2021 MPC Capital took a major step in the development of the Renewables segment with the establishment of MPC Energy Solutions N.V. and a private placement of USD 100 million. MPC Energy Solutions will profit from the growing demand for a sustainable energy infrastructure in emerging and developing countries. Projects mainly focus on PV and wind farms, but also include alternative technologies that cut energy consumption and carbon emissions.

MPC Energy Solutions has an extensive development portfolio comprising projects in Colombia, El Salvador, Puerto Rico and Jamaica, for example. The projects' planned peak output is in excess of 300 megawatt.

MPC Energy Solutions is listed on the Oslo Stock Exchange in the Euronext Growth market. Under its co-investment strategy MPC Capital has acquired a co-investor stake in MPC Energy Solutions N.V.

SHIPPING

The shipping market, and specifically the container segment, profited from the pandemic-related catch-up effects in world trade in 2021. The second half of the year also saw a run on tonnage capacities as a consequence of the bottlenecks that had arisen. Both effects led to a boom in utilisation of free tonnage and soaring charter rates.

MPC Capital reaped the benefits of the distinctly positive market development in container shipping particularly in its commercial ship management, transaction business and co-investment portfolio. For example, the average charter rates achieved by the fleet under the management of our joint venture Harper Petersen climbed from approx. USD 8,700 per day in 2020 to USD 24,700 in 2021. Over the same period the average charter period rose from just under six to 19 months.

INVESTED IN THE FUTURE



“Responsible asset and investment management is enshrined at the heart of our business and investments. We commit to invest in line with our ESG principles, so that we have a lastingly positive impact on the environment and the communities in which we invest. Our ESG principles act as a guide to sustainable and responsible investments in all our segments and demonstrate our commitment to socially and environmentally responsible activity.”

Ulf Holländer, CEO



Our solar plants and wind farms in Latin America and the Caribbean are creating jobs and supporting communities with local initiatives.

In this day and age stakeholders, whether shareholders, employees, clients, communities or regulators, expect businesses to play a part in decarbonising the global economy. Few factors will have more impact on capital allocation than the question of how effectively the challenges of the worldwide energy transition can be addressed in the coming years.

Asset and investment managers equally have a special role to play in this: their chosen strategies will enable and accelerate the necessary market developments. Investors are increasingly applying sustainable investment principles, with their decision confirmed

by growing concerns regarding the financial, social and environmental risks of investments on the one hand, and an appreciation of the beneficial risks and rewards of ESG investments on the other.

From our perspective, this global approach creates major opportunities for alternative investments, which have a very important part to play in giving the economic system a sustainably ecological emphasis: renewable energy projects are essential for future electrification; the ecological realignment of transport chains in shipping, for example, is vital to further globalisation; and sustainable construction and housing are essential to meeting the challenges of urban life.

In terms of carbon emissions per tonne, maritime transport is the most efficient way to move industrial goods around.



Our strategy is sustainable – we act consistently

The transition to a climate-neutral world will fundamentally change every business and every sector. We want to be an active part of that transition!

In line with our thoroughly sustainable strategy, we want to fine-tune our general areas of activity in the areas of the environment, social responsibility and governance, in every investment and decision-making process in our core segments, and set ourselves ambitious goals.

Our overriding aim is to flesh out our strategy in close collaboration with our investors and partners and to offer investments that are both sustainable and sound in all our segments, while at the same time minimising the impact of our investments on the environment.

WE COMMIT TO THE GLOBALLY ACCEPTED PRINCIPLES

As part of our efforts to be sustainable and responsible in everything we do, we commit to the global guiding principles of the United Nations and therefore base our ESG goals on the PRI principles and Sustainable Development Goals (SDGs).

Our fields of action



ENVIRONMENT RESPONSIBILITY FOR THE ENVIRONMENT

Reducing the environmental impact of Investments we manage and of our own business processes



SOCIAL RESPONSIBILITY FOR SOCIETY

Positive contribution to communities and individual well-being



GOVERNANCE RESPONSIBILITY FOR THE COMPANY

Maintenance and development of first class governance, compliance and risk management standards

MPC Capital ESG principles

- + To comply with and observe all relevant laws and regulations.
- + We invest responsibly and define procedures for monitoring, developing and achieving our sustainability goals in all our investments. These goals are regularly documented, reviewed and communicated.
- + Investors are our partners. We work in close partnership with you to improve quality and minimise the impact of our actions and investments on the environment.
- + Our well-trained, expert employees and social commitment are emblematic of our performance capability.
- + Through open dialogue with our clients, business partners, employees and other stakeholders, we steadily improve our high quality, environmental and safety standards.
- + The trust investors have shown in us puts us under an obligation always to treat their investments with vigilance, transparency and professionalism. Avoiding mistakes is an important goal.
- + A safe and healthy working environment for all our employees is a high priority. Compliance with the standards of behaviour enshrined in the MPC Capital Code of Conduct is binding.
- + The binding standards that we set ourselves also apply to our contractors. We, not they, rely on the company's good name to vouch for the services it provides.

PRI

As an asset and investment manager, we have signed up to the UN Principles of Responsible Investment (UN PRI) and have committed to these principles as the basis of our processes for valuing and investing in assets. Our own ESG principles are derived from the PRI and are a key component of our business performance in all segments.

SDGs

In 2015, all member states of the United Nations approved seventeen Sustainable Development Goals under the 2030 Sustainable Development Agenda. MPC Capital is mindful of the importance of these goals for the future of our planet. Our entrepreneurial activity and investments contribute to eleven of these goals.

Clean energy

Our infrastructure real assets in the Renewable Energies area contribute to the energy transition and to reducing carbon emissions. The more clean energy is generated, the lower greenhouse gas emissions from energy generation will be, helping to clamp down on global warming. We make sure that our renewable energy projects benefit the communities they affect, and that they are realised with the widespread support and involvement of those communities. Through this approach, we are contributing to development goals 7, 9, 11 and 13.

Assuring good working conditions

Both at our investments and in our own company, we maintain good and equitable working conditions and actively monitor health, safety and environmental aspects (HSE). This reflects development goals 5 and 8.

Reducing negative environmental effects

We constantly analyse the environmental risks associated with our investments. That includes hazardous substances used in construction and operation, and is consistent with development goal 6. We also endeavour to steadily shrink our carbon footprint, in a reflection of goals 7 and 9.

Better education and greater equality of opportunity

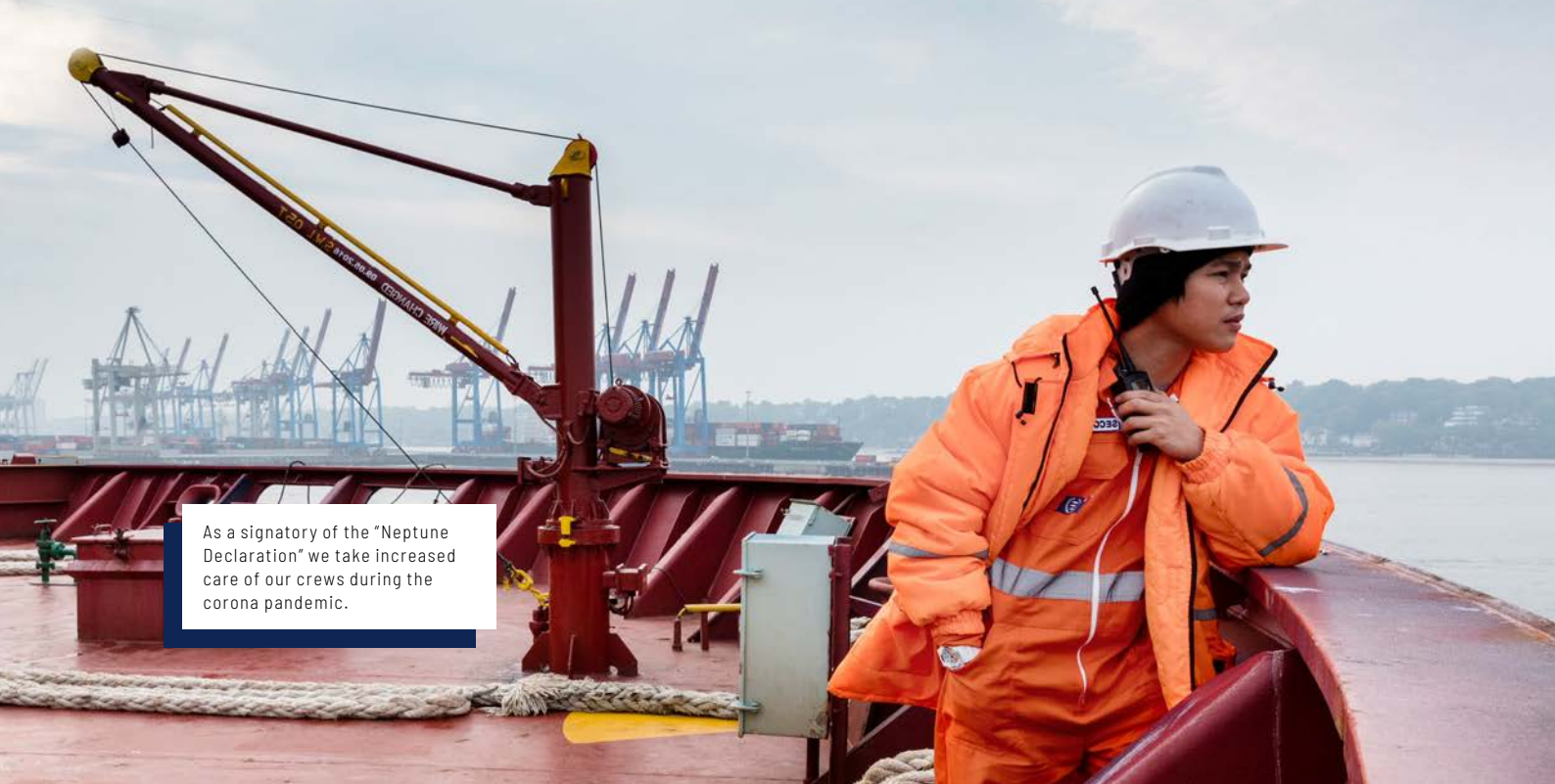
The Elbe Foundation that we set up to support educationally disadvantaged young people is therefore consistent with development goals 4, 5 and 10.

Respect for life below water and on land

Protecting life below water means assuring biodiversity in our oceans and the health of their ecosystems. Because our activity can endanger both, we look to invest in ways that reduce the strain under which we place life below water, and seek strict compliance. In developing our projects for generating renewable energies, we take extensive precautions to protect life below water and on land. In doing so, we contribute to development goals 14 and 15.

We contribute to eleven of the 17 SDGs





As a signatory of the "Neptune Declaration" we take increased care of our crews during the corona pandemic.

OUR VALUES ARE OUR GUIDE – CORPORATE GOVERNANCE

MPC Capital's internal ESG principles are based on our corporate values and guidelines for all our investment segments, and reflect our commitment to act in a socially and environmentally responsible way.



Code of Conduct: www.mpc-capital.com/CoC

The influence of our investments

In all three asset classes on which our business model is based, we identify major opportunities specifically from the trend to sustainable growth. For example in the Real Estate area, we meet demand for tenant-friendly housing with state-of-the-art design and sustainability.

Our real assets in the Renewables area not only have a direct positive impact on the global energy transition; in the countries where we are investing they also chime with growing efforts to reinforce the regulatory environment and attract direct investment to the rapidly growing energy sector.

The decarbonisation of shipping is a comprehensive, global transformation project that affords intriguing prospects and involves a wide range of players. Here again, we are in a very strong position thanks to our business model, many years of experience and strong network of partners.

By integrating ESG factors into the development process for our investment structures and into ongoing management work, we assume responsibility for the social and environmental challenges of today's world. These efforts also serve to safeguard our company's future and create long-term value for our investors.

REAL ESTATE

“Our vision and strategy is to create buildings that are fit for the future and meet tenant requirements. We look for durability and sustainability, and do much more than simply make them technically sustainable.”

Christoph J. Thumm, Managing Director Real Estate

We have an impressive track record in launching, structuring and developing investments in commercial and residential projects.

We focus our activities on real estate that has a suitable ESG profile and will produce solid returns for our investors.



The ESG Core Wohnimmobilien Deutschland fund invests in projects that satisfy stringent energy standards.



CASE STUDY ESG CORE WOHNIMMOBILIEN DEUTSCHLAND

ESG Core Wohnimmobilien Deutschland is an open-end special AIF with the core investment criterion of building up a sustainable portfolio of residential properties. The German Federal Financial Supervisory Authority (BaFin) recently gave the go-ahead for positioning the fund as a financial product under Article 8 of the Disclosure Regulation. The fund is among the first financial products in the real estate asset class in Germany to have received such a permit.

We succeeded in acquiring additional institutional investors for the fund in 2021, increasing the equity base to over EUR 140 million.

An ESG scoring model created specially for this fund helps to identify target properties that score very highly on energy efficiency, social responsibility and corporate ethics.

- + Energy savings 20 percent better than the standard required by law in Germany (EnEV 2016)
- + Monitoring and improving the portfolio's carbon footprint
- + Independent BREEAM In-Use certification sought on property-by-property basis
- + Public transport, kindergartens, schools and/or play areas within a set distance

Three properties were already acquired via the fund this year.

RENEWABLES

“The increased use of renewable energies is one of the most important ways of tackling climate change and restoring clean air for future generations. We are involved especially in regions that are still highly dependent on fossil fuels.”

Martin Vogt, Managing Director Renewable Energies

We are focusing strongly on promoting the energy transition and therefore concentrating our investment activity on projects in the field of renewable energies. One current priority is to invest

in emerging economies as a means of tackling global climate change, improving local infrastructures and making renewable energies available globally.



CASE STUDY MPC ENERGY SOLUTIONS

In MPC Energy Solutions, a global provider of sustainable energy, we have a one-stop shop for sustainable renewable energy worldwide. MPC Energy Solutions concentrates primarily on low-carbon energy infrastructures, including solar plants and wind farms, but also covers other hybrid and energy efficiency solutions. The company is involved throughout the entire life cycle of renewable energy projects, from the early development phase to construction and operation.

- + The focus markets Latin America and the Caribbean have big ambitions for renewable energies
- + Market opportunity for > 45 GW by 2030 with a growth rate of 14.3%
- + 750 MW pipeline plus a further 1,900 MW order backlog
- + Attractive indicative IRR of 10 - 18% and ~75% EBITDA margin



Los Santos Solar I, a solar park in northern Mexico, avoids around 16,500 tonnes of carbon emissions per year.

SHIPPING

“We are convinced there will be rising demand for new container ships with attractive specifications, lower fuel consumption and high environmental rankings. 80 percent of ships currently in service are non-eco vessels. Meanwhile the positive momentum in the container market will continue.”

Christian Rychly, Managing Director Shipping

In terms of carbon emissions per tonne of goods carried, shipping is more efficient than road or air transport, and the most environmentally acceptable way to move industrial goods around.

2021 was the year our industry became fully aware of the transformation it needs to implement. Carbon emissions need to be cut by 50 percent by 2050, and already by 40 percent by 2030 compared with the base level of 2008. The global shipping fleet is therefore in need of modernisation and new fuel supply networks need to be developed.

This represents a big challenge: ships use a large amount of energy, so a whole new generation of fuels and drive systems will be required.

We expect demand for replacing old ships with new ones will continue to rise in light of tougher environmental regulations, such as decarbonisation initiatives. We are on a drive to adopt a variety of modern drive systems and alternative fuels, such as LNG, LPG, biofuels and hydrogen, in response to new technological trends and environmental standards. As a member of the Clean Shipping Alliance we support the calls of the International Maritime Organization (IMO) for a worldwide sulphur limit of 0.5 percent.

We support the IMO's call for a worldwide sulphur limit of 0.5 percent.



CASE STUDY NEPTUNE DECLARATION

Since the outbreak of the coronavirus pandemic, hundreds of thousands of seafarers from all over the world have been stranded working aboard ships beyond the expiry of their contracts and crews have been unable to change. Fatigue after lengthy periods at sea can have a huge impact on their physical and mental wellbeing. This has increased the risk of maritime accidents and environmental disasters, and represents a threat to the integrity of maritime supply chains.

- + Recognise seafarers as key workers and give them priority access to Covid-19 vaccines
- + Increase collaboration between ship operators and charterers to facilitate crew changes, and also ensure air connectivity between key maritime hubs for seafarers



Our diverse, highly qualified team puts our partners and investments in the best of hands

Our group employs around 200 people from 34 different countries.

Our values reflect our Hanseatic roots coupled with the breadth of vision to focus on investments in global markets. Our seat of business in the international seaport of Hamburg reflects our culture, international business and diversity.

In both our investment structures and our own company, we maintain good and equitable working conditions and actively monitor health, safety and environmental aspects (HSE).

Especially in times of change, well-qualified personnel is instrumental to successfully integrating and implementing new (ESG) strategies and measures. To remain able to handle challenges in the future, we provide ongoing skills development for our employees. We therefore encourage them to make use of the wide range of education and training opportunities.

Committed to our employees

Our ability to hold onto highly qualified employees in the long term is the very basis of the enduring success of the MPC Capital Group. MPC Capital therefore strives to become even more effective at retaining its employees over the long term and enabling them to continue performing at a high level. We achieve this by offering both performance-related remuneration components and non-financial incentives. Such incentives include flexible working hours and a flexible workload to improve their work-life balance.

Day care centre

Free spaces at day care centres are hard to come by. We offer parents a place for their children at a nearby day care centre.

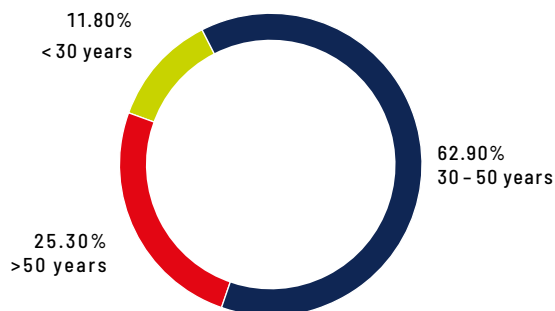
Mobile working

We enable our employees to use mobile working for 50 percent of their working time.

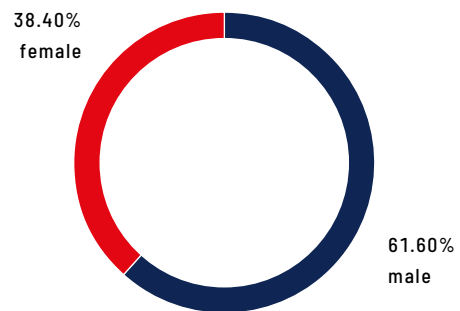
Time out

Every five years, our employees can take a six-week sabbatical.

Employees by age group



Employees by gender



Social responsibility where we are

We established the Elbe Foundation in 2005 to demonstrate long-term social responsibility at our home location. The aim of the foundation is to give young people access to good education and training, encourage them to realise their potential and inspire them to show commitment.

ELBE FOUNDATION

MPC Capital has been supporting educationally disadvantaged young people through the Elbe Foundation for 16 years. Through the Elbstation Academy project, young people rehearse plays, produce radio features and make films that then appear in theatres across Hamburg.



- + Over nearly 16 years, around 830 young people have participated in Elbstation
- + 37 plays, 51 films and 75 radio features have been produced
- + 100+ young people have volunteered and helped to support younger students
- + 150+ volunteers – employees of the MPC Group and other Hamburg businesses – have supported the young people
- + 23 prizes and nominations for successful work as a foundation
- + 15+ cooperating partners in 16 years
- + All young people who have been coached have found an apprenticeship or gone on to study
- + Supported by the Adobe funding programme "Adobe Employee Community Fund"



Making films, producing radio features, treading the boards - how the Elbe Foundation gives young people a confidence boost.

COMBINED MANAGEMENT REPORT AND GROUP MANAGEMENT REPORT AS AT 31 DECEMBER 2021

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1. Basis of the Group and of MPC Capital AG

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 exchange 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 has largely withdrawn from the management of investment products for private investors in order to focus on business with institutional clients.

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 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. It pursues the goal of developing 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 are 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 include:

Technical management for container ships, bulk carriers and tankers: Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG, Ahrenkiel Vogemann Bolten GmbH & Co. KG and Barber Ship Management 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 in November 2021. The transaction was closed at the end of 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 2021, the MPC Capital Group had assets under management (AUM) totalling approximately EUR 4.9 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.

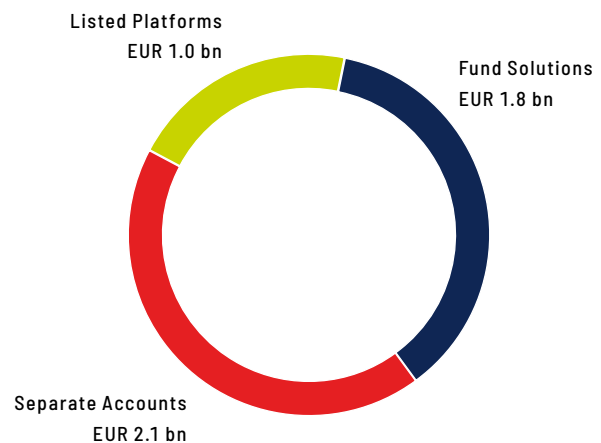
Link between asset and investor

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 vehicle based on 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 ESG (Environmental, Social, Governance) in the Real Estate segment, 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 other 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, for example the ESG Core Wohnimmobilien fund in the Real Estate segment, 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 a wide array of other initiatives, programmes and organisations.

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 taxes (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

2021 was another year dominated by the effects of the COVID-19 pandemic. The global economy initially gathered substantial pace. However growth already began to slow in the second half of 2021. Disruptions to supply chains, bottlenecks in the labour market, new waves of the coronavirus and slow progress with delivering vaccines, especially in low-income developing countries, were all factors in this.

The International Monetary Fund (IMF) and the Organisation for Economic Co-operation and Development (OECD) responded in October and December respectively by adjusting their global growth forecasts for 2021. In its most recent forecast, the International Monetary Fund IMF nevertheless anticipates historically high 5.9 percent global growth.

The recovery was hampered by supply-end disruptions that were likewise triggered and exacerbated by the pandemic. Bottlenecks affected the entire value chain, from commodities to semiconductors, and were also in evidence in exceptional disruptions to global logistics systems. In addition, the swift recovery as well as high demand for goods caught many businesses unawares. Strong demand for consumer goods was promoted by high cash liquidity and limited spending opportunities at a time that many service offerings were unavailable or only available to a limited degree. Limited supply, logistics bottlenecks and record levels of demand for consumer goods resulted in substantial rises in producer prices for many products, which to some extent fuelled general inflation. Rising energy prices and baseline effects, such as temporary tax changes, were other factors in the elevated levels of inflation.

In response to rising demand for goods coupled with supply and transport shortages, freight and charter rates increased substantially in the course of 2021. For example, the charter index HARPEX quadrupled from around 1,000 points at the start of the year to around 4,000 points at the end of the year. 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. For all the challenges presented by the pandemic, the assets managed by the fund companies continued to record substantial growth. In Germany alone, the investment fund association BVI recorded growth in net assets from EUR 3.7 billion (30 September 2020) to EUR 4.2 billion (30 September 2021). 2021 was also a record year for the European fund sector. According to the analyst firm Morningstar, inflows totalled EUR 815 billion, representing a rise of 90 % on the previous year.

BUSINESS PERFORMANCE

Adjustments to Group structure lead to changes in consolidated financial statements

In the 2020 financial year, MPC Capital had transferred substantial portions of its operational service business to joint venture structures in order to achieve a broader and more impactful market presence by joining forces with partners. The joint venture company Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG established in 2020 is now included in the consolidated financial statements using the proportionate consolidation method, and since October 2020 only 50 % of the revenue and profit contributions and of its assets and liabilities have been recognised in the consolidated financial statements. Consolidated revenue as reported is likewise correspondingly lower in the 2021 financial statements compared with 2020. Thanks to an improved cost basis, the unlocking of synergies and the focus on high-growth, profitable investment strategies, a substantial improvement in profitability was also achieved.

Effects of the COVID-19 pandemic on the business of the MPC Capital Group

After a pandemic-related abrupt slump in the global economy in 2020, progress with vaccinations in 2021 prompted a marked economic recovery.

There has been a substantial improvement in freight and charter rates in container shipping, for example. The upturn was given further buoyancy by transport bottlenecks.

Demand for investment opportunities in sustainable renewable energy projects remains high. The pandemic indirectly weighed on the Renewables segment because the disruption to supply chains held up deliveries of components, in some cases causing delays to projects. In addition, prices for components have edged up as a result of increased transport costs, potentially with an adverse effect on returns from these projects.

The Real Estate segment was only affected to a limited extent by the COVID-19 pandemic. Especially residential properties on the periphery of metropolitan areas have acquired growing appeal, while demand for office space has if anything receded as a result of the working from home becoming more common.

Overall, the multi-asset strategy pursued by the MPC Capital Group – along with the associated diversification of its asset basis and ultimately also its extensive spread within the segments – has proved to be robust.

Successful business performance in 2021

The management of MPC Capital considers its business performance in 2021 to have been on the whole a success, with further momentum gained in a fourth quarter that featured a high transaction volume. Above all the continuing strong market conditions in container shipping and successful transactions in the Real Estate segment provided added impetus as the 2021 financial year drew to a close.

Consolidated revenue and consolidated earnings before taxes (EBT) were both at the upper end of expectations. Against the backdrop of markedly improved visibility for the mid-range results of operations, the Management Board intends to resume dividend distributions. A dividend of EUR 0.12 is planned for the 2021 financial year and will be proposed to the Annual General Meeting on 27 April 2022.

Real Estate

In the 2021 financial year, MPC Capital capitalised on the healthy level of real estate markets by focusing further through the disposal of its real estate activities in the Netherlands. In November 2021 MPC Capital sold its subsidiary Cairn Real Estate B.V. to the British investor Schroders Capital, the private assets investment arm of Schroders Group, for a net price of around EUR 30 million. The transaction was completed at the end of January 2022.

The disposal will prospectively add an accounting profit in the low double-digit million euros to the earnings before taxes (EBT) of the MPC Capital Group for the 2022 financial year.

MPC Capital had previously already exited from the bulk of its co-investments in Dutch real estate projects. The resulting accounting profits were realised as income in the 2021 financial year.

MPC Capital was able to realise further transaction proceeds from the successful sale of a real estate project in Munich.

In launching a new fund for sustainable residential properties in metropolitan regions, MPC Capital paved the way for a new strategy in the German residential real estate market. The first closing for ESG Core Wohnimmobilien Deutschland worth EUR 80 million was reached at the start of the year with institutional investors from the sphere of insurance companies. The second closing for a further EUR 66 million came at the end of the year. Projects were acquired in Pinneberg (Hamburg area), Bad Nauheim (Frankfurt) and Münster in the course of the 2021 financial year. The fund is seeking a total investment volume of EUR 300 million and investing specifically in real estate projects that consistently meet a wide range of ESG criteria.

In June the fund was given the go-ahead by the German Federal Financial Supervisory Authority BaFin to be positioned as a financial product under Article 8 of the Disclosure Regulation.

The EU's Sustainable Finance Disclosure Regulation (SFDR) which has been in place since March 2021 is designed to provide greater transparency on sustainability within the European market. Funds that build in environmental and social features as well as good corporate governance (ESG) and report on these regularly are certified as Article 8 products. ESG Core Wohnimmobilien Deutschland is among the first financial products in the real estate asset class in Germany to have received such a permit.

At the start of 2021 the MPC Capital Group withdrew entirely from the operational management of micro-living projects. The operational management of the portfolio and the co-investments in the assets were sold off in the 2021 financial year without any notable impact on the balance sheet.

Renewables

As part of the new focus on high-growth, profitable segments, the Infrastructure area of MPC Capital will concentrate on the development and management of facilities for the production and storage of renewable energy. Going forward, it will therefore be renamed the "Renewables" unit.

In January 2021 MPC Capital took a major step in the development of this area with the initiation of MPC Energy Solutions N.V. and a private placement of USD 100 million. MPC Energy Solutions was set up by MPC Capital as an investment vehicle to profit from the growing demand for a sustainable and low-cost, low-carbon energy infrastructure in emerging and developing countries in particular. As the owner of renewable energy systems, it will contribute to the transition to an emissions-free future. The projects will consist primarily of PV and wind farms, but also include energy storage, co-generation and other infrastructures that help cut energy consumption and CO₂ emissions. Since mid-January 2021 MPC Energy Solutions has been listed on the Oslo Stock Exchange in the Euronext Growth market.

MPC Energy Solutions currently has a development portfolio comprising projects in Colombia, El Salvador, Puerto Rico and Jamaica with a planned peak output of 334 megawatt and an investment volume of around USD 400 million. The pipeline includes further projects in the Caribbean and Latin America for a total of around 300 megawatt.

Under its co-investment strategy MPC Capital has acquired a co-investor stake in MPC Energy Solutions N.V. MPC Capital refinanced EUR 4 million of the USD 10 million co-investment share payable in cash through a capital increase with exclusion of subscription rights on 8 January 2021. In total 1,777,778 new shares were issued for contributions in cash and placed at a price of EUR 2.25 per share. This move increased the share capital of the company by EUR 1,777,778.00, from EUR 33,470,706.00 to EUR 35,248,484.00, making partial use of the "Authorised Capital 2018", through the issuance of 1,777,778 new no-par-value bearer shares. The subscription right of the shareholders was excluded. The capital increase was entered on the Commercial Register on 21 January 2021.

Shipping

In the Shipping unit, the container segment in particular profited from a recovery in world trade. Supply chain disruptions and the periodic closure of ports due to the pandemic also created a shortage of transport capacity and increased demand for tonnage.

MPC Capital reaped the benefits of the decidedly positive market development in container shipping particularly in its commercial ship management, transaction business and co-investment portfolio. The higher charter contracts achieved across much of container shipping are filtering through into the commercial management operations of the joint venture Harper Petersen, which earns predominantly a percentage fee based on the charter rate realised. For example, the average charter rates achieved by the fleet under Harper Petersen's management climbed from approx. USD 8,700 per day in 2020 to USD 24,700 in 2021. Over the same period the average charter period rose from just under six to 19 months.

In August 2021 the investment vehicle MPC Container Ships ASA took over its competitor Songa Container, with a fleet of eleven container ships, for USD 210 million. The acquisition contributed to a further expansion of the MPC Capital Group's shipping activities.

At the end of the year MPC Capital and partners reached agreement on the construction of four new container ships. The 5,500 TEU cargo ships will be built at the Hanjin shipyard in South Korea and will be to modern, environmentally friendly specifications. The sustainable design of the 5,500 TEU container ships will bring a 40 % fuel saving compared to the current fleet and can run carbon-neutrally on green methanol. Delivery of the first ship is scheduled for the second quarter of 2023. MPC Capital will offer a range of services, including commercial and technical management, either directly or via its subsidiaries.

Development of assets under management (AUM)

The assets under management (AUM) of the MPC Capital Group totalled EUR 4.9 billion at the end of 2021, well up the prior-year level (EUR 4.4 billion). New assets to the total value of EUR 0.6 billion were onboarded. On the other side of the equation there were sales and disposals totalling EUR 1.1 billion.

Reflecting the strong market development in container shipping and the real estate sector, the value of the portfolio increased by around EUR 1.0 billion.

AUM in the Real Estate unit declined by just over EUR 0.1 billion from EUR 1.9 billion to EUR 1.8 billion mainly as a result of the disposal of office properties in Germany and the Netherlands. Additions were recorded especially in the German residential real estate sector. The real estate market's positive development produced a measurement effect of around EUR 0.1 billion.

In the Shipping segment, AUM of EUR 2.8 billion were well up on the previous year's level (EUR 2.1 billion). Slightly more than EUR 0.3 billion was newly onboarded. By contrast there are asset disposals amounting to EUR 0.7 billion. In a reflection of the dynamic development in container shipping, the value of the fleet increased by almost EUR 1.0 billion.

In the Renewables unit, AUM came to EUR 0.3 billion (31 December 2020: EUR 0.2 billion). The increase stemmed from further acquisitions and reversals of write-downs for projects in Central America and the Caribbean.

Discontinued products, meaning assets from the former retail business area that do not fall into any of the three core asset classes, accounted for less than EUR 0.1 billion (31 December 2020: EUR 0.1 billion). Going forward, these will no longer be reported in further detail.

Of the total of EUR 4.9 billion in assets under management, former retail business activities represent around EUR 0.9 billion (31 December 2020: EUR 0.7 billion). The slight increase of around EUR 0.1 billion is attributable to the increase in the value of ships structured as closed-end funds.

36 % of assets under management are in fund solutions (special AIF, closed-end funds, etc.), 21 % in listed platforms (assets of listed companies) and 43 % 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 50.5 million to EUR 42.3 million in the 2021 financial year.

The Group generated revenue amounting to EUR 28.1 million from **management services** in the 2021 financial year (2020: EUR 37.1 million). The expected fall in revenue from management services is attributable to the proportionate consolidation of joint venture companies in the Shipping segment. The joint venture Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG in particular has been included in the consolidated financial statements using the proportionate consolidation method since October 2020. The service business of the MPC Capital Group will increasingly be handled jointly with partners through joint ventures, to establish a broader and more impactful market presence.

Income from **transaction services** rose to EUR 13.8 million (2020: EUR 10.7 million) as a result of a marked uptick in transaction activity mainly in the second half of 2021. It primarily comprised transactions in the Real Estate and Shipping units.

Other revenue for 2021 came to EUR 0.4 million (2020: EUR 2.7 million). The prior-year figure included one-off, non-recurring income from the Shipping unit.

Other operating income for the 2021 financial year came to EUR 16.4 million (2020: EUR 9.9 million). For the most part it is attributable to accounting profits from asset sales totalling EUR 11.4 million (2020: EUR 3.4 million) in connection with transactions in the Shipping unit, as well as to the cash settlement for maturing option warrants in MPC Container Ships ASA.

The **cost of purchased materials** came to EUR 2.1 million for the 2021 financial year (2020: EUR 4.5 million). The prior-year figure had been exceptionally high as a result of purchased services for the commercial chartering of tankers.

Personnel expenses for the 2021 financial year came to EUR 21.9 million (2020: EUR 26.3 million). The decrease reflects the changes in the Group structure as well as savings from the decision to focus on profitable investment strategies. The Group employed an average of 191 people in 2021. The figure includes 66 attributed employees from equity investments in joint ventures. The previous year's figure was an average of 260 (of which 33 employees from equity investments in joint ventures).

Amortisation of intangible fixed assets and depreciation of tangible assets was slightly below the previous year's level at EUR 2.0 million (2020: 2.3 million) and mainly related to the companies Wilhelmsen Ahrenkiel, Harper Petersen and Albis Shipping.

Other operating expenses of EUR 20.9 million were well down on the previous year (2020: EUR 25.7 million). The decrease is substantially attributable to changes in the Group structure, lower expenses from changes in exchange rates and also further savings realised by focusing on profitable investment strategies. The amortisation and write-downs on receivables declined to EUR 1.6 million (2020: EUR 1.9 million), and legal and consultancy costs fell to EUR 6.0 million (2020: EUR 7.0 million). IT costs were reduced from EUR 2.8 million in the previous year to EUR 2.2 million in 2021. Expenses from changes in exchange rates came to EUR 0.3 million (2020: EUR 1.5 million).

The **operating result (EBIT)** improved by EUR 10.2 million thanks to the substantially reduced cost base and higher revenues from transaction services, rising from EUR 1.5 million in the previous year to EUR 11.7 million in 2021.

Income from equity investments amounted to EUR 1.2 million (2020: EUR 2.8 million) and related to transactions in the Real Estate unit.

Other interest and similar income came to EUR 2.2 million (2020: EUR 1.8 million), primarily from loans for project financing.

Write-downs on financial assets in the amount of EUR 2.1 million (2020: EUR 1.6 million) were made. These mainly related to long-term project financing.

Interest and similar expenses came to EUR 0.2 million (2020: EUR 0.2 million) and mostly consisted of interest expenses for the refinancing of a real estate project.

The **result of associates carried at equity** was EUR -2.5 million (2020: EUR -3.1 million) and was attributable to the net adjustment to recognised values for equity investments.

Earnings before taxes (EBT) came to EUR 10.4 million. In the previous year, the MPC Capital Group posted EBT of EUR 1.3 million.

Income tax expense for 2021 came to EUR 3.2 million (2020: EUR 1.4 million).

Consolidated earnings were EUR 7.2 million (2020: EUR -0.1 million).

RESULTS OF OPERATIONS OF THE GROUP PARENT

MPC Capital AG realised revenue amounting to EUR 7.5 million in the 2021 financial year (2020: EUR 7.6 million). This comprised EUR 1.3 million (2020: EUR 0.9 million) from management and

transaction income and EUR 6.2 million (2020: EUR 6.8 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 5.4 million in 2021 (2020: EUR 2.8 million) and was substantially attributable to write-ups on financial assets to reflect increased measurements of equity investments in the Shipping area.

Personnel expenses remained unchanged at EUR 5.7 million in the financial year (2020: EUR 5.7 million). The number of employees of MPC Capital AG declined slightly to an average of 35 (2020: 40) and reflects the adjustment to the corporate structure to align it with MPC Capital's focus on transaction and investment business.

Other operating expenses showed a clear decline to EUR 8.1 million (2020: EUR 11.4 million). This included especially a drop in the amortisation of and write-downs on receivables to EUR 1.5 million (2020: EUR 4.6 million). This item mainly comprises extraordinary write-downs on receivables from affiliated companies. Legal and consultancy costs increased to EUR 1.5 million (2020: EUR 0.8 million) in connection with the disposal of Cairn Real Estate B.V. All other major items showed a further improvement.

Investment income jumped to EUR 12.3 million (2020: EUR 0.3 million). This was balanced by write-downs of financial assets and marketable securities in the amount of EUR 12.2 million (2020: EUR 0.3 million). MPC Capital AG generated income from profit transfer agreements amounting to EUR 4.4 million (2020: EUR 2.2 million) as well as from interest and similar income amounting to EUR 1.7 million (2020: EUR 1.3 million). Interest and similar expenses came to EUR 0.7 million (2020: EUR 0.7 million).

Earnings before taxes (EBT) showed a substantial improvement from EUR -4.3 million in 2020 to EUR 4.1 million in 2021 thanks to the higher operating result and increased investment income. Tax expense came to EUR 1.0 million in 2021 (2020: EUR 0.2 million).

Net profit for MPC Capital AG consequently rose to EUR 3.1 million (2020: EUR -4.5 million). The loss carried forward of EUR -9.4 million was netted with other retained earnings, leaving a net retained profit of EUR 4.5 million for the 2021 financial year (2020: net accumulated loss of EUR -9.4 million).

NET ASSETS AND FINANCIAL POSITION OF THE GROUP

The **total assets** of the Group as at 31 December 2021 grew to EUR 134.6 million (31 December 2020: EUR 126.6 million) as a result of the substantially higher current assets.

Fixed assets decreased from EUR 72.1 million to EUR 60.1 million at the balance sheet date of 31 December 2021. EUR 3.0 million (31 December 2020: EUR 4.1 million) related to intangible assets

that primarily comprise the goodwill capitalised for Wilhelmshen Ahrenkiel, Harper Petersen and the equity investment in Albis Shipping.

The **financial assets**, which essentially constitute the co-investment portfolio of the MPC Capital Group, declined to EUR 56.4 million as at 31 December 2021 (31 December 2020: EUR 67.2 million). Among other factors the decrease was attributable to the disposal of co-investments in the Dutch office property funds Gateway and InTheCity.

Current assets grew from EUR 54.3 million as at the end of 2020 to EUR 74.3 million as at 31 December 2021. **Receivables and other assets** came to EUR 35.8 million as at 31 December 2021 (31 December 2020: EUR 29.5 million). Strong transaction business in the final quarter of 2021 and other operating income produced a substantial rise in liquidity within the Group (**cash in hand and bank balances**) as at 31 December 2021 to EUR 38.5 million (31 December 2020: EUR 24.8 million).

Equity rose from EUR 96.3 million as at 31 December 2020 to EUR 100.8 million as at 31 December 2021 following the capital increase implemented in January for a nominal EUR 1.8 million and thanks to the clear improvement in net retained profit. The equity ratio came down slightly from 76.0 % to 74.9 % because total assets simultaneously grew.

Provisions in the amount of EUR 19.6 million were recognised as at 31 December 2021 (31 December 2020: EUR 18.4 million). The slight increase is attributable to higher tax provisions as well as provisions for legal and consultancy costs. The Management Board considers 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 came to EUR 14.0 million as at 31 December 2021 (31 December 2020: EUR 11.6 million). The increase comes mainly from **liabilities to other long-term investees and investors**. **Liabilities due to banks** fell to EUR 0.8 million (31 December 2020: EUR 1.3 million). **Trade payables** amounted to EUR 1.0 million (31 December 2020: EUR 0.8 million). **Other liabilities** remained unchanged at EUR 8.5 million (31 December 2020: EUR 8.5 million).

In the period under review the MPC Capital Group reported a positive **cash flow from operating activities** of EUR 3.9 million (2020: EUR 3.3 million). Receivables came down by EUR 7.6 million (2020: EUR 2.6 million). Liabilities rose by EUR 0.7 million (2020: decrease of EUR 3.3 million). Dividends from equity investments brought in proceeds of EUR 1.1 million (2020: EUR 2.8 million).

The **cash flow from investing activities** in the period under review came to EUR 8.4 million (2020: EUR 11.0 million). Payments for investments in financial assets amounting to EUR 11.8 million (2020: EUR 10.1 million) resulted essentially from the involvement as co-investor in various investment projects in all three asset classes. There was an opposite effect from proceeds from the disposal of financial assets in the amount of EUR 20.9 million (2020: EUR 17.5 million). These related to the disposal of further financial assets from the Real Estate and Shipping areas.

In the 2021 financial year MPC Capital moreover received interest and dividends in the amount of EUR 0.2 million (2020: EUR 1.9 million) from its equity investments and loans.

The **cash flow from financing activities** of EUR 1.8 million (2020: EUR -8.5 million) was made up mainly of proceeds from the capital increase in the amount of EUR 4.0 million (2020: EUR 0.0 million) and the repayment of borrowings in the amount of EUR 1.4 million (2020: EUR -5.8 million). No liabilities were entered into in 2021 (2020: EUR 0.4 million). Interest paid for project financing in the individual asset areas amounted to EUR -34 thousand (2020: EUR -1.5 million).

Total **cash and cash equivalents** at the end of the year rose to EUR 38.5 million (31 December 2020: EUR 24.8 million).

NET ASSETS AND FINANCIAL POSITION OF THE GROUP PARENT

The total assets of MPC Capital AG increased to EUR 123.5 million as at 31 December 2021 (31 December 2020: EUR 117.8 million). Fixed assets, which mainly comprise shares in affiliated companies and equity investments (financial assets) and, to a minor extent, tangible assets, fell to EUR 76.6 million (31 December 2020: EUR 85.5 million).

Current assets consisted of receivables in the amount of EUR 41.8 million (31 December 2020: EUR 24.8 million), for

the most part from affiliated companies and from other long-term investees and investors. Cash in hand and bank balances declined from the prior-year level of EUR 7.4 million to EUR 5.0 million as at 31 December 2021. On the equity and liabilities side, equity increased to EUR 104.2 million (31 December 2020: EUR 97.1 million). On 8 January 2021 the Management Board of MPC Capital AG, with the approval of the Supervisory Board, resolved and implemented a capital increase. Making partial use of the Authorised Capital 2018, the share capital of MPC Capital AG was increased by up to a nominal EUR 1,777,778.00, excluding the subscription right of the shareholders pursuant to Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG). This corresponds to up to 5 % of the previous share capital. The increase was for contributions in cash against the issuance of 1,777,778 new no-par-value bearer shares with a notional capital share of EUR 1.00 per share (the "New Shares"). The New Shares were admitted to trading in the existing listing, without the requirement of a prospectus, in the Open Market ("Scale" segment) of the Frankfurt Stock Exchange and are fully eligible for dividends from 1 January 2021.

As a result of this capital increase implemented in the financial year, the share capital of the company changed from EUR 33.5 million to EUR 35.2 million.

The equity ratio was 84.4 % (31 December 2020: 82.4 %).

Provisions increased to EUR 3.7 million (31 December 2020: EUR 2.7 million). Liabilities were scaled back to EUR 15.6 million (31 December 2020: EUR 18.0 million). They mainly comprised liabilities to affiliated companies.

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		
	2021	2020	Change	2021	2020	Change
Revenue	42,284	50,489	-16 %	<i>Not a financial performance indicator</i>		
Earnings before taxes (EBT)	10,401	1,263	724 %	4,104	-4,270	n/a
Liquidity (cash in hand and bank balances)	38,497	24,750	56 %	5,008	7,429	-33 %
Equity ratio	74.9 %	76.0 %	-1.1pp	84.4 %	82.4 %	+2.0pp

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

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 2021 financial year was very positive. Both revenue and earnings before taxes were at the upper end of the forecast range, which envisaged a lower level of revenue and substantially better EBT than in the previous year.

4. Other Disclosures

EMPLOYEES

The employees of the MPC Capital Group contributed to the positive development in the 2021 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.

Over the 2021 financial year the MPC Capital Group had an average of 191 employees, including 66 employees from equity investments in joint ventures. On the reporting date of 31 December 2021, the Group had 204 employees. MPC Capital AG employed an average of 35 people in the financial year, and 33 people on the reporting date.

The sharp upturn in merchant shipping, the continuing real estate boom and rising demand for investments in sustainable real assets gave the business model of the MPC Capital Group a substantial lift.

The expected decline in revenue was attributable to adjustments to the Group structure, with operational management in the Shipping unit now handled entirely through joint ventures. Those companies are consequently consolidated proportionately. Earnings before taxes were increased to more than EUR 10 million thanks to a strong final quarter with profitable transactions and the effects of the container boom.

Group liquidity of EUR 38.5 million at the balance sheet date was at a comfortable level and should improve further in the course of 2022 as a result of the sale of Cairn Real Estate B.V., solid financial returns from co-investments and a positive operating cash flow.

The key challenge remains to identify attractive investment targets and to gain sufficient access to institutional investors in order to continuing expanding business.

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

In the 2021 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 Management Board 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 2021, under the circumstances known to the Management Board at the time at which the transactions were performed, 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

Opportunities arising in connection with the COVID-19 pandemic

Society and businesses have now been exposed to the effects of the COVID-19 pandemic for around two years. Many businesses started to adjust to this new situation early on and introduced appropriate countermeasures. The MPC Capital Group likewise adapted to the new market circumstances as swiftly and thoroughly as possible. The successful progress made in the 2021 financial year shows that MPC Capital managed to capitalise efficiently on opportunities from shifting investment behaviour.

The pandemic is creating market opportunities that may for example take the form of catch-up effects in world trade or a shift in investment flows with a stronger focus on sustainable investments. The crisis has sharpened investor awareness of environmental and social issues and accelerated rethinking processes. Therein lies the opportunity for MPC Capital to build on its current policy of focusing on the sustainable aspects of real investments and thus attract new investors.

There is also the prospect of product-specific opportunities, for example from increased demand for transport capacity in shipping or for residential properties.

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 level of interest is likely to erode demand for liquid assets such as shares.

At the same time cash-rich investors worldwide are increasingly looking for investment opportunities. In view of the still-high returns being sought, overall there is growing importance for real asset investments for institutional investors.

Especially given the drive to achieve global climate targets, a marked rise in investment in sustainable projects and products can be expected over the coming years.

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.

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

Risks relating to the COVID-19 pandemic

Even if the challenges and impact of the now roughly two-year-long pandemic have become more manageable and predictable, there remains uncertainty over its further course. The pandemic triggered a historic slump followed by an equally historic rebound

in the globalised world economy. Even as the vaccination campaign continues, it is still impossible to predict when the pandemic will be overcome.

In this market situation, the multi-asset strategy pursued by the MPC Capital Group – along with the associated diversification of its asset basis and ultimately also its extensive spread within the segments – has proved to be relatively robust. Moreover, the Group has adjusted very well to the new market conditions and has been able to cushion the negative effects of the pandemic.

Nevertheless, as matters stand it is still impossible to say conclusively what the medium and long-term effects of the pandemic will be and how these will impact the relevant asset classes. The slump in container shipping after the start of the pandemic in 2020 and then the vigorous bounce-back reveal just how volatile the markets currently are.

There is evidence that in isolated cases the pandemic has had a negative impact on real estate valuations. Losses of rent and a reduction in the amount of office space required by businesses, triggered increasingly and potentially permanently by the shift towards working from home, could lead to a protracted decline or shift in demand in individual real estate segments. This effect will lead to continuing strong demand for residential properties, for example.

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, substantial interest rate hikes by the Federal Reserve or the European Central Bank (ECB) 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 observing 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.

Availability of real assets

As an investment manager for real investments and investment products, MPC Capital is reliant on a suitable selection 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 asset products

The MPC Capital Group is dependent on future demand for real asset products. A drop in demand for real asset investment products, for example due to a significant interest rate hike in the USA and the eurozone, could have an adverse effect on the development of the MPC Capital Group.

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 the loss of the charter/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 2021 include provisions for legal and consultancy costs of approximately EUR 8.5 million (31 December 2020: EUR 7.7 million). The higher level is attributable to increased expenses in connection with the policy of focusing on transaction and investment business. 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 2021. 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 pending proceedings 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 2021 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 of 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 2021, 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 take action directly against the trust company.

FINANCIAL RISKS

Valuation 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 appropriate liquidity. The liquidity available as at the balance sheet date of 31 December 2021 is reported in the notes to the consolidated financial statements, as are the Group's financial liabilities as at the reporting date and their maturity structure.

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 corporate 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 2021 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 on all receivables. Write-downs are recognised in the accounts and reported under other operating expenses; they amounted to approximately EUR 1.6 million as at 31 December 2021 (31 December 2020: EUR 1.9 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 3.4 million as at 31 December 2021 (31 December 2020: EUR 3.7 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. The risk situation of the MPC Capital Group has not changed materially 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

After the deepest recession and fastest recovery for decades in the years 2020 and 2021, the global economic recovery is likely to continue at a slower pace in the 2022 financial year. There are various elements of uncertainty to the outlook. Rising inflation, changes to interest rates and geopolitical risks such as conflict in Ukraine mean the capital market is likely to show increased volatility, COVID-19 also remains a cause for concern. New variants could emerge before broad-based vaccination has been achieved worldwide, or the immunisation drive could prove to be ineffective if the effect of the vaccine wears off sooner than expected.

For 2022, the Institute for the World Economy ("IfW") anticipates 4.5% growth in global output. The IfW sees substantial upside and downside risks particularly in the further course of the pandemic – not least concerning the Omicron variant – and in how far matters are affected by supply bottlenecks. In both cases the IfW expects to see the marked restraining effects continue over the coming months and an end to economic restrictions in spring 2022, though we are not likely to see supply bottlenecks overcome before the end of 2022.

Based on previous statements issued by central banks in the USA and Europe, interest rate rises are on the cards in the USA this year, while the European Central Bank (ECB) will continue to respond to inflation with restraint in 2022 in order to protect weaker national economies in the eurozone. However the ECB is likely to follow suit by next year at the latest and put up its key rate to avoid an excessive interest rate differential between the USA and Europe, and to prevent capital flight from Europe to the USA.

The US dollar strengthened markedly against the euro in 2021. The exchange rate in 2022 should be determined on the one hand by the differences in monetary policy and on the other hand by a shift in the growth trend between the USA and the eurozone.

In a study published in September 2021, the French asset manager Amundi predicts that real assets could emerge from the COVID-19 crisis as the winners because they have the potential to combine protection against inflation with the prospect of higher returns than traditional liquid assets. According to this analysis, depending on asset class the next ten years could see real and alternative investments offer an extra return of 200–500 basis points compared with traditional asset classes. Active asset selection could

take this extra opportunity for returns towards the upper end of this range. Such a substantial range in expected returns should accelerate the flow of capital into real assets because investors are striving to optimise their risk/return ratio.

ANTICIPATED BUSINESS PERFORMANCE

On the operations side, business development in 2022 will focus essentially on the further expansion of the investment platforms for residential real estate in Germany (ESG Core Wohnimmobilien Deutschland), for renewable energy in the Caribbean and Latin America (MPC Energy Solutions and MPC Caribbean Clean Energy), and for shipping activities.

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.

The forecast is dependent on the further course of the COVID-19 pandemic. Should further waves of infection flare up with new variants of the virus, there could once again be drastic political intervention with unclear and incalculable consequences for the economy.

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. In launching the ESG Core Wohnimmobilien Deutschland fund, the foundations have been laid to expand activities in the German institutional market. The aim is to achieve a total investment volume of around EUR 300 million over the next few years and to invest it specifically in sustainable residential property projects in Germany.

In the **Renewables** area, 2022 will see the MPC Capital Group focus on the further expansion of its investment strategy in Central America and the Caribbean, and examine further growth opportunities. 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. The MPC Capital Group is also examining entry into new markets. Investment demand has continued to rise against a backdrop of pressure to achieve global climate targets.

The **Shipping** area is likely to experience a further dynamic development and high utilisation of the managed fleet. At the start of 2022, the charter rates achieved were already at new record levels and had much longer contract periods. There were even isolated cases of contracts being agreed up to nine months in advance for periods of three years. MPC Capital expects that investment activity in the Shipping area will also rebound in 2022 because there is currently increased investor interest in alternative drive systems. Furthermore, MPC Capital expects high regular dividends from the equity investment in MPC Container Ships ASA.

Forecast for the MPC Capital Group: The effects of the sale of the Dutch subsidiary Cairn Real Estate B.V. will lead to a marked drop in consolidated revenue; to compensate for this it will be necessary to continue with the expansion of the forward-looking investment strategies. At the time of preparing this forecast, asset management contracts and other agreements meant that 80 % of planned revenues were already contracted.

With regard to earnings, after elimination of the non-recurring effects of the sale of Cairn Real Estate B.V. the Management Board expects adjusted earnings before taxes (EBT adjusted) for the 2022 financial year in the range of EUR 8.0 million to EUR 12.0 million. The EBT margin (adjusted) should continue to improve markedly because of the lower revenue level if the strong prior-year result is matched.

On top of the EBT adjusted, the sale of the Cairn equity investment should yield extraordinary income in the low double-digit million euros.

With a positive operating cash flow, the one-off proceeds from the sale of Cairn Real Estate B.V. and capital returns from investment vehicles, especially in the form of dividends from MPC Container Ships, liquidity is likely to improve substantially. The equity ratio should remain above 70 %.

Depending on any additional investment opportunities arising for the further expansion of operating business, the Management Board aims to release approximately half of the adjusted consolidated profit to the shareholders for the 2022 financial year.

For the **Group parent, MPC Capital AG**, the Management Board expects income and expenses as well as EBT for the 2022 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, 14 February 2022



Ulf Holländer (Chairman)



Constantin Baack



Dr Philipp Lauenstein

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Consolidated Balance Sheet

ASSETS

EUR'000	31/12/2021	31/12/2020
A. Fixed assets	60,088	72,126
I. Intangible assets	2,979	4,069
1. Purchased concessions, industrial rights and software	226	86
2. Goodwill	2,753	3,983
II. Tangible assets	694	894
1. Land, land rights and buildings including buildings on third-party land	550	699
2. Other fixtures and fittings, operating and office equipment	144	195
III. Financial assets	56,415	67,162
1. Shares in affiliated companies	537	613
2. Equity investments	39,538	39,276
3. Investment securities	8,344	6,017
4. Other loans	7,996	21,257
B. Current assets	74,268	54,261
I. Receivables and other assets	35,771	29,511
1. Trade receivables	8,540	4,069
2. Receivables from other long-term investees and investors	9,991	7,782
3. Other assets	17,240	17,658
II. Cash in hand and bank balances	38,497	24,750
C. Prepaid expenses	204	211
Total assets	134,559	126,598

Note: Rounding differences may occur.

EQUITY AND LIABILITIES

EUR '000	31/12/2021	31/12/2020
A. Equity	100,761	96,268
I. Subscribed capital	35,248	33,471
II. Additional paid-in capital	51,917	54,092
III. Other retained earnings	0	10,804
IV. Net retained profit (PY: net accumulated loss)	7,825	-9,045
V. Difference in equity from currency translation	-26	16
VI. Minority interest	5,797	6,931
B. Provisions	19,624	18,445
1. Provisions for taxes	4,667	3,985
2. Other provisions	14,957	14,460
C. Liabilities	14,006	11,584
1. Liabilities to banks	771	1,253
2. Trade payables	975	828
3. Liabilities to other long-term investees and investors	3,771	1,002
4. Other liabilities	8,489	8,500
D. Deferred income	168	301
Total equity and liabilities	134,559	126,598

Note: Rounding differences may occur.

Consolidated Income Statement

from 1 January to 31 December 2021

EUR '000	2021	2020
1. Revenue	42,284	50,489
2. Other operating income	16,369	9,905
3. Cost of materials: cost of purchased services	-2,099	-4,515
4. Personnel expenses	-21,882	-26,332
a) Wages and salaries	-19,425	-23,187
b) Social security, post-employment and other employee benefit costs	-2,457	-3,145
5. Amortisation of intangible fixed assets and depreciation of tangible assets	-1,989	-2,339
6. Other operating expenses	-20,944	-25,690
7. Operating result	11,739	1,518
8. Income from equity investments	1,245	2,789
9. Other interest and similar income	2,211	1,830
10. Write-downs on financial assets	-2,112	-1,575
11. Interest and similar expenses	-199	-201
12. Result of associates carried at equity	-2,483	-3,097
13. Earnings before taxes (EBT)	10,401	1,263
14. Taxes on income	-3,077	-1,374
15. Earnings after taxes (EAT)	7,324	-111
16. Other taxes	-107	-36
17. Consolidated net profit (PY: consolidated net loss)	7,217	-147
18. Minority interest	-1,149	-706
19. Changes in consolidation	0	-2
20. Loss carryforward	-9,045	-8,190
21. Withdrawal from other retained earnings	10,803	0
22. Net retained profit (PY: net accumulated loss)	7,825	-9,045

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
As at 1 January 2021	33,471	54,092	10,804	-9,045
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
Total comprehensive income	0	0	-10,803	16,870
As at 31 December 2021	35,248	51,917	0	7,825

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
As at 1 January 2020	33,471	54,222	10,804	-8,190
Gradual acquisition of shares	0	-130	0	0
Capital increase	0	0	0	0
Capital reduction	0	0	0	0
Profit distributions	0	0	0	0
Changes in consolidation	0	0	0	-2
Consolidated earnings	0	0	0	-854
Currency translation differences	0	0	0	0
Total comprehensive income	0	0	0	-854
As at 31 December 2020	33,471	54,092	10,804	-9,045

Note: Rounding differences may occur,

Minority interest

Difference in equity from currency translation	Equity	Share capital	Additional paid-in capital	Net retained result	Equity	Consolidated equity
16	89,337	2,033	3,492	1,405	6,931	96,268
0	-300	0	0	0	0	-300
0	4,000	0	0	0	0	4,000
0	0	0	-104	0	-104	-104
0	0	0	0	-1,278	-1,278	-1,278
0	-4,099	-846	0	-55	-901	-5,000
0	6,067	0	0	1,149	1,149	7,217
0	0	0	0	0	0	0
-42	-42	0	0	0	0	-42
-42	6,025	0	0	1,149	1,149	7,174
-26	94,964	1,187	3,388	1,221	5,797	100,761

Minority interest

Difference in equity from currency translation	Equity	Share capital	Additional paid-in capital	Net retained result	Equity	Consolidated equity
166	90,473	2,563	3,492	2,439	8,495	98,968
0	-130	-167	0	0	-167	-297
0	0	0	0	0	0	0
0	0	-72	0	0	-72	-72
0	0	0	0	-1,647	-1,647	-1,647
0	-2	-291	0	-93	-384	-386
0	-854	0	0	706	706	-148
-150	-150	0	0	0	0	-150
-150	-1,004	0	0	706	706	-298
16	89,337	2,033	3,492	1,405	6,931	96,268

Consolidated Cash Flow Statement

from 1 January to 31 December 2021

EUR'000	2021	2020
Cash flow from operating activities	3,922	3,262
Consolidated net profit (PY: consolidated net loss)	7,217	-147
Amortisation of intangible assets and depreciation of tangible assets	1,989	2,339
Write-downs on financial assets	2,112	1,575
Result of associates carried at equity, where non-cash	2,483	3,097
Gain/loss on the disposal of intangible and tangible assets	-2,993	134
Gain on the disposal of financial assets	-7,039	-3,497
Changes in inventories, trade receivables and other assets not allocable to investing and financing activities	-7,627	-2,621
Changes in trade payables and other liabilities not allocable to investing and financing activities	712	-3,255
Changes in other provisions	497	-107
Proceeds from dividends	1,098	2,788
Income tax expense	3,077	1,374
Income taxes received / paid	721	104
Interest expenses and interest income	2,003	1,629
Other non-cash expenses and income	-328	-151
Cash flow from investing activities	8,386	10,985
Payments for investments in intangible and tangible assets	-875	-1,907
Payments for investments in financial assets	-11,847	-10,110
Proceeds from the disposal of intangible and tangible assets	3	858
Proceeds from the reduction of shares in consolidated companies	0	2,700
Proceeds from the disposal of financial assets	20,934	17,497
Interest received	25	1,476
Proceeds from dividends	146	471
Cash flow from financing activities	1,779	-8,495
Proceeds of new borrowings	0	445
Repayments of borrowings	-1,423	-5,768
Interest paid	-34	-1,544
Proceeds from other shareholders	618	0
Payments to other shareholders	-1,382	-1,628
Capital increases of MPC Capital AG (less costs of the capital increases)	4,000	0
Changes in cash and cash equivalents	14,087	5,752
Cash and cash equivalents at the start of the period	24,750	20,640
Effects of changes in consolidation	-340	-1,642
Cash and cash equivalents at the end of the period	38,497	24,750

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 1.7 million.

Notes to the Consolidated Financial Statements

of MPC Münchmeyer Petersen Capital AG, Hamburg, as at 31 December 2021

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 2021 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. In addition, the additional disclosures required for individual items have been carried over into the notes. The income statement has been prepared according to the nature of expense method.

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 individual items 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 14 February 2022.

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 at the time of 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. Dilution gains and losses resulting from 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, 145 (previous year: 146) German and 16 (previous year: 21) 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
Anteil Austria an der Verwaltung "Michelangelo Star" Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00%
Anteil Austria an der Verwaltung "Miro Star" Schiffahrtsgesellschaft mbH i.L., Hamburg	100.00%
AVB Ahrenkiel Vogemann Bolten GmbH & Co. KG, Hamburg	50.10% ¹⁾
AVB Verwaltungs GmbH, Hamburg	100.00%
Beteiligungsverwaltungsgesellschaft MPC Solarpark mbH, Hamburg	100.00%
Cairn KS Management Services Real Estate B.V., Amsterdam/ Niederlande	100.00%
Cairn Real Estate B.V., Amsterdam / Niederlande	100.00%
CPM Anlagen Vertriebs GmbH i.L., Wien / Österreich	100.00%
Deepsea Oil Explorer Plus GmbH & Co. KG, Hamburg	100.00% ¹⁾
Duisburg Invest Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00% ¹⁾
Dutch REAM B.V., Amsterdam / Niederlande	100.00%
ELG Erste Liquidationsmanagement GmbH, Hamburg	100.00%
HCRE Beheerder B.V., Amsterdam / Niederlande	100.00%
HLD Vermögensverwaltungsgesellschaft UG (haftungsbeschränkt), Hamburg	100.00%
IAK Fonds Management GmbH, 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 (formerly: Palmaille 75 Fünfundsechzigste Vermögensverwaltungsgesellschaft mbH, Hamburg)	100.00% ²⁾
MPC Capital Beteiligungsgesellschaft mbH & Co. KG, 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% ¹⁾²⁾
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 Infrastructure Holding GmbH, Hamburg	100.00%
MPC Investment Partners GmbH, Hamburg	100.00%
MPC Investment Services GmbH, Hamburg	100.00% ¹⁾
MPC Lux Investments SARL, Luxemburg	100.00%
MPC Maritime Beteiligungsgesellschaft mbH & Co. KG, Hamburg	100.00% ¹⁾
MPC Maritime Beteiligungsverwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Maritime Holding GmbH, Hamburg	100.00% ¹⁾
MPC Maritime Investments GmbH, Hamburg	100.00%
MPC Maritime PTE Ltd., Singapore	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 Estate Solutions GmbH, 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 Sechste Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Siebte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Silica Invest GmbH, Hamburg	100.00% ²⁾
MPC Student Housing Beteiligungs UG & Co. KG, Quickborn	100.00%
MPC Venture Invest AG, Wien / Österreich	100.00%
MPC Vierte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Zehnte Vermögensstrukturfonds Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Zweite Holland 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% ³⁾
PB BS GMO Verwaltungs GmbH, Hamburg	100.00%
PBH Maritime Verwaltungsgesellschaft mbH, Hamburg	100.00%
Real Estate Growth Fund Management B.V., Amsterdam / Niederlande	100.00%
Real Estate Management B.V., Amsterdam / Niederlande	100.00%
RES Inside B.V., Amsterdam / Niederlande	71.50%
RES Maxis B.V., Amsterdam / Niederlande	71.50%
RES Participations B.V., Amsterdam / Niederlande	100.00%
RES Retail B.V., Amsterdam / Niederlande	51.45%
RES Transit II B.V., Amsterdam / Niederlande	58.66%
TVP Treuhand- und Verwaltungsgesellschaft für Publikumsfonds mbH & Co. KG, Hamburg	100.00% ¹⁾
Verwaltung "Mahler Star" Schifffahrtsgesellschaft mbH, Hamburg	100.00%
Verwaltung "Manet Star" Schifffahrtsgesellschaft mbH, Hamburg	100.00%
Verwaltung "Mendelssohn Star" Schifffahrtsgesellschaft mbH, Hamburg	100.00%
Verwaltung "Menotti Star" Schifffahrtsgesellschaft mbH, Hamburg	100.00%
Verwaltung "Michelangelo Star" Schifffahrtsgesellschaft mbH, Hamburg	100.00%
Verwaltung "Miro Star" Schifffahrtsgesellschaft mbH, Hamburg	100.00%
Verwaltung "Monteverdi Star" Schifffahrtsgesellschaft mbH, Hamburg	100.00%
Verwaltung "Rio Blackwater" Schifffahrtsgesellschaft mbH, Hamburg	100.00%
Verwaltung "Rio Thompson" Schifffahrtsgesellschaft mbH i.L., Hamburg	100.00%
Verwaltung "Rio Taku" Schifffahrtsgesellschaft mbH i.L., Hamburg	100.00%
Verwaltung Achte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%
Verwaltung Achtundsechzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung AIP Alternative Invest Private Equity GmbH, Hamburg	100.00%
Verwaltung Asien Opportunity Real Estate GmbH, Hamburg	100.00%
Verwaltung Beteiligungsgesellschaft Vorzugskapital Rio - Schiffe mbH, 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 Fünfzigste Sachwert Rendite-Fonds Holland 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 Schiffahrtsgesellschaft MS "PEARL RIVER" mbH i.L., Hamburg	100.00%
Verwaltung Schiffahrtsgesellschaft MS "YANGTZE RIVER" mbH i.L., Hamburg	100.00%
Verwaltung Sechste Sachwert Rendite-Fonds Deutschland (Private Placement) GmbH, Hamburg	100.00%
Verwaltung Sechsunfünfzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Sechsunvierzigste 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 Siebenundsechzigste 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 Vierundvierzigste Sachwert Rendite-Fonds Holland GmbH, Hamburg	100.00%
Verwaltung Wilhemsen Ahrenkiel GmbH, Hamburg (formerly: Verwaltung Ahrenkiel Steamship GmbH)	100.00%
Verwaltung Zehnte Sachwert Rendite-Fonds Deutschland GmbH, Hamburg	100.00%
Verwaltung ZLG Abwicklungsgesellschaft mbH, Hamburg (formerly: Palmaille 75 Sechsunsiebzigste Vermögensverwaltungsgesellschaft mbH, Hamburg)	100.00% ²⁾
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 (formerly: Verwaltungsgesellschaft Jüngerhans-MPC mbH)	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 IV 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 (formerly: Palmaille 75 Sechsuundsiebzigste Beteiligungsgesellschaft mbH & Co. KG, Hamburg)	100.00% ¹⁾²⁾

1) These companies make use of the exemption provisions of Section 264 (3) and Section 264b of 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, 14 (previous year: 23) German and 6 (previous year: 8) 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
1. Bluewater Holding GmbH i.L., Hamburg	100.00%
1. Bluewater OpCo Verwaltung GmbH i.L., Hamburg	100.00%
Asien Opportunity Real Estate GmbH & Co. KG, Hamburg	100.00%
CCEF (Barbados) Feeder Limited, Barbados	100.00%
Emerald Beteiligungsmanagement GmbH i.L., Quickborn	100.00%
Emerald Verwaltungsgesellschaft mbH i.L., Quickborn	100.00%
Managementgesellschaft ESG Fischbek mbH i.L., Hamburg	100.00%
MPC Bioenergia do Brasil Ltd., Porto Alegre / Brasilien	99.99% ¹⁾
MPC Caribbean Clean Energy Feeder Ltd., Trinidad and Tobago	100.00%
MPC Clean Energy Ltd., Cayman Islands	100.00% ¹⁾
MPC ECOBOX OPCO 4 GmbH & Co. KG, Hamburg	100.00% ¹⁾
MPC Multi Asset Schiff Verwaltungsgesellschaft mbH, Hamburg	100.00%
MPC Rail GmbH i.L., Hamburg	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%
Verwaltungsgesellschaft ESG Fischbek mbH i. L., Hamburg	100.00%
Talleur GmbH, Hamburg	50.10%

1) Subsidiaries held exclusively for sale.

a) Associates

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

Name of company	Shareholding
Aurum Insurance Ltd., Isle of Man	50.00%
Barber Ship Management Germany GmbH & Co. KG, Hamburg (formerly: Ahrenkiel Tankers GmbH & Co. KG, Hamburg)	20.00%
BB Amstel B.V., Amsterdam / Niederlande	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	42.86%
Breakwater Shipbrokers GmbH, Hamburg	40.00%
Data Invest B.V., Amsterdam / Niederlande	21.88%
Frame Offices B.V., Rotterdam / Niederlande	40.00%
Global Vision AG Private Equity Partners i. L., Rosenheim	31.88%
MPC Bioenergie GmbH & Co. KG, Hamburg	46.67%
MPC Münchmeyer Petersen Steamship GmbH & Co. KG, Hamburg	25.10%
ORY Beteiligungsgesellschaft mbH, Hamburg	50.00%
Parque Eólico Wakuaipa S.A.S., Bogotá / Kolumbien	100.00% ¹⁾
SHV Management Participation GmbH & Co. KG, Quickborn	51.25%
Waterway IT Solutions GmbH & Co. KG, Hamburg	30.04%
Wessels Marine GmbH, Hamburg	27.50%

1) The shares are 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
Albis Shipping & Transport GmbH & Co. KG, Hamburg	50.00%
Harper Petersen Holding GmbH & Co. KG, Hamburg	60.00% ¹⁾
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:

- + MPC Capital Advisory GmbH, Hamburg (shareholding: 100.0 percent)
- + MPC ECOBOX OPCO 1 Beteiligungs GmbH & Co. KG, Hamburg (shareholding: 54.26 percent)
- + MPC Silica Invest GmbH, Hamburg (shareholding: 100.0 percent)
- + Verwaltung ZLG Abwicklungsgesellschaft mbH, Hamburg (shareholding: 100.0 percent)
- + ZLG Abwicklungsgesellschaft mbH & Co. KG, Hamburg (shareholding: 100.0 percent)

b) Disposals

The following companies were deconsolidated in the financial year:

- + Administración Solarpark Campanet S.L., Campanet / Spain
- + Barber Ship Management Germany GmbH & Co. KG, Hamburg (formerly: Ahrenkiel Tankers GmbH & Co. KG, Hamburg)

- + EREC Investment Holding Verwaltungs GmbH, in liquidation, Hamburg
- + EREC Investment Verwaltungs GmbH, in liquidation, Hamburg
- + ITC Invest B.V., Amsterdam / Netherlands
- + Overhoeks 7 B.V., Amsterdam, Netherlands
- + Staytoo Micro Living Spain S.L., Barcelona / Spain
- + Sun Partners B.V., Amsterdam / Netherlands

c) Mergers

The following companies were merged with MPC Capital GmbH, Hamburg, in the financial year:

- + MPC Renewable Energies GmbH, Hamburg
- + MPC Real Estate Holding GmbH, Hamburg

d) Changes to the consolidated balance sheet

The above changes in consolidation had no material effect on net assets.

e) Changes within the consolidated income statement

	EUR million
Revenue	-6.9
Other operating income	-0.2
Cost of purchased materials	1.3
Gross profit	-5.8
Personnel expenses	3.0
Other operating expenses	1.8
Financial result	0.0
Earnings before taxes	-0.9
Taxes on income	0.2
Earnings after taxes / consolidated earnings	-0.7

Note: Rounding differences may occur.

The changes indicated result from the in-year switch from full consolidation to adopting proportionate consolidation for the first time in the 2020 financial year for the companies Albis Shipping & Transport GmbH & Co. KG, Hamburg, and Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG, Hamburg.

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 (Section 252 (1) No. 4, second half of sentence, HGB) and the historical cost convention (Section 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	
	31/12/2021	31/12/2020	2021	2020
British pound sterling	0.8403	0.8990	0.8596	0.8897
Brazilian real	6,3101	6,3735	6,3779	5,8943
Canadian dollar	1,4393	1,5633	1,4826	1,5300
Colombian peso	4.627,5900	4.212,0210	4.428,7373	4.216,5880
Norwegian krone	9,9888	10,4924	10,1633	10,7228
Swiss franc	1,0331	1,0802	1,0811	1,0705
US dollar	1,1326	1,2271	1,1827	1,1422

These are the interbank rates as at 31 December 2021 and 31 December 2020.

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 314 (1) No. 20 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 non-depreciable. Write-downs are recognised if there are indications of impairment that is likely to be lasting.

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 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 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 31/12/2021
	As at 01/01/2021	Additions	Disposals	Change in consolidation	Currency translation	
I. Intangible assets						
1. Purchased concessions, industrial rights and software	1,736	190	0	0	4	1,930
2. Goodwill	29,410	611	0	-171	0	29,850
	31,146	801	0	-171	4	31,780
II. Tangible assets						
1. Land, land rights and buildings, including buildings on third-party land	2,007	10	0	0	0	2,017
2. Other fixtures and fittings, operating and office equipment	2,581	64	43	-16	3	2,589
	4,588	74	43	-16	3	4,606
III. Financial assets						
1. Shares in affiliated companies	4,592	199	211	-26	0	4,554
2. Equity investments	56,804	14,842	23,648	7,890	0	55,887
3. Investment securities	6,017	8,119	6,017	225	0	8,344
4. Other loans	28,196	2,578	3,807	-10,526	0	16,440
	95,609	25,738	33,683	-2,437	0	85,225
Fixed assets	131,343	26,613	33,726	-2,624	7	121,611

Note: Rounding differences may occur.

Depreciation and amortisation						Carrying amount		
As at 01/01/2021	Additions	Disposals	Write-ups	Change in consolidation	Currency translation	As at 31/12/2021	As at 31/12/2021	As at 31/12/2020
1,650	51	0	0	0	3	1,703	226	86
25,427	1,671	0	0	0	0	27,097	2,753	3,983
27,077	1,722	0	0	0	3	28,800	2,979	4,069
1,308	159	0	0	0	0	1,467	550	699
2,386	108	40	0	-12	3	2,445	144	195
3,693	267	40	0	-12	3	3,911	694	894
3,980	37	0	0	0	0	4,017	537	613
17,528	458	1,618	18	0	0	16,350	39,538	39,276
0	0	0	0	0	0	0	8,344	6,017
6,939	1,617	1	0	-111	0	8,444	7,996	21,257
28,447	2,112	1,619	18	-111	0	28,811	56,415	67,162
59,217	4,101	1,659	18	-123	6	61,522	60,088	72,126

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	31/12/2021	31/12/2020
Albis Shipping & Transport GmbH & Co. KG, Hamburg	1,698	1,409
HCRE Beheerder B.V., Amsterdam / Netherlands	621	777
Harper Petersen Holding GmbH & Co. KG, Hamburg	168	841
MPC Capital GmbH, Hamburg (formerly: MPC Renewable Energies GmbH, Hamburg)*	157	206
Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG, Hamburg	108	536
Barber Ship Management Germany GmbH & Co. KG, Hamburg (formerly: Ahrenkiel Tankers GmbH & Co. KG, Hamburg)	0	214
Goodwill	2,753	3,983

Note: Rounding differences may occur.

* = The equity investment was merged with MPC Capital GmbH in the first half of the 2021 financial year.

Goodwill has been reduced both by amortisation and through a strategic equity investment by Wilhelmsen Ship Management Ltd., Hong Kong, in Barber Ship Management Germany GmbH & Co. KG, Hamburg (formerly: Ahrenkiel Tankers GmbH & Co. KG, Hamburg) and the associated sale of shares. Subsequent acquisition costs for the acquisition of the shares of Albis Shipping & Transport GmbH & Co. KG increased the relevant goodwill figure.

3.3 Tangible assets

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

3.4 Financial assets

3.4.1 Equity investments

Equity investments are made up as follows:

EUR '000	31/12/2021	31/12/2020
1. Equity investments in associated companies	15,986	11,294
2. Other equity investments	23,552	27,982
Equity investments	39,538	39,276

Note: Rounding differences may occur.

EUR '000	31/12/2021	31/12/2020
1. Equity investments in associated companies	15,986	11,294
Bluewater Investments GmbH & Co. KG, Hamburg	8,262	3,463
BB Amstel B.V., Amsterdam / Netherlands	5,400	5,541
Parque Eólico Wakuaipa S.A.S., Bogotá / Colombia	812	713
BBG Bulk Beteiligungs GmbH & Co. KG, Hamburg	650	652
Data Invest B.V., Amsterdam / Netherlands	226	142
Aurum Insurance Ltd., Isle of Man	161	161
Global Vision AG Private Equity Partners, in liquidation, Rosenheim	0	289
Miscellaneous equity investments in associates	475	333

Note: Rounding differences may occur.

A write-up of the carrying amount for MPC Container Ships ASA brought a positive result of associates carried at equity for Bluewater Investments GmbH & Co. KG, which holds an indirect equity investment in MPC Container Ships ASA via CSI Beteiligungsgesellschaft mbH.

EUR '000	31/12/2021	31/12/2020
2. Other equity investments	23,552	27,982
CSI Beteiligungsgesellschaft mbH, Hamburg**	6,030	0
MPC Caribbean Clean Energy Fund LLC, Cayman Islands	3,730	3,730
MPC ECOBOX OPCO 2 GmbH & Co. KG, Hamburg**	1,682	0
Zweite Sachwert Rendite-Fonds Deutschland Technology GmbH & Co. KG, Hamburg	1,451	1,451
MPC ECOBOX OPCO 1 GmbH & Co. KG, Hamburg**	1,374	0
Atlantic Bridge AS, Oslo / Norway	1,109	1,109
Stille Beteiligungen MPC IT Services GmbH & Co. KG, Hamburg	840	840
AT&C Amstel Holdings B.V., Amsterdam / Netherlands	746	746
Njord Julie AS, Oslo / Norway	681	681
ECOBX II AS, Oslo / Norway**	634	0
Atlantica Breeze AS, Oslo / Norway	628	628
Atlantica Bay AS, Oslo / Norway	589	589
MPC Student Housing Venture I GmbH & Co. KG, Quickborn	575	467
AG CRE Maxis C.V., Amsterdam / Netherlands	541	615
Danubia Tanker AS, Oslo / Norway	272	272
Burgundy Container AS, Oslo / Norway	140	196
Transit Holding II B.V., Amsterdam / Netherlands	128	324
AG CRE Netherlands C.V., Amsterdam / Netherlands	26	520
InTheCity Fund B.V., Amsterdam / Netherlands*	0	5,361
Real Estate Gateway Fund N.V., Amsterdam / Netherlands*	0	4,617
HSRE MPC JV I S.A.R.L., Luxembourg*	0	1,610
Njord Handy AS, Oslo / Norway*	0	1,295
HSRE MPC JV II S.A.R.L., Luxembourg*	0	188
Njord Container AS, Oslo / Norway*	0	185
Miscellaneous equity investments, in particular various fund companies	2,375	2,557

Note: Rounding differences may occur.

* = The equity investment was disposed of in the 2021 financial year.

** = The equity investment was acquired in the 2021 financial year.

As a result of the contribution of securities held directly in MPC Container Ships ASA to CSI Beteiligungsgesellschaft mbH in exchange for the granting of shares, this equity investment is reported under other equity investments for the first time. There was correspondingly a decline in investment securities. That aside, there were in particular various investments in the Shipping area. Conversely shares were sold from equity investments in companies in the Real Estate and Shipping areas.

3.4.2 Other equity investments

	Registered office	Capital share	Annual result EUR '000	Equity EUR '000
AG CRE Maxis C.V.	Amsterdam	5.00%	-469	8,312 ²⁾
AT&C Amstel Holdings B.V.	Amsterdam	5.00%	361	11,629 ³⁾
Atlantica Bay AS	Oslo	12.50%	n/a	n/a ⁵⁾
Atlantica Breeze AS	Oslo	10.00%	n/a	n/a ⁵⁾
Atlantic Bridge AS	Oslo	17.25%	n/a	n/a ⁵⁾
CSI Beteiligungsgesellschaft mbH*	Hamburg	18.79%	28,617	61,939 ²⁾
Danubia Tanker AS	Oslo	5.42%	n/a	n/a ⁵⁾
ECOBIX II AS	Oslo	10.83%	n/a	5,827 ^{1),2)}
MPC Caribbean Clean Energy Fund LLC	Cayman Islands	14.13%	354	30,419 ^{1),3)}
MPC ECOBOX OPCO 1 GmbH & Co. KG	Hamburg	16.70%	n/a	8,079 ²⁾
MPC ECOBOX OPCO 2 GmbH & Co. KG	Hamburg	20.50%	n/a	8,079 ^{1),2)}
MPC Student Housing Venture I GmbH & Co. KG	Quickborn	6.00%	9,191	30,840 ⁴⁾
Njord Julie AS	Oslo	10.00%	n/a	n/a ⁵⁾
Stille Beteiligungen MPC IT Services GmbH & Co. KG	Hamburg	5.38%	-11	2,750 ⁴⁾
Burgundy Container AS	Oslo	2.65%	n/a	n/a ⁵⁾
Zweite Sachwert Rendite-Fonds Deutschland Technology GmbH & Co. KG	Hamburg	25.00%	422	6,885 ⁴⁾

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 quarterly financial statements for the financial year from 1 January to 30 September 2021

4) According to annual financial statements for the financial year from 1 January to 31 December 2019

5) 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, Hamburg

Achte MPC Global Equity GmbH & Co. KG, Hamburg

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

Achtundsechzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG i. L., Hamburg

AIP Alternative Invest Private Equity - geschlossene GmbH & Co. Investment-KG, Hamburg

Beteiligungsgesellschaft "Rio D-Schiffe" mbH & Co. KG, Hamburg

Beteiligungsgesellschaft Reefer-Flottenfonds mbH & Co. KG, Hamburg

Comoros Stream Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Dreiundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG i. L., Hamburg

Dreiundvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG i. L., 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, Quickborn

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

Eastern Bay Schiffahrtsgesellschaft mbH & Co. KG, Hamburg

Einundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
Einundsiebzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
Elfte MPC Private Equity GmbH & Co. KG, Hamburg
Elfte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg
Elvira Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Emerald Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Esmeralda Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Fünfte Best Select Deutschlandimmobilien GmbH & Co. KG, 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
Fünfte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg
HCI Deepsea Oil Explorer GmbH & Co. KG i.L., 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, Hamburg
MPC Best Select Rente GmbH & Co. KG, Hamburg
MPC Best Select Wachstum GmbH & Co. KG, Hamburg
MPC Deepsea Oil Explorer GmbH & Co. KG, Hamburg
MPC Global Equity Step by Step GmbH & Co. KG, 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 i. L., Hamburg
MPC Real Estate Opportunity Private Placement Amerika GmbH & Co. KG i. L., Quickborn
MPC Real Value Fund GmbH & Co. KG, Quickborn
MPC Rendite-Fonds Britische Leben plus II GmbH & Co. KG, Quickborn
MPC Rendite-Fonds Leben plus spezial IV GmbH & Co. KG, Quickborn
MPC Rendite-Fonds Leben plus spezial V GmbH & Co. KG, Quickborn
MPC Rendite-Fonds Leben plus V GmbH & Co. KG, Quickborn
MPC Rendite-Fonds Leben plus VI GmbH & Co. KG, Quickborn
MPC Rendite-Fonds Leben plus VII GmbH & Co. KG, Quickborn
MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH & Co. KG i. L., Quickborn
MPC Sachwert Rendite-Fonds Opportunity Asien GmbH & Co. KG, Hamburg
MPC Solarpark GmbH & Co. KG, Hamburg
MPC Student Housing Venture I GmbH & Co. KG, Hamburg
Neunte MPC Best Select I GmbH & Co. KG, Hamburg
Neunte MPC Best Select II GmbH & Co. KG, Hamburg
Neunte Global Equity GmbH & Co. KG, Hamburg
Neunte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg
Neunundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG i. L., Hamburg
Neunundsechzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
Objektgesellschaft MPC München Gräfelfing GmbH & Co. KG, Hamburg
PB BS GMO GmbH & Co. KG, Hamburg
Polarlight Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Rio Blackwater Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Rio Dawson Schifffahrtsgesellschaft mbH & Co. KG i. L., Hamburg
Sachwert Rendite-Fonds Indien GmbH & Co. KG i. L., Hamburg
Sachwert Rendite-Fonds Japan GmbH & Co. KG, Quickborn
Santa Lucia Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Santa Maria Schifffahrtsgesellschaft mbH & Co. KG, Hamburg
Schifffahrtsgesellschaft MS "RIO KUSAN" mbH & Co. KG i. L., Hamburg
Sechste Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg

Sechste Best Select Deutschlandimmobilien II GmbH & Co. KG, Hamburg
Sechste Best Select Leben GmbH & Co. KG, Hamburg
Sechste Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg
Sechste Sachwert Rendite-Fonds Deutschland (Private Placement) GmbH & Co. KG, Hamburg
Sechsendvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG i. L., Hamburg
Sechzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg
Siebenundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG i. L., Hamburg
Siebenundvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG i. L., Hamburg
Siebte Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg
Siebte Best Select Deutschlandimmobilien II GmbH & Co. KG, Hamburg
Siebte Best Select Leben GmbH & Co. KG, Hamburg
Siebte Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg
Siebte MPC Global Equity GmbH & Co. KG, 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, Hamburg
Vierte MPC Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg
Vierte MPC Best Select Leben GmbH & Co. KG, Hamburg
Vierte MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg
Vierundfünfzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG i. L., Hamburg
Vierundvierzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG i. L., Hamburg
Youniq Greifswald GmbH & Co. KG, Hamburg
Youniq Karlsruhe GmbH & Co. KG, Hamburg
Youniq München II GmbH & Co. KG, Hamburg
Zehnte MPC Best Select GmbH & Co. KG, Hamburg
Zehnte Sachwert Rendite-Fonds Deutschland GmbH & Co. KG, Hamburg
Zweite Beteiligungsgesellschaft Reefer-Flottenfonds mbH & Co. KG, Hamburg
Zweite MPC Best Select Company Plan GmbH & Co. KG, Hamburg
Zweite MPC Best Select Deutschlandimmobilien GmbH & Co. KG, Hamburg
Zweite MPC Best Select Hollandimmobilien GmbH & Co. KG i. L., Hamburg
Zweite MPC Best Select Schiffsbeteiligungen GmbH & Co. KG, Hamburg
Zweite MPC Best Select Venture Capital GmbH & Co. KG, Hamburg
Zweite MPC Real Estate Opportunity Private Placement Amerika GmbH & Co. KG, Quickborn
Zweite MPC Sachwert Rendite-Fonds Opportunity Amerika GmbH & Co. KG, Quickborn
Zweite Sachwert Rendite-Fonds Deutschland Technology GmbH & Co. KG, Hamburg
Zweiundsiebzigste Sachwert Rendite-Fonds Holland GmbH & Co. KG, Hamburg

3.4.4 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
1. Trade receivables	31/12/2021	8,540	8,540	0	0
	31/12/2020	4,069	4,069	0	0
2. Receivables from other long-term investees and investors	31/12/2021	9,991	9,991	0	0
	31/12/2020	7,782	7,782	0	0
- of which from joint ventures	31/12/2021	0	0	0	0
	31/12/2020	507	507	0	0
- of which from associated equity investments	31/12/2021	754	754	0	0
	31/12/2020	2,464	2,464	0	0
- of which from fund companies	31/12/2021	9,173	9,173	0	0
	31/12/2020	4,481	4,481	0	0
- of which from other equity investments	31/12/2021	63	63	0	0
	31/12/2020	330	330	0	0
- of which trade receivables	31/12/2021	7,992	7,992	0	0
	31/12/2020	5,330	5,330	0	0
- of which other assets	31/12/2021	1,999	1,999	0	0
	31/12/2020	2,452	2,452	0	0
3. Other assets	31/12/2021	17,240	10,270	6,970	0
	31/12/2020	17,658	10,459	7,199	0
Receivables and other assets	31/12/2021	35,771	28,801	6,970	0
	31/12/2020	29,511	22,311	7,199	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	31/12/2021	31/12/2020
Collateral provided	6,823	6,669
Outstanding purchase price receivable from sales of shares	6,082	1,662
Income tax receivables	2,302	5,418
Loan receivables from project companies	1,026	1,537
Sales tax receivables	508	726
Creditors with debit balances	163	418
Miscellaneous assets	337	1,227
Other assets	17,240	17,658

Note: Rounding differences may occur.

3.7 Bank balances, cash in hand

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

EUR '000	31/12/2021	31/12/2020
Bank balances	38.490	24.746
Cash in hand	7	4
Bank balances, cash in hand	38.497	24.750

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

On 8 January 2021 the Management Board of MPC Capital AG, with the approval of the Supervisory Board, resolved and implemented a capital increase. Making partial use of the Authorised Capital 2018, the share capital of MPC Capital AG was increased by up to a nominal EUR 1,777,778.00, excluding the subscription right of the shareholders pursuant to Section 186(3) sentence 4 of the German Stock Corporation Act (AktG). This corresponds to up to 5 % of the previous share capital. The increase was for contributions in cash against the issuance of 1,777,778 new no-par-value bearer shares with a notional capital share of EUR 1.00 per share (the "New Shares"). The New Shares were admitted to trading in the existing listing, without the requirement of a prospectus, in the Open Market ("Scale" segment) of the Frankfurt Stock Exchange and are fully eligible for dividends from 1 January 2021.

As a result of this capital increase implemented in the financial year, the share capital of the company changed from EUR 33.5 million to EUR 35.2 million.

3.8.2 Authorised Capital 2018

By resolution of the Annual General Meeting on 22 April 2021, the Authorised Capital 2018 was cancelled after its partial utilisation because of the capital increase dated 8 January 2021.

3.8.3 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.

3.8.4 Additional paid-in capital

The premium from the capital increase implemented at MPC Capital AG came to EUR 2.2 million and was added to the additional paid-in capital. On the other hand the revaluation of the assets of one subsidiary in the course of its first-time consolidation and the increase in the shareholding in a controlled company treated as a capital process led to a reduction in additional paid-in capital totalling EUR 4.4 million.

The overall additional paid-in capital as at 31 December 2021 was therefore EUR 51.9 million (31 December 2020: EUR 54.1 million).

3.8.5 Other retained earnings

The other retained earnings were withdrawn in full in the course of preparing the 2021 annual and consolidated financial statements of MPC Capital AG on the proposal of the Management Board and with the approval of the Supervisory Board (31 December 2020: EUR 10.8 million).

3.8.6 Subscription rights pursuant to Section 160 (1) No. 5 AktG

Stock Option Plan 2017

In the first half of the 2017 financial year the Management Board and the Supervisory Board again resolved to establish a stock option plan for those employees of MPC Capital AG and its affiliated companies who participate in profit-sharing ("Stock Option Plan 2017"). The objectives of the Stock Option Plan 2017 remain to increase the commitment of employees (in particular senior executives) to the company, to motivate them and to enable them to participate directly in the company's success. A further aim of the plan is to enhance the attractiveness of MPC Capital AG to qualified employees.

The plan was approved by the shareholders at the 2015 Annual General Meeting.

The principal provisions and conditions relating to the share option plan are described in the following:

a) Eligible Participants

Under the Stock Option Plan 2017, subscription rights may be issued to employees of MPC Capital AG and employees of its affiliated companies ("Eligible Participants").

b) Grant period

The subscription rights could be granted to the Eligible Participants from 02 January 2017. Further subscription rights may be granted up until 15 February 2022.

c) Vesting Period, Exercise Period

The subscription rights granted under the Stock Option Plan 2017 may be exercised for the first time on the fourth anniversary of their grant to the respective Eligible Participant ("Vesting Period"). After the end of the Vesting Period, the subscription rights may be exercised up to the fifth anniversary of the grant ("Exercise Period"). During the Exercise Period, the subscription rights may only be exercised at certain times ("Exercise Windows"). An Exercise Window begins in each case on the eleventh banking day in Hamburg ("Banking Day") following the publication of a quarterly, first-half or annual financial report of the company and ends at the conclusion of the tenth banking day after that date. If company does not publish quarterly or first-half financial reports, the number of Exercise Windows within the Exercise Period is reduced accordingly. The company may refuse to accept exercise notices from the Eligible Participants in the event that, during an Exercise Window, an ad hoc announcement is imminent as a result of national or European legal requirements corresponding to Section 15 of the German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG") old version or stock exchange regulations reflecting those requirements (e.g. in the terms and conditions regulating the Open Market on the Frankfurt Stock Exchange). In such cases, the exercise notice is deemed to have been accepted one day following publication of the ad hoc announcement. The Exercise Period is extended by one day if it expires on the day on which acceptance is refused by the company as a result of an ad hoc announcement.

d) Exercise price

The exercise price of a subscription right is equal to the average closing price for the company's shares of the same class in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange during the three months prior to the date on which the stock option agreement is entered into. The minimum exercise price is EUR 1.00.

e) Performance targets

The subscription rights may only be exercised if the quoted price corresponding to the exercise price has at least doubled when compared to the average closing rate for the company's shares of the same class in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange during three months prior to the date on which the subscription right is exercised.

A total of 9,418 subscription rights were granted.

As no equity settled options arise through exercise of the options, the option plan is regarded as a transaction between lenders and is therefore only reflected in the financial statements to the extent that options are in fact exercised.

3.9 Provisions

The provisions are made up as follows:

EUR '000	31/12/2021	31/12/2020
1. Provisions for taxes		
for current taxes	4,667	3,985
2. Other provisions	14,957	14,460
- Provisions for legal and consultancy expenses	8,547	7,671
- Provisions for personnel expenses	2,605	2,884
- Provisions for expected losses	2,112	2,554
- Provisions for audit of annual financial statements	348	346
- Miscellaneous provisions	1,345	1,005
Provisions	19,624	18,445

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
1. Liabilities to banks	31/12/2021	771	443	328	0
	31/12/2020	1,253	47	1,206	0
2. Trade payables	31/12/2021	975	975	0	0
	31/12/2020	828	828	0	0
3. Liabilities to other long-term investees and investors	31/12/2021	3,771	3,771	0	0
	31/12/2020	1,002	1,002	0	0
	- of which from other liabilities	3,771	3,771	0	0
	31/12/2020	1,002	1,002	0	0
4. Other liabilities	31/12/2021	8,489	7,375	1,114	0
	31/12/2020	8,500	7,183	1,317	0
	- of which taxes	1,684	1,684	0	0
	31/12/2020	660	660	0	0
	- of which social security	15	15	0	0
	31/12/2020	10	10	0	0
Liabilities	31/12/2021	14,006	12,564	1,442	0
	31/12/2020	11,584	9,060	2,523	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 legal and consultancy costs as well as from ongoing shipping operations. These payables were somewhat 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	31/12/2021	31/12/2020
Liabilities from purchase price payments outstanding	4,633	5,435
VAT liabilities	1,219	0
Liabilities from project financing	1,177	1,428
Wage tax liabilities	465	660
Liabilities to the MPC Group	173	162
Liabilities to debtors with credit balances	102	74
Social security liabilities	15	10
Miscellaneous	704	732
Other liabilities	8,489	8,500

Note: Rounding differences may occur.

3.15 Deferred taxes

Deferred tax assets in the amount of EUR 8.5 million result from the following balance sheet items:

- + Receivables from other long-term investees and investors (EUR 5.0 million)
- + Other assets (EUR 1.2 million)
- + Other provisions (EUR 2.1 million)
- + Other liabilities (EUR 0.2 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, and in other liabilities from the discounting of non-interest-bearing liabilities.

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

Derivative financial instruments have been used to hedge future currency risks arising in particular in the normal course of business in the maritime sector in order to offset risks from exchange rate fluctuations.

Thus, in particular Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG and its subsidiaries, and Harper Petersen Holding GmbH & Co. KG and its subsidiaries generate a large proportion of their sales in US dollars, while expenses are mainly incurred in euros, so that a changing exchange rate can have a significant impact on earnings. To hedge these currency risks, part of the USD sales contractually agreed for the subsequent financial year was backed by the following currency hedges:

- + Forward exchange contracts on a monthly basis were concluded for compensation from January to December with a volume averaging USD 0.6 million. Their market value at the balance sheet date amounts to EUR -0.2 million.
- + Foreign currency option contracts on a monthly basis were concluded for a large part of the compensation from January to December with a volume averaging USD 0.5 million. The difference to the fair value amounts to EUR -0.03 million at the balance sheet date.

The valuation to determine the fair value was based on the Black & Scholes model.

Option premiums paid amounting to EUR 0.06 million are reported under other assets.

If the conditions are met, the derivative financial instruments are combined with the hedged underlying transaction to form a valuation unit in accordance with Section 254 HGB (micro-hedge). By applying the „freezing method“, the offsetting changes in value of the underlying and hedging transactions are not recognized in the consolidated financial statements.

As of the balance sheet date, future incoming payments from firmly contracted customer contracts totaling USD 13.2 million were hedged within the framework of valuation units.

Maturing hedging transactions are - if necessary - prolonged by new hedging transactions. The effectiveness of the valuation unit is assessed prospectively using the critical term match method. The expected effectiveness of the hedging relationship is 100%, as the main features of the hedged item and the hedging instrument that are relevant for the valuation 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 3.4 million (previous year: EUR 3.7 million) essentially relating to directly enforceable warranties and guarantees. Their utilisation depends on a number of factors.

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 2.4 million (previous year: EUR 2.9 million). Additional rent and lease obligations in the amount of EUR 1.1 million (previous year: EUR 1.6 million) arise from the equity investments in the joint ventures.

At the reporting date there were also short-term capital contribution obligations not yet called in the amount of USD 13.9 million (previous year: USD 0.0 million).

Contributions by limited partners held in trust amount to EUR 1.3 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 32.2 million (previous year: EUR 48.1 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	2021	2020
By revenue types		
Management services	28,081	37,089
Transaction services	13,765	10,731
Miscellaneous	438	2,669
Revenue	42,284	50,489
By region		
Germany	38,336	52,397
Netherlands	14,829	10,559
Spain	0	18
Consolidation	-10,881	-12,485
Revenue	42,284	50,489

Note: Rounding differences may occur.

Revenue has declined substantially compared with the previous year; this is in essence attributable to the switch in consolidation method for Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG, Hamburg and Albis Shipping & Transport GmbH & Co. KG, Hamburg from full to proportionate consolidation.

4.2 Other operating income

Other operating income is made up as follows:

EUR '000	2021	2020
Income from asset disposals	11,411	3,362
Income from the reversal of provisions	1,476	1,122
Income from changes in exchange rates	1,139	585
<i>Realised income from changes in exchange rates</i>	776	381
<i>Unrealised income from changes in exchange rates</i>	363	204
Income from the reversal of write-downs on receivables	921	318
Other prior-period income	415	44
Gains on deconsolidation	151	3,043
Miscellaneous	857	1,432
Other operating income	16,369	9,905

Note: Rounding differences may occur.

Other operating income comes particularly from income from asset disposals that arose substantially from the sale of shares in companies in the Shipping segment, and from due options of MPC Container Ships ASA.

The prior-period income relates mainly to income from the reversal of provisions and 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.

The substantial decrease stems particularly from the change in consolidation method for the joint ventures Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG and Albis Shipping & Transport GmbH & Co. KG, which were established in the previous year; as a result of this change both the expenses and the corresponding revenue are now recognised only proportionately.

4.4 Personnel expenses

Personnel expenses are composed as follows:

EUR '000	2021	2020
Wages and salaries	-19,425	-23,187
Social security contributions	-2,457	-3,145
Personnel expenses	-21,882	-26,332

Note: Rounding differences may occur.

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

The average number of employees relates solely to salaried employees of the fully consolidated subsidiaries and is made up as follows:

	Annual average 2021	Annual average 2020
Germany	142	201
Netherlands	38	49
Panama	6	4
Singapore	2	2
Spain	0	1
Austria	1	1
China	2	2
Employees	191	260

Note: Rounding differences may occur

An average of 66 employees (previous year: 33 employees) are attributed to MPC Capital from the equity investment in joint ventures.

As at 31 December 2021 there were 204 employees in total.

4.5 Other operating expenses

Other operating expenses are composed as follows:

EUR '000	2021	2020
Legal and consultancy costs	-5,963	-7,038
IT costs	-2,166	-2,823
Cost of premises	-1,697	-2,215
Write-downs on receivables	-1,642	-1,903
Other personnel expenses	-1,296	-2,813
Services	-1,053	-1,074
Insurance and subscriptions	-977	-1,067
Prior-period expenses	-428	-297
Vehicle costs	-426	-529
Donations	-304	-345
Travel and hospitality expenses	-295	-339
Communications costs	-290	-393
Advertising expenses	-254	-277
Expenses from currency translation differences	-253	-1,538
Costs of payments	-204	-217
Losses from asset disposals	-116	-309
Miscellaneous	-3,579	-2,515
Other operating expenses	-20,944	-25,690

Note: Rounding differences may occur.

The marked decrease in other operating expenses is attributable especially to cost cutting measures as well as to the change in consolidation method for the joint ventures Wilhelmshen Ahrenkiel Ship Management GmbH & Co. KG and Albis Shipping & Transport GmbH & Co. KG established in the previous year.

4.6 Income from equity investments

Income from equity investments amounting to EUR 1.2 million (previous year: EUR 2.8 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 2.2 million (previous year: EUR 1.8 million) stems mainly from the loans for project financing.

4.8 Write-downs on financial assets

In the financial year, write-downs of EUR 2.1 million (previous year: EUR 1.6 million) were required where permanent impairment is assumed. These write-downs relate especially to medium to long-term project financing arrangements.

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 in the amount of EUR -2.5 million (previous year: EUR -3.1 million) comes mainly from measurements of assets of these equity investments, which needed to be adjusted to reflect the economic impact of the COVID-19 pandemic.

4.11 Taxes on income

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

EUR '000	2021	2020
Current taxes	-3,077	-1,374
Germany	-2,270	-1,011
International	-807	-363
Deferred taxes	0	0
Germany	0	0
International	0	0

Note: Rounding differences may occur

In the 2021 financial year, corporations based in Germany were subject to corporation tax of 15 %, a solidarity surcharge of 5.5 % of 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 taxes would result in an expected tax expense of EUR -3.4 million (previous year: EUR -0.4 million). The following reconciliation statement shows the difference between this amount and the effective tax expense of EUR -3.1 million (previous year: EUR -1.4 million).

EUR '000	2021	2020
Consolidated earnings before taxes	10,401	1,263
Expected taxes on income (32.28% (previous year: 32.28%))	-3,357	-408
Different tax rates	169	157
Temporary differences and loss carryforwards for which no deferred tax assets were recognised	-1,022	-2,766
Non-tax-deductible expenses	-240	-110
Tax-free income	1,187	323
Deviation from the basis of assessment for trade tax	504	126
Current taxes on income for previous years	-190	1,213
Withholding tax / foreign tax	-3	81
Other deviations	-125	10
Taxes on income	-3,077	-1,374

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 presenting the consolidated financial statements for the largest group of consolidated companies is Quintance GmbH, Hamburg. The consolidated financial statements of Quintance GmbH, Hamburg, are submitted to the Federal Gazette for publication under the number HRB 122152 Hamburg.

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)

Dr Ignace Van Meenen, Management Board, Hamburg
(CSO; Chief Sales Officer); until 31 March 2021

Dr Karsten Markwardt, Management Board, Hamburg
(Management Board Member for Legal & Compliance, Real Estate Germany); until 31 March 2021

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 1.4 million (previous year: EUR 1.9 million) for the 2021 financial year. In the same period, total gross remuneration of EUR 180 thousand (previous year: EUR 160 thousand) was granted to the members of the Supervisory Board.

All remuneration for governing bodies is classified as current.

5.3 Voting rights notifications in accordance with Section 20 AktG

1. MPC Participia GmbH, Hamburg, Germany, notified us in writing on 28 June 2016 pursuant to Section 20 (5) AktG that it no longer owns a majority shareholding in MPC Capital AG. MPC Participia GmbH also notified us pursuant to Section 20 (1), (3) AktG that it continues to own more than one quarter of the shares in MPC Capital AG – even disregarding shares pursuant to Section 20 (2) AktG.
2. Mr Axel Schroeder, Hamburg, Germany, notified us in writing on 17 October 2016 pursuant to Section 20 (5) AktG that he no longer owns a majority interest in MPC Capital AG (either directly or indirectly). Mr Axel Schroeder also notified us pursuant to Section 20 (1) AktG in conjunction with Section 16 (4) AktG that he continues to own more than one quarter of the shares in MPC Capital AG indirectly – even disregarding shares pursuant to Section 20 (2) AktG.
3. MPC Münchmeyer Petersen & Co. GmbH (formerly: MPC Industries GmbH), Palmaille 67, 22767 Hamburg, Germany, notified us in writing on 17 October 2016 pursuant to Section 20 (5) AktG that it no longer owns a majority interest in MPC Capital AG (either directly or indirectly). MPC Münchmeyer Petersen & Co. GmbH also notified us pursuant to Section 20 (1), (3) AktG in conjunction with Section 16 (4) AktG that it continues to own more than one quarter of the shares in MPC Capital AG indirectly – even disregarding shares pursuant to Section 20 (2) AktG.
4. Quintance GmbH, Palmaille 67, 22767 Hamburg, Germany, notified us in writing on 17 October 2016 pursuant to Section 20 (5) AktG that it no longer owns a majority interest in MPC Capital AG (either directly or indirectly). Quintance GmbH also notified us pursuant to Section 20 (1), (3) AktG in conjunction with Section 16 (4) AktG that it continues to own more than one quarter of the shares in MPC Capital AG indirectly – even disregarding shares pursuant to Section 20 (2) AktG.

5.4 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 2022 that the net retained profit of the company amounting to EUR 4.5 million for the 2021 financial year be appropriated as follows:

- + A partial amount of EUR 4.2 million is to be used for the payment of a dividend of EUR 0.12 per share on a total of 35,248,484 shares eligible for dividends;
- + The balance amounting to EUR 0.3 million is to be carried forward for new account.

5.5 Auditor's fees

The auditor's fees are made up as follows:

EUR '000	2021	2020
Auditing services for the financial statements	286	206
Tax consultancy services	142	221
Other services	8	30
Auditor's fees	436	457

Note: Rounding differences may occur

5.6 Report on post-balance sheet date events

In November 2021 MPC Capital sold its subsidiary Cairn Real Estate B.V. to the British investor Schrodgers Capital, the private assets investment arm of Schrodgers Group, for a net price of around EUR 30 million. The transaction was completed at the end of January 2022.

Hamburg, 14 February 2022



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 2021, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January 2021 to 31 December 2021 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 (report on the situation of the company and Group) of MPC Münchmeyer Petersen Capital AG for the financial year from 1 January 2021 to 31 December 2021.

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 2021 as well as of its results of operations for the financial year from 1 January 2021 to 31 December 2021 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 – intentional or un-intentional – misrepresentations.

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 – intentional or unintentional – misrepresentations, 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 infringements or misstatements 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 – intentional and unintentional – misrepresentations in the consolidated financial statements and combined management report, 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 misrepresentations are not identified is greater for infringements than for misstatements, because infringements may involve fraudulent collaboration, forgeries, intentional incompleteness, misleading representations and bypassing 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

Independent auditor's report

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, overseeing 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 futurerelevant 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 future-related statements by management and assess whether the futurerelevant statements have been derived properly from those assumptions. We do not give a separate audit opinion on the futurerelevant statements nor on their underlying assumptions. There is a considerable unavoidable risk that future events will deviate materially from the futurerelevant statements.

We discuss for example the planned scope and timetable of the audit with the officers responsible for monitoring, as well as significant audit findings, including any shortcomings that we identify in the internal control system in the course of our audit.

Hamburg, 18 February 2022

BDO AG
Wirtschaftsprüfungsgesellschaft

gez. Härle
German Public Auditor

gez. Kaletta
German Public Auditor

Financial calendar 2022

24 February 2022

Publication of Annual Report 2021

27 April 2022

Annual General Meeting (virtual)

12 May 2022

Press release Q1 key figures

25 August 2022

Publication of H1 financial report

17 November 2022

Press release Q3 key figures

November 2022

Analysts Conference in Frankfurt (Eigenkapitalforum)

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WKN A1TNWJ

ISIN DE000A1TNWJ4



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