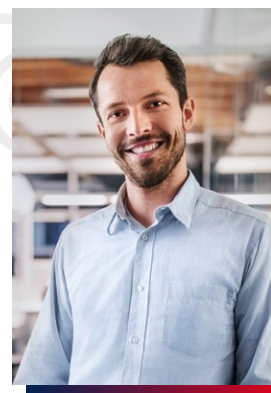
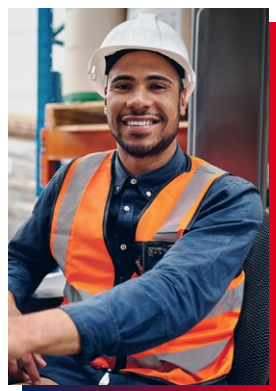




Moving goods for people

2021 Business Report



Moving goods for people



"We transport assets. We link markets." Our motto describes our ambition. You will find people at the heart of everything we do, in our cooperative togetherness and in finding the right solution for our customers – at local scale and in our global network. More than ever this is true in turbulent times such as these.

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A three-way conversation

The three Managing Directors of a. hartrodt talk about the current situation in the logistics industry, medium-term perspectives, and the ambitions of this mid-sized freight forwarding service provider.



Broad sections of industry are suffering under bottlenecks in supply chains: initially as a result of the pandemic and global lockdown, and now due to the war in Ukraine. What can a. hartrodt do to support its customers in this environment?

FW: As a freight forwarding service provider in this environment, we must do what we do best: create connections. Every day we find solutions for our customers that achieve the best possible outcomes for them. We help them, reduce their workload, and instead of making things complicated, simply find solutions. This is precisely our strength.

JvT: It's important to make the distinction: sea freight shipments are currently significantly more disrupted than air freight shipments. Thanks to our good contacts with individual carriers, we are very flexible and can receive bookings even at short notice.

»In contact with the customer, we constantly seek specific solutions for processing shipments better, more quickly, and efficiently.«

Jan van Tienhoven

AS: The question has to be: what have we accomplished? We are not a mass freight forwarding firm like the big overseas freight forwarding providers; instead, we define ourselves as quality freight forwarder in the sea and air freight segment. During the crisis, our employees' freight forwarding expertise enabled us to meet customer requirements more successfully than many other market providers. In some instances shipments were dealt with overnight or at the weekend, so that they would arrive at the right location at the right time, and to the right quality standard. On this basis we were able to even further embed the loyalty of our long-standing customers. At the same time, we used the opportunity to acquire new customers.

Managing Directors of the Group holding company a. hartrodt (GmbH & Co) KG, from left: Andreas Schrön, Jan van Tienhoven and Felix Wenzel



»The supply chains will stabilise in the next few years. When and to what extent is not yet clear.«

Andreas Schrön

How do you see development in supply chains progressing in the future? Will we at some point return to how things were before the pandemic or do we need to adjust to a "new normal"?

AS: In sea freight, it remains to be seen to what extent the new ship capacities existing on the market from 2023 will result in an increase in transport capacity, as ships will also be broken up at the same time. In air freight it will take longer for transport capacities to return to the pre-coronavirus level. For this reason, we

are assuming we will not get back to the lowest prices for freight rates that we saw before the crisis.

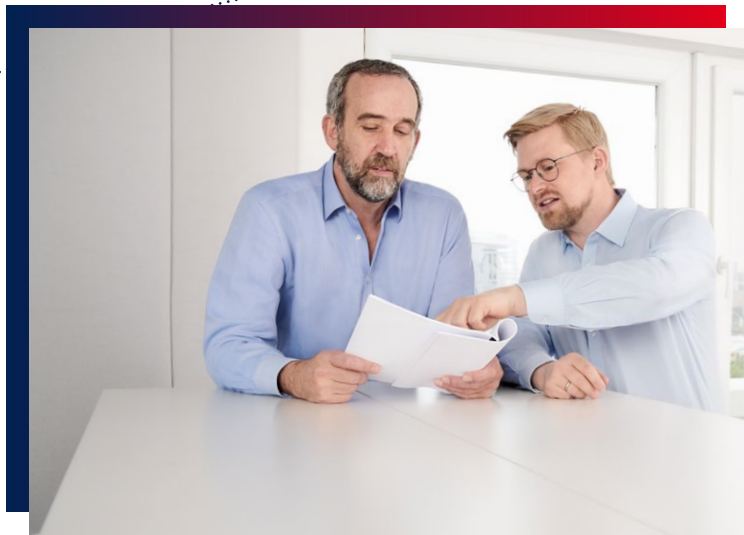
JvT: This year will continue to pose major challenges for us. Lockdowns in China are currently the biggest problem, as a huge quantity of containers are stranded in the ports. No rapid return to the supply chain model that existed before the pandemic is possible, because supply chains must satisfy new, expanded requirements. Although in the past the focus was on cost minimisation, other criteria are now moving into the foreground – in particular security of supply, but also the aspect of sustainability.

FW: Some of the industry's problems are self-made. The number of global shipping companies has reduced to under 10 over recent years. They have banded together into three alliances and in this way control the volume, and as such the offering. In my opinion, this is unhealthy and should be subject to more rules and restrictions. In our field, as in many others, it is true that competition stimulates business.

What does that mean specifically for a. hartrodt?

AS: Our customers will rethink and distribute the risks of transport across multiple logistics providers. Production will also be spread across multiple countries and/or regions. Based on our assessment, this is likely to result in slightly lower growth in air and sea freight. For this reason we are giving significant attention to the areas of trucking and warehousing, where we are striving for high growth for our regional customers, due to a greater service depth.





FW: As a freight forwarder we need to offer clever solutions, in this case to simplify logistics for the customer. Warehousing and distribution points are one solution, and good advice and communication the other. The important thing is for there to be cooperation between service providers and customers. Everyone in the value chain needs to understand that it's best if we work together.

In the midst of all of this upheaval, there was a change of generation at a. hartrodt in 2021. You took over management of the company from your father, and now represent the fifth generation to lead the company. What

does this change mean for your customers and employees? What will you focus on differently in future?

FW: First of all I must say that I have taken over a successful and very well-managed company. That gives us the routine and consistency we need in day-to-day operations. Looking to the future, I want to drive forward three major topics. First, growth through the use of new technologies. Second, maximum efficiencies through investment in IT. And third, regionalisation through the development of procurement concepts for major shipping routes.

»The overarching goal is to utilise a. hartrodt's opportunities as a family-run business.«

Felix Wenzel

It's all about cooperation within our company and for our customers. I am firmly convinced that providing a good service and solving problems always represents fantastic value. Not only in turbulent times such as today, but also in the future.

So wine lovers worldwide can enjoy the Beaujolais Nouveau

From Paris to Hong Kong, when the Beaujolais Nouveau arrives on the shelves, it's a highlight of every year. So on-time delivery is essential.

Sensitive logistics

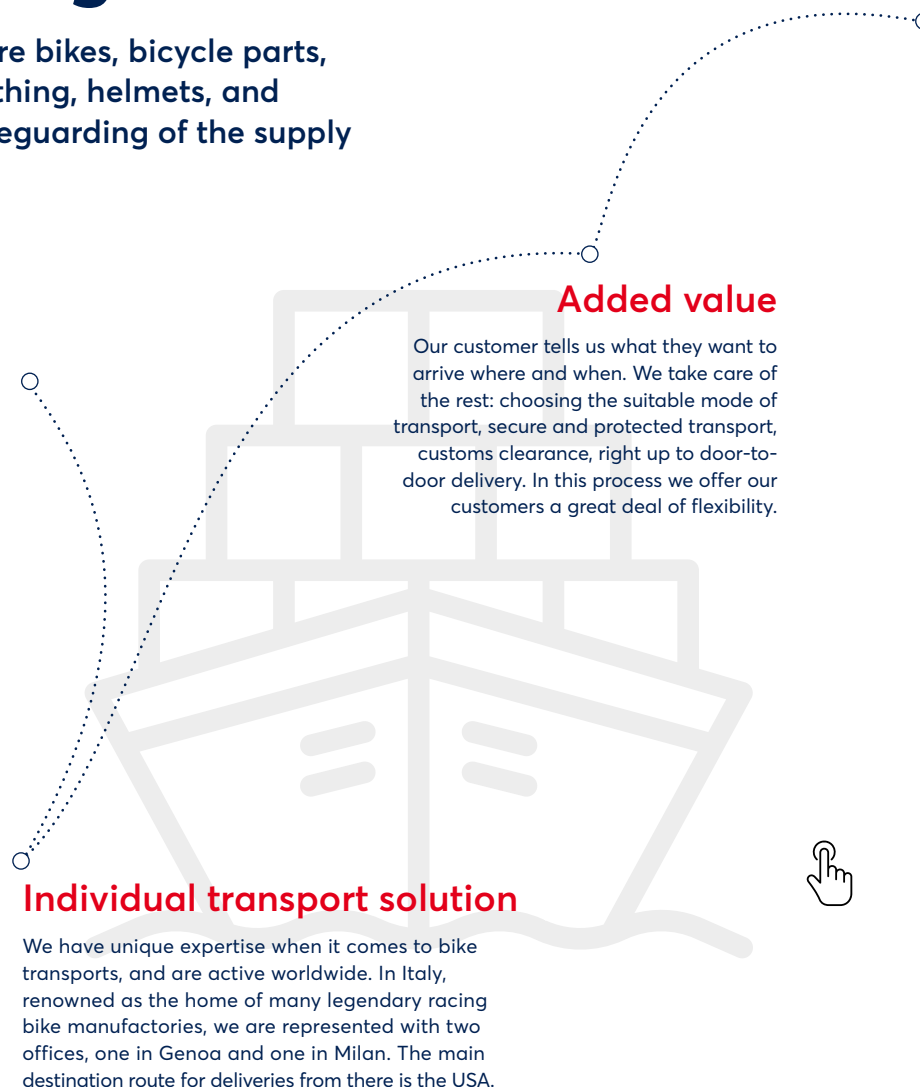
The narrow time window from the wine harvest to the start of sales is not new for us. But of course it's not only punctuality that counts: with wine, sensitive handling of freight is hugely important. So we offer temperature-controlled transports to ensure that wine lovers all over the world can enjoy the product.

A narrow time window

The coronavirus pandemic, very little available air freight capacity, and extremely high freight rates; what's more, 2021's weather was not as hoped and the grape harvest had to be delayed. All this meant that the run-up time for logistics was reduced from the usual 4 weeks to just 2.5 weeks.

So that bicycles "Made in Italy" also get pedalling in the USA

Whether the task is transporting entire bikes, bicycle parts, or accessories such as functional clothing, helmets, and equipment, the delivery time and safeguarding of the supply chain are always key factors.



So a creepy-crawly doesn't impede punctual commissioning of a flue-gas system

In Australia, stink bug season starts on September 1. Everything that arrives in the harbour from that date is subject to strict import conditions. This also applies when importing a flue-gas cleaning system.

We create added value

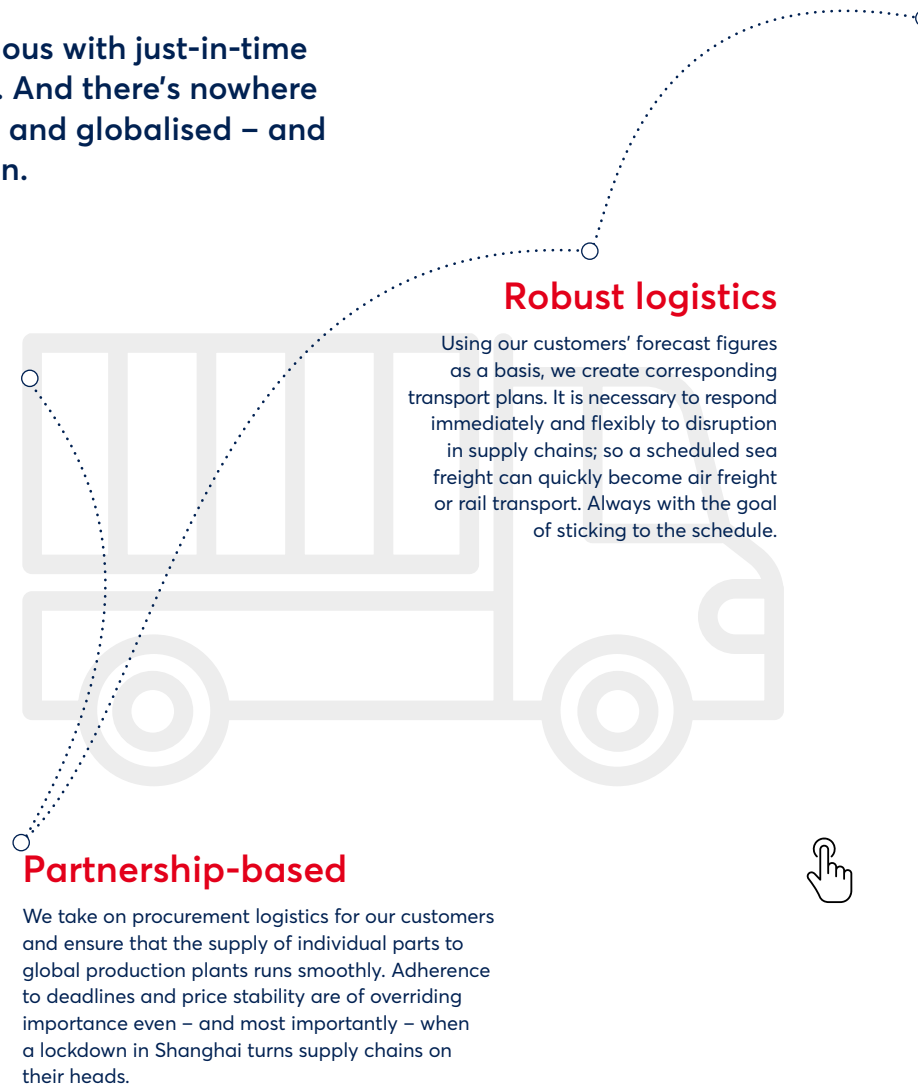
We completed the delivery – consisting of 39 large parcels and two flue-gas chimneys measuring 22 x 2.85 x 2.96 metres – reliably and without delays. As a result, it was possible to avoid extremely time- and cost-intensive treatment against an agricultural pest.

Logistics service

When the task at hand is to transport a flue-gas cleaning system which weighs multiple tonnes, in individual parts from three different plants in Europe via several modes of transport to Australia, 16,000 km away, everything needs to be planned down to the smallest detail.

So myriad parts can become a perfect whole

Almost no other sector is as synonymous with just-in-time deliveries as the automotive industry. And there's nowhere that supply chains are more complex and globalised – and as such more susceptible to disruption.



New focus points

Ambitious goals: we will drive forward growth of the Group with additional regionalisation and digital transformation. In all of this, cooperation is always the focus.



Expanding regionalisation

Regional markets follow their own trends. Understanding these trends is key to business success. Taking regional market circumstances into account means, first and foremost, being close to people, speaking their language, and understanding their requirements. That's why we are constantly driving forward the global regionalisation of the Group, investing in our own locations, expanding our logistics capacities, and reinforcing ourselves with specialists who are at home in the relevant region.



Creating growth

There is significant growth potential in our core markets of sea and air freight, and we want to make use of this primarily through the further development of our product offering. We expect to see another growth spurt in the area of international land transport, particularly in Europe – but also worldwide: whether in truck transport in Europe, in combined truck and container transport on road, rail and inland vessels, or in rail transport in China. We always let ourselves be led by our customers' preference for a wide range of logistical services.



Driving forward digitisation

Many people consider digital transformation to be a buzzword, but for us it's a lived reality. And it is right at the top of the agenda for our new Chief Information Officer, Hartmut Willebrand, who has been in office since April 2021. We have a clearly defined goal here: from the order being placed to the delivery of the goods, all processes will be digital. For standard operations, our customers can reach us round the clock and see at any moment exactly where their package is located. To achieve this, the CargoWise One project started global rollout at the start of 2022.



Working in cooperation

Rather than being part of a corporate group, we are one of the last medium-sized businesses in our sector. As an owner-managed company with 135 years of history, the customer and their concerns are always the focus of our attention. This approach requires an agile, solutions-oriented and human-centred corporate culture. In return, we expect our employees to actively take on responsibility. The result is reliability and quality – and that's what sets a. hartrodt apart.

5-year comparison

The figures are consolidated figures.

	2017	2018	2019	2020	2021
Sales (kEUR)	497,837	479,042	462,195	474,460	742,077
Cost of sales (kEUR)	387,151	367,639	349,061	362,365	593,595
of sales (%)	77.77	76.74	75.52	76.37	79.99
Gross forward profit (kEUR) ¹⁾	110,686	111,403	113,134	112,095	148,482
of sales (%)	22.23	23.26	24.48	23.63	20.01
Personnel expenses (kEUR)	72,703	75,114	74,934	75,155	84,611
of sales (%)	14.60	15.68	16.21	15.84	11.40
Personnel incl. trainees	2,078	2,076	2,063	1,971	1,950
Sales per full-time employee (kEUR)	240	231	224	241	381
Expense per full-time employee (kEUR)	35	36	36	38	43
Operational result (kEUR) ²⁾	7,631	8,055	7,508	9,960	34,186
of sales (%)	1.53	1.68	1.62	2.10	4.61
Result from investment (kEUR)	16	-108	286	-124	260
Result from interest (kEUR)	-714	-796	-863	-835	-861
Annual result (kEUR)	4,596	3,690	4,027	4,815	26,001
Investments (kEUR) ³⁾	4,779	4,170	9,718	7,507	7,815
Depreciation and amortisation (kEUR) ³⁾	2,693	2,732	3,374	3,683	4,159
Total capital employed (kEUR)	140,951	138,515	141,395	150,788	221,397
Shareholders' equity (kEUR)	41,938	41,299	42,792	42,564	62,524
of total capital employed (%)	29.75	29.82	30.26	28.23	28.24
Return on equity (%)	10.96	8.93	9.41	11.31	41.59

1) Gross forward profit = sales minus cost of sales

2) Operational result = result before income from investment, result from interest and income tax

3) Without financial investment

Area of activity

Our motto: We transport assets. We link markets.

In line with our motto – We transport assets. We link markets. – we secure the flow of goods across continents. Because transport and logistics are our world. To guarantee the highest level of service quality, we offer our customers all central order management tasks from a single source: transport, customs clearance, warehousing, packaging, picking, and distribution.

The basis of our services is formed by a global corporate network of 84 subsidiaries and associated companies in 46 trading nations. They organise export and import shipments for general cargo, full containers and conventional cargo. Land transport, warehousing and distribution services are closely linked with sea freight forwarding. The Group's core expertise is therefore in the area of international transports by sea and air freight.

The scope of services in a. hartrodt's transport logistics span the entire range of shipping tasks in the supply chain: from transport planning and processing to customs clearance and document management. a. hartrodt is the specialist for logistical solutions in various sectors, including the automotive, food & beverage, health care, industrial goods, machinery and oil & gas industries. Food & beverage logistics is a fully integrated part of the service portfolio in all a. hartrodt offices. This is particularly relevant for liquid and temperature-controlled cargo.

a. hartrodt (GmbH & Co) KG acts as the management holding company for the Group

a. hartrodt (GmbH & Co) KG, which has its registered office in Hamburg, is the management holding company for the entire Group. It takes on centralised administration and management functions such as IT, marketing and finances. The Group's organisation is based on a regional structure with 11 regions (North America, Latin America, Oceania, North/East Asia, Southeast Asia, Southern Europe, the Indian subcontinent, French Europe, Africa, Germany/Scandinavia and Eastern Europe). This structure enables us to develop our markets in a customer-specific and regionally focussed manner.

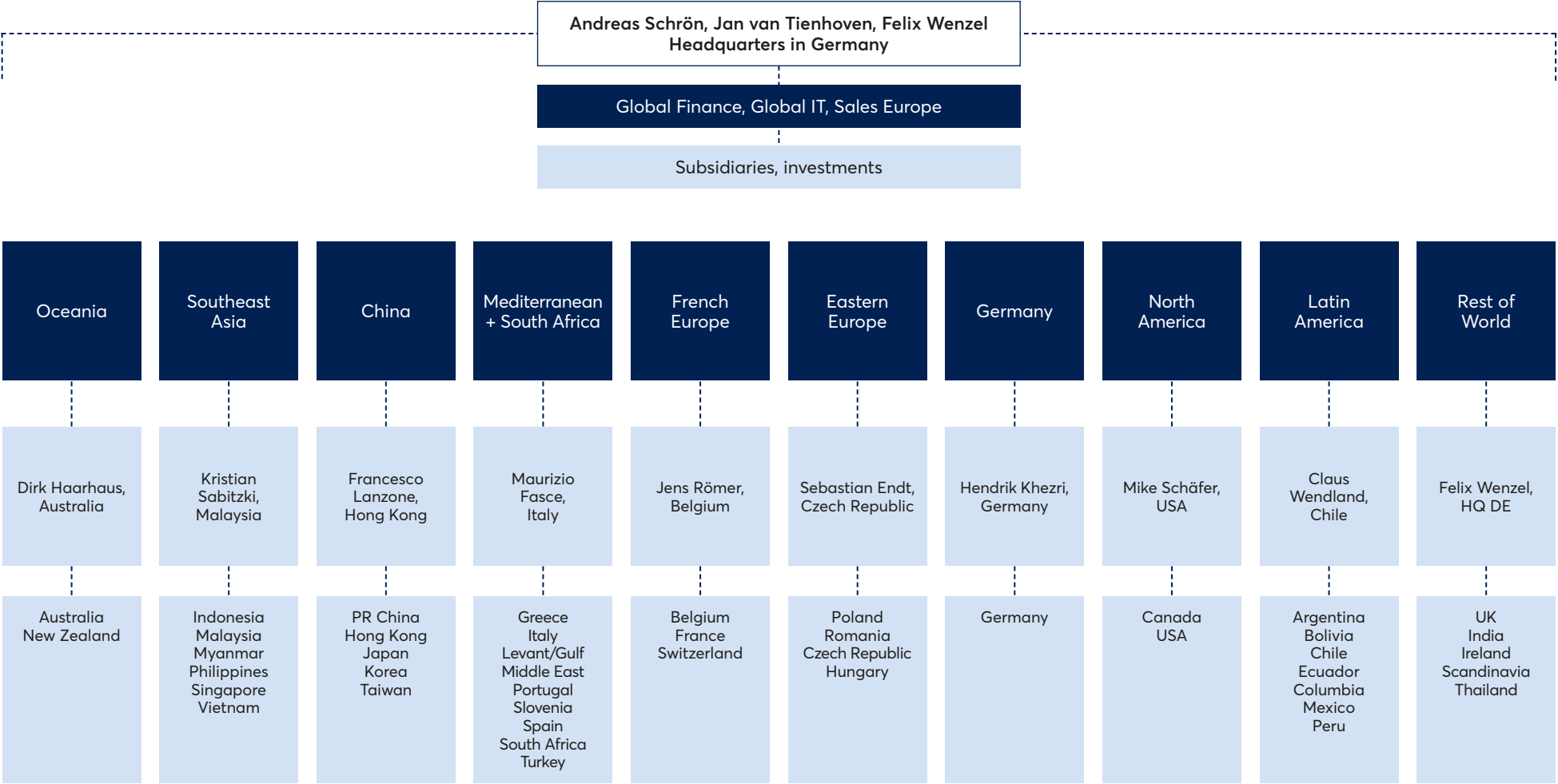
Change of generation successfully completed

An important point on the course was mapped in 2021 with the appointment of Felix Wenzel to the Management Board of a. hartrodt. He took over tasks from his father Andreas Wenzel, who entered retirement in mid-2021 after 43 years of professional life. Andreas Wenzel will continue to support the company as a shareholder and advisor. Felix Wenzel represents the fifth generation of the founding family to now be carrying joint responsibility at the top of the company.

**In line with our motto –
We transport assets. We link
markets. – we secure the flow
of goods across continents.**

The father of two was prepared for his responsibilities over many years in management positions both in and outside the company, including at the national companies in Australia and Malaysia. He has taken over his father's responsibilities for the Far East, Oceania and Western/Southern Europe. In addition, together with Jan van Tienhoven, he is responsible for the Germany/Eastern Europe region. The Management Board is completed by Andreas Schrön.

Management structure



Global economy

Global economy recovering strongly despite the lasting coronavirus crisis

The coronavirus pandemic and measures to fight it also significantly influenced global economic development in 2021. At the start of the year, there were still restrictions on business and societal life in many nations. Declining infection figures and increasing progress in vaccination campaigns then resulted in these restrictions gradually being lifted over the course of the second quarter. As a result, the global economy recorded growth of 6.1% in 2021 based on information from the International Monetary fund (IMF). Extensive government assistance and investment programmes, plus the ultra-loose monetary policy of many central

banks also supported this. Globally, the previous year's decline of 3.1% due to the COVID-19 pandemic was therefore more than made up for.

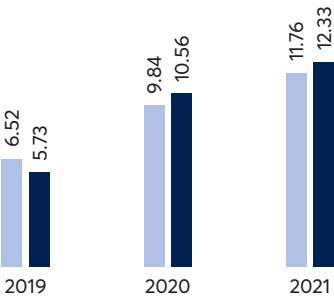
In the Eurozone, economic recovery was slightly more moderate with a GDP increase of 5.3% in 2021. In the view of the IMF, development in Europe was primarily stifled by repeated increases in infection figures, rapidly rising inflation and – particularly from the second half of the year – increasing bottlenecks in global supply chains. These bottlenecks particularly restricted the development of the heavily export-dependent German economy. Based on the estimates of the IMF, German economic output grew by just 2.8% in 2021 (previous year: –4.6%) and therefore has not yet returned to the pre-crisis level.

Bottlenecks in supply chains drive inflation

Supply bottlenecks were primarily the result of increased demand following unexpectedly rapid economic recovery after lockdowns, which ran headlong into insufficient expansion of the offering, as transport capacities in particular had been dismantled. This particularly affected upstream products such as semi-conductors, though also raw materials, and resulted in some significant losses of production in the manufacturing sector worldwide, primarily in the second half of the year. This put the brakes on economic development, as did the significant increase in energy prices in the course of 2021. This affected not only industry in the form of higher costs, but also drove inflation rates to multi-year highs worldwide. As a result, the inflation rate in the Eurozone was 5.0% – far above the 2% figure targeted by the European Central Bank (ECB). In summer 2020, the inflation rate was still at –0.3%. In response to this, both the ECB and the Federal Reserve System signalled a gradual departure from an ultra-loose monetary policy and indicated the prospect of interest rate increases.

Exchange rate risks in million EUR

- Income from exchange rate differences
- Expenditure from exchange rate differences



Growth of gross domestic product ¹⁾

in %	2017	2018	2019	2020	2021
USA	2.3	2.7	2.3	–3.5	5.7
Eurozone	2.4	1.8	1.2	–6.6	7.4
Germany	2.2	1.4	0.6	–4.8	2.9
India	6.7	7.1	4.23	–8	9
South Africa	1.3	0.8	0.15	–7	4.9
China	6.9	6.6	6.1	2.3	8.1

1) Source: de.statista.com

Market development

Global trade characterised by increased disruption to logistics chains

The recovery of global trade that had already started in the second half of 2020 continued in the 2021 reporting year. Based on estimates by the World Trade Organisation (WTO) the trading volume by quantity grew by 9.8% in 2021, while significant increases in global freight rates resulted in the trading volume by value increasing by as much as 26%.

This development was shaped by increasing bottlenecks in logistics, particularly in the sea freight market, over the course of the year. Since the restructuring of shipping company alliances, the market is in any case characterised by capacity bottlenecks. The recovery of global trade and increased shipment volumes therefore collided with non-existent capacities. Further reinforced by the effects of coronavirus, lack of unloading capacity at various port locations, and incorrect capacity utilisation in terms of ship space, scarcity rose to an

extreme degree. This resulted in a significant hike in freight rates on almost all global trade routes. Many ship operators took advantage of the market situation and reduced their service level or shifted tasks to freight forwarders. For our employees, as well as those of our competitors, this led to a significant increase in expenditure. The situation in sea freight was made more difficult by extremely long waiting times in global ports. In addition, in terms of port processing, there was a significant lack of truck drivers, a problem amplified even further at the start of the year by the rapid spread of the omicron variant.

A comparable development was seen in air freight traffic. Many airlines had, before the outbreak of the coronavirus pandemic, largely transported their freight in the cargo space of passenger aircraft. The decline in passenger volume due to coronavirus – most notably affecting tourist travel – had an accordingly negative effect on the available freight space and the absolute

freight volume. The resulting significant rise in transport quantities from the second half of 2020 therefore led to a massive increase in air freight rates. Air freight also benefitted, in this respect, from the disruption to logistics chains, with the result that goods which would normally be shipped by sea freight were conveyed by air freight.

+18.7%
**Air freight demand
worldwide**

Globally, demand for air freight grew by 18.7% in 2021 compared to 2020, and as such exceeded the pre-coronavirus level of the 2019 year by 6.9%. Due to scarce capacities and high prices, the earnings situation for many carriers was therefore very good in the air freight segment in 2021.

Personnel development

Stable number of employees

Despite strong business expansion, the number of employees compared to the previous year (1,971 employees) remains almost unchanged in the 2021 year, at 1,950 (based on Full-time equivalents, FTE).

Evolving, growing, changing: companies need to constantly reinvent themselves to survive in international competition. In service sectors such as logistics, the people who manage the necessary change processes with expertise, passion and determination are at the frontline of this task. So it is also becomes more and more important for a. hartrodt to find motivated, competent and well-trained employees, and to inspire in those individuals long-term loyalty to the company. We are rising to this challenge by offering our employees an attractive working environment, individual development opportunities, giving them our confidence and appreciation, and maintaining an open, communicative corporate culture.

Advanced concepts

The coronavirus pandemic has accelerated the need for new forms of work and collaboration in our business in a very particular way. As a result, in the past two years we have invested significantly in our digital infrastructure so that we can offer our employees mobile solutions, while also raising manager awareness of "leading from a distance" in our training sessions. We

Personnel development

Employees	FTE ¹⁾ Group	America region	Europe region	Africa region	Asia region	Oceania region
2000	808	82	348	70	185	123
2005	1,041	78	453	78	251	181
2010	1,440	138	606	79	431	186
2015	2,005	230	738	68	783	186
2021	1,950	246	733	25	781	166

1) FTE = Full-time equivalent

have also introduced new methodologies in recruitment, with interviews held via video conference. This means that we can not only guarantee candidate and employee safety, but also often make the application process faster, which is a key success factor in the fiercely contested applicant market.

Another focus of our HR work is knowledge transfer within the organisation. The subject of digitisation has also moved more into the spotlight here. To this end, we introduced the Learning HUB at the German national company in the past year. Employees can use this internet-based solution to register for online training in certain specialist topics (such as customs training). Documents for self-training are also made available via this hub.

The subject of further training is also hugely important in other areas of the Group. For example, in Malaysia

we operate a training academy for Operation and Sales, at which small groups of young employees from a huge range of companies in the Group are trained together on a regular basis. In addition, employees from across the entire organisation are regularly trained in Finance at our headquarters in Hamburg.

Alongside this, we pay particular attention to attracting and training young employees. To this end there is close collaboration with vocational schools, colleges and universities, to inspire young people to become logistics professionals, not just in Germany but across many countries. We are hugely proud of what our trainees have achieved: in the past three years, trainees from a. hartrodt have completed final examinations at the Hamburg Chamber of Commerce as the best in Germany.

Opportunities and risks

A sophisticated risk management system

The logistics industry is exposed to a high number of risks: damage in transit, currency fluctuations, climate disaster events, cyber attacks, regional unrest, strikes and pandemics. It is always necessary to avoid possible setbacks and failures of supply chains, and to respectively minimise their effects. For companies such as a. hartrodt, which works in a global-scale logistics network, risk management is therefore a crucial component of all management processes.

An internal reporting system that tracks products, suppliers, profit centres, locations, divisions, investments and liquidity enables all key risks to be monitored and processes to be managed. On top of this, we have an active quality management system in accordance with ISO 9001. Whenever possible and useful, local a. hartrodt companies are certified as AEOs (approved economic operators). This is supplemented by a Corporate Compliance Policy against which all internal work instructions in the financial area are coordinated, and a Tax Compliance System that is subject to constant further development.

Effectively limiting risks

One of the key risk areas in our business is damage in transit. Wherever possible, corresponding insurance is

bought and administered on a centralised basis, in order to comprehensively cover risks where possible. Damage events are handled via a specialised service provider. We also set great store by seamless insurance protection at all subsidiaries worldwide.

The requirements created by various public authorities in terms of reports, statistical surveys, etc. make it almost impossible to make serious predictions about transport routes and times. Requirements in terms of security are also rising – these are difficult to guarantee and result in significant additional costs. To ensure the fulfilment of security requirements and compliance with data protection law, we have internal work instructions that are subject to constant further development.

We counter financial risks, in particular currency and interest risks, through our clearly structured finance and treasury system. Where possible, currency risks are hedged using payment flows in foreign currency working in the opposite direction. In addition, services are largely charged in the local currency, meaning that there is only a low currency risk overall. By setting up medium-term bank loans and additional credit lines, we have prevented a financing risk and ensured financing of planned growth. To avoid bad debt, we operate active debtor management.

At the current margin there are risks arising, on one side, from the coronavirus pandemic, particularly due to the Chinese government's zero-Covid strategy, which has resulted in new disruption to logistics chains. The war in Ukraine is another risk, and has forced us to effectively reduce our activities in Russia to nothing.

Utilising opportunities

Global markets change constantly and with them so do our customers' requirements. We are well set-up with our comprehensive network in Asia, South and North America, Oceania and Europe and, due to the refinement of customer-related products, ideally prepared for future challenges. We counter the outlined risks by investing in our opportunities: this means our employees, our IT infrastructure and our service offering. In particular we see major potential in international land transports and inventory turnover in Europe and other regions. In addition, we are working throughout the company on increasing our LCL business and expanding food transport. The goal is to even more successfully position a. hartrodt on the market as a quality freight forwarder, and to tailor our offering precisely to customer needs.

Investments

Another milestone in the digitisation strategy

In the reporting year, we invested further in the expansion of our IT infrastructure in order to meet increasing customer requirements even more successfully. One particular milestone was the introduction of CargoWise One, a leading software solution in the area of global logistics. With the associated consolidation of freight forwarding software, it was possible to significantly improve the integration and communication of our global network. The infrastructure is being further stabilised and optimised by hybrid solutions – the combination of cloud and in-house virtualisation environments. SD-WAN solutions secure global data exchange, while industrialised housing solutions ensure high availability on the part of the systems. Highly flexible Micro-soft- and Cisco-based collaboration solutions support the exchange of information within the company and with customers. As these actions demonstrate, we put a very high value on information and data protection. The digitisation strategy will be consistently pursued over the coming years at a. hartrodt. IT is becoming a product, and as such a key element of business success.

Takeover of OTS Group

In August 2021, the Australian subsidiary of a. hartrodt took over Overseas Transport Systems (OTS) Group, which has its registered office in Melbourne. OTS is specialised in international freight forwarding, LCL shipments for small and medium-sized businesses and customs processing. The focus is on consolidated import containers from the Mediterranean, Germany and China. One particular focus is wine and alcohol imports and premium interior furnishings from Italy. There are also spare parts and machinery for the agricultural, construction and mining industries, from Italy and Germany. OTS's business therefore perfectly complements a. hartrodt's activities in Australia, which have so far been concentrated on strong performance in full-container and air freight business.

In addition, the OTS Group operates a 6,100 m² customs warehouse in Melbourne and offers 3PL services as well as national distribution. In 2022, the Melbourne warehouse areas of OTS and a. hartrodt are set to be merged. Following completion of the takeover, a. hartrodt's Australian presence will encompass 180 individuals across five locations.

Economic development

Significant increase in freight forwarding proceeds

In the 2021 financial year, the freight forwarding proceeds for a. hartrodt Group increased by 56.4%, to €742,077k, following €474,460k in the previous year. The significant increase in proceeds resulted from higher quantities and increased freight rates. The gross total forwarding profit increased by 32.5% in 2021. The margin dropped accordingly to 20.0% (previous year: 23.6%). The lower margin was the result of higher freight rates.

Development of sales and group gross profit ¹⁾

in kEUR	Sales	Cost of sales	Group gross profit
2018	583,259	472,422	110,837
2019	554,112	441,083	113,029
2020	586,334	474,047	112,287
2021	951,536	803,027	148,509

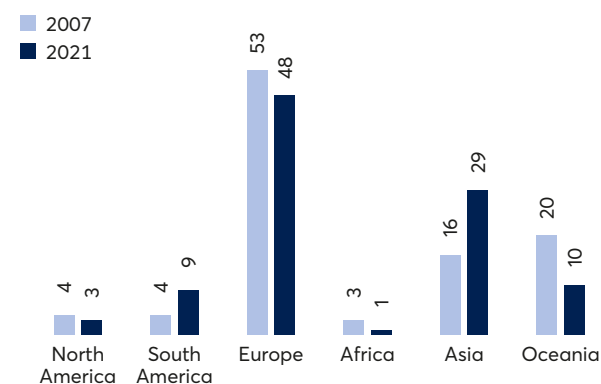
1) Unconsolidated figures from consolidated companies in 2021

Development of forwarding revenues ¹⁾

in kEUR	2018	2019	2020	2021
Europe	284,398	264,275	279,517	452,375
Northern Europe/ Scandinavia	180,982	166,084	184,088	281,434
Eastern Europe	30,217	32,008	33,539	65,742
French Europe	31,757	27,585	25,848	42,731
Mediterranean	28,764	25,837	22,450	41,583
Great Britain/Ireland	12,679	12,761	13,592	20,884
America	83,461	79,311	74,101	116,260
North America	22,781	23,266	22,805	31,321
South America	60,680	56,046	51,296	84,939
Africa	10,494	9,668	6,539	10,775
Asia	137,025	135,176	159,884	271,528
China	62,357	55,881	86,919	165,034
Southeast Asia	37,838	36,440	33,401	46,063
India	9,307	7,465	7,086	14,162
Rest of Asia	27,523	35,390	32,478	46,269
Oceania	67,880	65,681	66,293	100,598
Group	583,259	554,112	586,334	951,536

1) Unconsolidated figures from consolidated companies in 2021

Development of the percentage share in proceeds in %



Sales by business field grow more than order volumes

In the Group's largest business field, sea freight, the number of orders grew by 8.4% in 2021, to 246,768 (previous year: 227,574). The expected extreme increase in freight rates resulted in a disproportionately high increase in revenue by 81.8% to €485,450k, following €267,002k in the previous year.

In air freight, we recorded an order volume growth of 10.0% in 2021, to 237,707 air freight shipments (previous year: 216,187). Thanks to the rates also having increased in this business field, proceeds increased by 25.8% to €224,937k (previous year: €178,811k).

Sales by business fields ¹⁾

in kEUR	Group	Ocean export/ import	Air export/ import	Customs clear- ance, ocean	Customs clearance, air	Truck transport	Warehouse & logistics service	Trade/ miscellaneous
2019	554,112	318,202	177,094	25,730	4,273	16,208	12,604	-
2020	586,334	306,451	218,346	24,176	3,240	17,443	13,962	2,716
2021	951,536	593,785	285,510	29,358	3,390	21,770	15,648	2,076

The total transported tonnage for the Group increased from 3,137,613 tonnes in the 2020 year to 3,520,188 tonnes in 2021. We have therefore returned to the level of 2019, before the outbreak of the coronavirus crisis.

Significant improvement in result

The expansion of the business volume and higher sales in the 2021 financial year are associated with a significant improvement in the result. The operating result (EBIT) therefore increased from €9,960k in 2020 to €34,186k. The EBIT margin improved to 4.6% (previous year: 2.1%). In addition to higher sales, the improvement in result came primarily from the higher prices that became established in the difficult market environment. The consolidated annual profit (before minorities) increased to €26,001k (previous year: €4,815k).

The trucking business field also achieved welcome increases. Here the number of shipments rose by 19.5% to 37,804 (previous year: 31,641), while sales increased by 20.3%, to €16,948k (previous year: €14,093k). Development in truck transport proves the success of the greater strategic focus on this area.

In the Group's smallest business field, warehousing, sales improved by 4.7% in the reporting year, to €12,178k (previous year: €11,636k).

Solid asset position and cash flows

The consolidated balance sheet total for a. hartrodt increased from €150,788k in 2020 to €221,397k in 2021. The rise primarily reflects the higher business volume, particularly the higher level of trade receivables. At the balance sheet date 31 December 2021, equity was €62,524k (previous year: €42,564k). The equity ratio therefore remained unchanged at 28.2%, despite the significant balance sheet expansion. Gearing (net financial position proportional to equity) is 0.03 (previous year: 0.14) and has therefore further improved.

1) Unconsolidated figures

Forecast

Blurred macroeconomic framework conditions

The macroeconomic framework conditions are far less favourable at the start of 2022 than a year ago. Alongside the pandemic, the Russian war against Ukraine most notably represents a source of significant strain. In sub-areas of the industry, already existing supply bottlenecks have been further exacerbated by the conflict and its consequences. Threats of supply stoppages by Russia and discussion of the West forgoing the import of Russian crude oil and natural gas have also resulted in a sharp rise in energy prices. Accordingly, in April 2022, the International Monetary Fund (IMF) lowered its growth forecast for the global economy to 3.6% for the current year. In January, the IMF had forecast growth of 4.4%.

For global trade, the IMF expects an increase of 5.0%, which corresponds to a halving of the growth rate for 2021 (+10.1%). The bottlenecks in transport capacities resulting from disruption to logistics chains are also not

expected to be resolved in 2022. Accordingly, freight rates are likely to remain at a high level. In comparison to many other economic actors, the freight forwarding industry is currently in a fairly good starting position as part of the supply chain.

Expected business development for the Group

We expect that disrupted logistics chains mean our customers will continue to appreciate the added value of our services. Our main focus also in 2022 will therefore be offering our regular clientele a good service despite massive scarcity of transport capacity. Our employees are working hard to bring on board new customers as much as possible in the current situation.

To ensure a. hartrodt Group's expected growth is achieved in all areas, we will invest heavily in personnel again in 2022. Leveraging the global branch network of a. hartrodt Group and the organisation's flexibility, it should be possible for us to master the major challenges of 2022.

Provided that the economy does not significantly decline in the second half of the year due to high energy prices, we expect a very good 2022 overall.

In the context of current political and economic unpredictability, the forecasts for the 2022 financial year are shaped by major uncertainty. However, based on the current situation, sustained rallying effects lead us to expect further growth in quantity, even if that growth is dampened. At the same time, we expect significant year-on-year growth in revenue for the 2022 financial year. We are assuming a decline in EBIT, as the 2021 year should be considered extraordinary. Provided that the economy does not significantly decline in the second half of the year due to high energy prices, we expect a very good 2022 overall.

Consolidated income statement

for a. hartrodt (GmbH & Co) KG, Hamburg, for the period from 1 January to 31 December 2021

in kEUR	2020	2021
1. Sales	474,460	742,077
2. Cost of sales	362,365	593,595
	112,095	148,482
3. Internally produced and capitalised assets	926	1,853
4. Other operating income	15,346	15,481
5. Personnel expenses		
a) Wages and salaries	64,119	72,771
b) Social security, pensions and other benefit expenses	11,036	11,840
	75,155	84,611
6. Amortisation, depreciation and write-downs on intangible assets and property, plant and equipment	3,683	4,159
7. Other operating expenses	39,296	42,516
	10,233	34,530
8. Income from investments	108	116
9. Income from associated companies	86	144
10. Other interest and similar income	68	111
11. Write-downs on financial fixed assets	318	0
12. Interest and similar expenses	903	972
	-959	-601

in kEUR	2020	2021
13. Taxes on income	4,186	7,584
14. Net income before other taxes	5,088	26,345
15. Other taxes	273	344
16. Net income for the year	4,815	26,001
17. Minority interests	-337	-1,397
18. Retained earnings carried forward	29,102	28,721
19. Transfers from reserves	800	1,000
20. Increase in capital	-800	-1,000
21. Transfers to reserves	-1,457	-2,917
22. Transfers to other earned surplus	-486	0
23. Transfer to shareholders' account	-2,916	-6,807
24. Consolidated retained earnings	28,721	43,601

Extract from the consolidated financial statement. The complete consolidated financial account and Group management report for a. hartrodt (GmbH & Co) KG will be published in the Federal Gazette, annex 2.

Consolidated balance sheet

for a. hartrodt (GmbH & Co) KG, Hamburg, as at 31 December 2021

Assets in kEUR	31 December 2020	31 December 2021
A. Fixed assets		
I. Intangible assets		
1. Purchased concessions, industrial property and similar rights and assets	1,085	1,142
2. Goodwill	1,504	1,900
3. Advance payments made	3,231	5,566
	5,820	8,608
II. Property, plant and equipment		
1. Land, similar rights and buildings including buildings on leasehold land	25,024	25,791
2. Technical equipment and machinery	1,314	1,202
3. Other equipment, factory and office equipment	7,070	8,065
4. Advance payments made and construction in progress	103	96
	33,511	35,154
III. Financial assets		
1. Shares in affiliated companies	25	25
2. Shares in associated companies	1,733	1,825
3. Participating interests	109	30
4. Pension reinsurance	67	98
5. Other loans	51	160
	1,985	2,138
	41,316	45,900
B. Current assets		
I. Inventories		
Raw materials and supplies	262	233
II. Receivables and other assets		
1. Trade receivables	73,064	128,737
2. Receivables from associated companies	60	10
3. Other assets	7,476	8,589
	80,600	137,336
III. Cash on hand, cheques and bank balances	25,088	33,750
	105,950	171,319
C. Prepaid expenses and deferred charges	2,159	2,288
D. Deferred tax assets	1,363	1,890
	150,788	221,397

Equity and Liabilities in kEUR	31 December 2020	31 December 2021
A. Shareholders' equity		
I. Capital contributions of partner with unlimited liability	114	125
II. Paid-in capital of limited partners	10,186	11,175
III. Capital surplus	460	0
IV. Earned surplus		
1. Statutory reserve	2,028	3,945
2. Other revenue surplus	486	486
	2,514	4,431
V. Consolidated retained earnings	28,721	43,601
VI. Currency differences	-1,322	287
VII. Minority interests	1,891	2,905
	42,564	62,524
B. Negative difference from capital consolidation	439	443
C. Provisions		
1. Provisions for pensions and similar obligations	395	351
2. Tax provisions	2,170	2,641
3. Other provisions	12,146	17,997
	14,711	20,989
D. Accounts payable		
1. Bank loans and overdrafts	31,065	35,808
2. Customer advances	576	689
3. Trade payables	41,629	61,607
4. Payables to partners	5,660	11,139
5. Other payables	14,034	28,185
	92,964	137,428
E. Deferred income	110	13
	150,788	221,397

Extract from the consolidated financial statement, annex 1.

Consolidated statement of cash flows

for a. hartrodt (GmbH & Co) KG, Hamburg, for the 2021 financial year

in kEUR	2020	2021
Result of the year	4,815	26,001
+ Amortisation and depreciation on fixed assets	4,001	4,159
+ Increase in provisions	1,140	5,657
+ Other non-cash income and expense, (net)	1,283	3,318
-/+ Increase/Decrease in inventories, accounts receivable and other assets which are not referring to investing or financing activities	-991	-58,912
+/- Increase/Decrease of accounts payables (trade) and other liabilities before distribution of profits which are not referring to investing or financing activities	3,526	31,359
- Profit on disposals of property, plant and equipment	-138	-211
+ Interest expense	423	655
- Other income from investments	-194	-260
+ Expense from taxes on income	4,186	7,616
- Payment for taxes on income	-2,971	-5,554
Cash flow from operating activities	15,080	13,828
+ Proceeds from disposals of intangible assets	1	25
- Investments in intangible assets	-2,890	-4,553
+ Proceeds from disposals of property, plant and equipment	835	427
- Investments in property, plant and equipment	-4,241	-3,261
+ Proceeds from disposals of financial fixed assets	0	134
- Investments in financial fixed assets	-162	-189
- Investments for addition to consolidated group	-1,078	-680
+ Dividends received	150	129
Cash flow from investing activities	-7,385	-7,968
- Repayment of loans	-513	-4,492
+ Proceeds from borrowing financial credits	15,571	2,883
-/+ Proceeds from /Contributions to capital surplus	460	-460
+ Increase from capital paid by minority shareholders and partners	10	0
- Interest paid	-354	-562
- Payments to shareholders (dividends, other profit distribution, capital distribution)	-2,766	-1,421
- Dividends paid to minority shareholders and partners	-334	-562
Cash flow from financing activities	12,074	-4,614
Cash-effective changes in cash funds	19,769	1,246
+/- Changes in cash funds from cash exchange rate movements	-665	919
+ Changes in cash funds due to change in the scope of consolidation	778	145
+ Cash funds at the beginning of the period	-320	19,562
Cash funds at the end of the period	19,562	21,872
Composition of funds for financing purposes		
Cash on hand, cheques and bank balances	25,088	33,750
Anytime due liabilities due to banks	5,526	11,878
	19,562	21,872

Extract from the consolidated financial statement, annex 6.

Auditor's report

The consolidated financial statement of a. hartrodt (GmbH & Co) KG for 2021 in the legal form is provided with an unqualified auditor's opinion and is published in the Federal Gazette.

Contact and publishing information

To aid readability, this business report uses male personal pronouns; these refer to individuals of any and all gender identities.

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