

## About us

Hamburg Commercial Bank (HCOB) is a private commercial bank and specialist financier headquartered in Hamburg, Germany. The bank offers individual financing solutions for international corporate clients as well as a focused corporate client business in Germany. In the Real Estate segment, it offers a high level of structuring expertise in the financing of commercial real estate projects with a focus on Germany as well as neighbouring European countries. The segment Global Transportation comprises Ship and Aviation financing, the latter being a new diversifying addition to HCOB's portfolio. Last but not least, HCOB is one of the early-movers in European-wide project financing for renewable energies and is also involved in other areas of important infrastructure. The bank's portfolio is complemented by digital products and services facilitating reliable, timely domestic and international payment transactions as well as for trade finance. Hamburg Commercial Bank aligns its activities with established ESG (Environment, Social, and Governance) criteria and has anchored sustainability aspects in its business model. It supports its clients in their transition to a more sustainable future.

## Key Credit Strengths

- ✓ Robust and resilient capitalization well above regulatory requirements, significantly increasing capital generation capacity
- ✓ Prudent risk appetite for new business and increasing diversification of asset allocation
- ✓ Strong coverage of credit risks by SLLP, collateral and LLP overlays
- ✓ Diversified funding base, leveraging its corporate focused business model & maintaining substantial liquidity buffers
- ✓ Stringent cost management while investing in IT and people

## Ownership Structure

Several funds initiated by Cerberus Capital Management, L.P.			One fund advised by J.C. Flowers & Co. LLC	One fund initiated by GoldenTree Asset Management LP	Centaurus Capital LP	BAWAG P.S.K. (inkl. P.S.K. Beteiligungs- verwaltung GmbH)	HCOB Members of the Board and senior management of the Bank (since Nov. 2018, active and inactive members)
Promontoria Holding 221 B.V. 9.24%	Promontoria Holding 231 B.V. 12.98%	Promontoria Holding 233 B.V. 17.52%	JCV IV Neptun Holdings S.à r.l.	Golden Tree Asset Management Lux S.à r.l.	Chi Centauri LLC		
39.74%			32.87%	11.79%	7.06%	2.35%	6.18%

## Segment Overview & Asset Mix

Real Estate	Global Transportation	Project Finance	Corporates
<ul style="list-style-type: none"> <li>• Highly recognized German real estate specialist with strong market and client coverage</li> <li>• Financing of existing properties, refurbishments and developments</li> <li>• Positioning to grow as ESG transition leader given expertise in refurbishments and developments</li> <li>• HCOB differentiation through tailored offerings and entrepreneurial view on value-add deals</li> <li>• Experienced market specialists with deep CRE expertise &amp; experience enable above market risk-adjusted returns</li> </ul>	<ul style="list-style-type: none"> <li>• Targeting attractive niche financings in growing transportation markets</li> <li>• Portfolio increase to 3.9bn € EAD due to acquisition of 0.9bn € NIBC Shipping portfolio and 0.4bn € new business in Aviation, balancing repayments due to strong cash position of Shipping companies</li> <li>• Focus on second-hand ships with sound risk/ return dynamics, selective new build financings. Mix of asset-backed and corporate structures, participating in transition financing to reduce CO2 footprint</li> <li>• Global aviation finance supporting strongly growing industry, airlines and lessors as well as the broader aviation eco-system (8 transactions closed in 2024)</li> </ul>	<ul style="list-style-type: none"> <li>• Focusing on attractive niches with portfolio shifting from renewables towards broader infrastructure assets (incl. digital &amp; social infrastructure and rail)</li> <li>• Mix of traditional PF and shorter-term financings (EBLs, LC facilities, development loans) balanced between originated transactions and participations</li> <li>• Broad client base in chosen segments with proprietary access to deal flow (developers, PE/ infrastructure funds, manufacturers, contractors, utilities &amp; independent power producers)</li> <li>• Waste-to-energy and waste collection &amp; treatment as stable and growing asset class</li> <li>• Evaluating opportunities in battery energy storage systems (BESS), hydrogen and EV charging and growing demand for data centers and selectively fiber networks</li> </ul>	<ul style="list-style-type: none"> <li>• Well diversified portfolio across sectors and markets with sound risk / return profile and marginal exposure to structurally challenged industries (e.g. automotive &amp; machinery)</li> <li>• Corporate Lending's domestic portfolio focused on clients in Northern German region with comprehensive service approach and typically long-standing HCOB relationships</li> <li>• International part of Corporate Lending covers wider range of sectors from Leasing &amp; Factoring, TMT (Technology, Media &amp; Telecommunication) to Healthcare and offers wide range of credit products and payment services</li> <li>• Structured Portfolio Finance as diversification into broad range of granular assets in the US and Europe</li> </ul>
<ul style="list-style-type: none"> <li>➔ Assets: € 7.4bn</li> <li>➔ Net Income: € 30mn</li> <li>➔ RoE<sup>1)</sup>: 4.4%</li> </ul>	<ul style="list-style-type: none"> <li>➔ Assets: € 3.6bn</li> <li>➔ Net Income: € 64mn</li> <li>➔ RoE<sup>1)</sup>: 18.5%</li> </ul>	<ul style="list-style-type: none"> <li>➔ Assets: € 3.9bn</li> <li>➔ Net Income: € 46mn</li> <li>➔ RoE<sup>1)</sup>: 14.0%</li> </ul>	<ul style="list-style-type: none"> <li>➔ Assets: € 6.6bn</li> <li>➔ Net Income: € 97mn</li> <li>➔ RoE<sup>1)</sup>: 13.4%</li> </ul>

1) RoE after taxes based on CET1 ratio of 13%

# Factsheet

February 13, 2025

## Key themes Prelim FY 2024

**Operational performance on track:** Sound recurring income driven by robust NII and NIM expansion, strict cost discipline

**Legal provisions one-off:** Prudent legal provisioning (105mn €, incl. legal fee) burdens results, total one-offs amount to 106mn €

**Normalized results:** Excluding total one-offs, PbT amounts to 354mn €, RoEpost tax@equity is solid 8.0%, CIR 42%





**NPE action plan:** Stringent NPE work-out strategies executed within LLP budgets, clear visibility on further NPE reductions in 2025

**NIBC Portfolio acquisition:** Diversified shipping portfolio 0.9bn €, set-up of Amsterdam-near Rep Office, strengthening franchise

## Key Financials: Prelim FY 2024 Results and Outlook – Further strengthened recurring profitability

All in %, unless stated	2023	2024	Normalized 2023	Normalized 2024	Guidance 2025	Mid-term targets
<b>Profit before tax (€mn)</b>	427	248	333	354	300	~400
<b>Net income (€mn)</b>	271	228	261	295		
<b>RoE post tax@equity<sup>1</sup></b>	7.4	6.2	7.1	8.0	>7	~10
<b>CIR</b>	39	50	43	42	<45	~40
<b>NPE / NPL ratio</b>	2.3 / 4.3	1.9 / 3.3			<2 / ~3	NPL ~2
<b>CET1 ratio<sup>2</sup></b>	19.5	17.3			~17	>16

## Ratings

Credit-Ratings <sup>3</sup>		Moody's		Sustainability-Ratings		
				2020	2024	
Deposit Rating		A3				
Issuer Credit Rating (Long-Term)		A3, stable				
Short-term Debt		P-2		 SUSTAINALYTICS	14.0	12.4
Stand-alone Rating		baa3		 MSCI	BB	A
"Preferred" Senior Unsecured Debt		A3		 MOODY'S	29	56
"Non-Preferred" Senior Unsecured Debt		Baa2		 ISS ESG	C-	C-
Subordinated Debt (Tier 2)		Ba1				
Mortgage Covered Bonds		Aaa				
Ship Covered Bonds		Aa3				

1) RoE after taxes, at equity, excluding actual / proposed dividend | 2) FY 2024 CET1 including earnings buffer is 18.6% | 3) See also latest publications by rating agencies on Hamburg Commercial Bank's website: <https://www.hcob-bank.de/en/investoren/rating/rating/>

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## KPI Overview 2021 – 2024

Capital (€bn)	2021	2022	2023	2024	Profitability / Efficiency (€mn)	2021	2022	2023	2024
<b>IFRS Equity</b>	4.7	5.2	4.0	3.9	<b>Profit before tax</b>	299	363	427	248
<b>Tangible Common Equity</b>	4.1	4.4	3.4	3.3	<b>Net Income</b>	351	425	271	228
<b>CET1<sup>1</sup></b>	4.1	3.2	3.2	3.2	<b>OpEx</b>	-328	-332	-332	-350
<b>RWA</b>	14.0	15.4	16.5	18.2	<b>RoE post tax @13% (%)</b>	18.4	20.8	12.5	9.7
<b>CET1 Ratio<sup>1</sup> (%)</b>	28.9	20.5	19.5	17.3	<b>RoE post tax@equity (%)</b>	8.1	9.0	7.4	6.2
<b>Total Capital Ratio<sup>1</sup> (%)</b>	35.7	26.8	25.0	22.4	<b>RoA (%)</b>	1.1	1.4	0.9	0.7
<b>Leverage Ratio<sup>1,2</sup> (%)</b>	12.7	9.5	9.1	9.0	<b>CIR (%)</b>	50	44	39	50
<b>MREL (TREA) (%)</b>	70.5	46.5	38.0	57	<b>NIM<sup>3</sup> (bps)</b>	145	168	214	234
Asset Quality / Liquidity (%)	2021	2022	2023	2024	Asset Allocation (€bn)	2021	2022	2023	2024
<b>NPE (€bn)</b>	0.5	0.4	0.8	0.7	<b>CRE</b>	8.0	8.1	7.8	7.4
<b>NPE Ratio</b>	1.4	1.2	2.3	1.9	<b>Shipping<sup>4</sup></b>	3.7	3.5	2.4	3.7
<b>LLP (€bn)</b>	0.4	0.4	0.4	0.3	<b>Project Finance</b>	3.9	3.4	3.4	3.9
<b>NPE Coverage Ratio</b>	56	69	34	33	<b>Energy</b>	2.4	2.0	1.8	1.7
<b>LLP / Loan Book</b>	2.2	2.1	2.0	1.7	<b>Infrastructure</b>	1.6	1.4	1.5	2.2
<b>LCR</b>	164	197	184	216	<b>Corporates</b>	3.9	4.6	6.0	6.6
<b>NSFR</b>	114	113	116	116	<b>TSY &amp; Group Functions</b>	10.8	12.2	11.9	12.0
<b>AE</b>	37	34	35	27	<b>Total Balance Sheet</b>	30.3	31.8	31.5	33.6

1) Excludes actual / proposed dividend | 2) Technical correction of Leverage ratio for FY 2022 | 3) NIM until 2022 based on Core NII | 4) since H1-2024 Global Transportation