



招商局港口控股有限公司
CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED

2020 Interim Results Press Conference



28th August, 2020



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02 Business Analysis

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Performance Highlights - P&L and Dividend Payout

Items	1H 2020	1H 2019	Y-o-Y Change
Container throughput (million TEUs)	54.87	54.56	0.6%
Bulk cargo throughput (million Tonnes)	199	223	-10.9%
	HK\$'million	HK\$'million	
Revenue	4,077	4,464	-8.7%
Revenue derived from ports operation	3,786	4,145	-8.7%
Profit attributable to equity holders of the Company	1,546	6,529	-76.3%
Derived from ports operation	2,265	7,067	-67.9%
Recurrent profit	1,409	2,045	-31.1%
Derived from ports operation	2,214	2,651	-16.5%
Basic EPS (HK cents)	44.83	196.07	-77.1%
Interim dividend per ordinary share (HK cents)	18.00	22.00	-18.2%

Performance Highlights – Financial Position

- Total assets of the Group increased by HK\$2,723 million, mainly attributed to the subscription of mandatory convertible bonds issued by, and provision of loan to, an associate.
- Net gearing ratio was 41.5%, within healthy acceptable range.

Items	30 June 2020	31 Dec 2019	Change
	HK\$'million	HK\$'million	
Total assets	151,805	149,082	1.8%
Net assets attributable to equity holders of the company	76,473	79,783	-4.1%
NAV per share (HK\$)	22.17	23.13	-4.2%
Interest-bearing debts¹	44,527	39,416	13.0%
Cash and bank balances	6,626	7,800	-15.1%
Net interest-bearing debts	37,901	31,616	19.9%
Net gearing ratio²	41.5%	33.6%	Up 7.9 pts

Notes: 1. Interest-bearing debts include bank loans, listed notes and loans from China Merchants Group, and loan from a non-controlling equity holder of a subsidiary

2. Net gearing ratio is calculated as period-end net debt divided by period-end net assets



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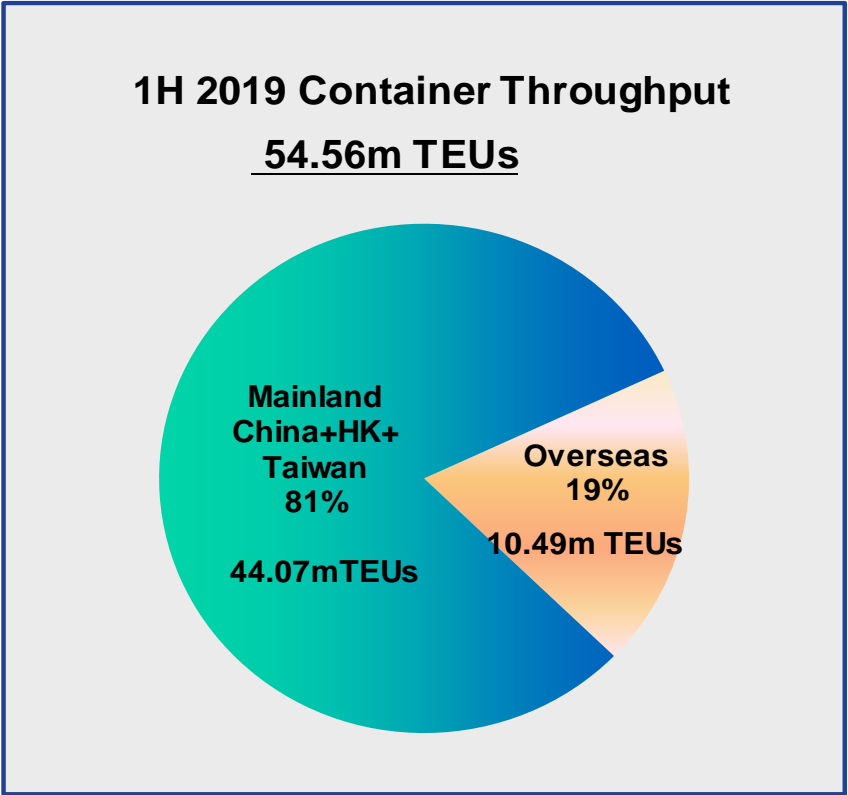
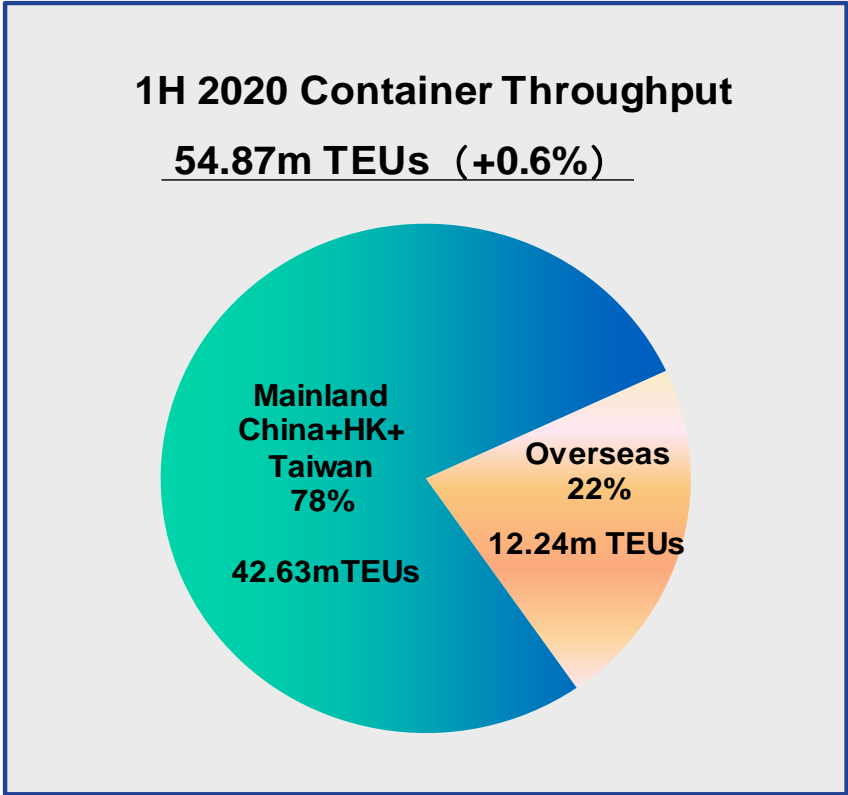
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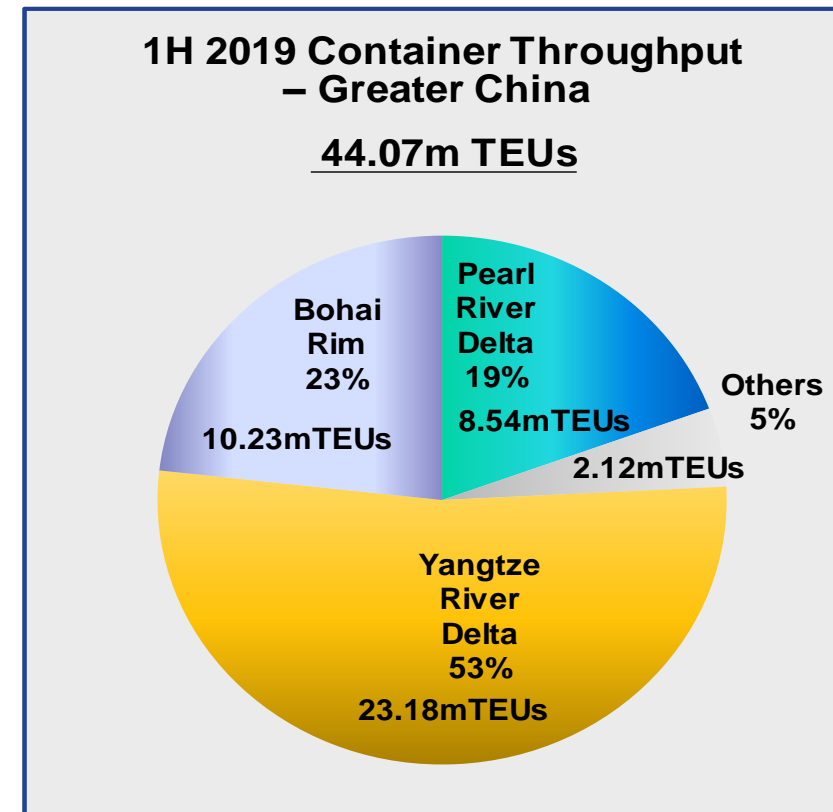
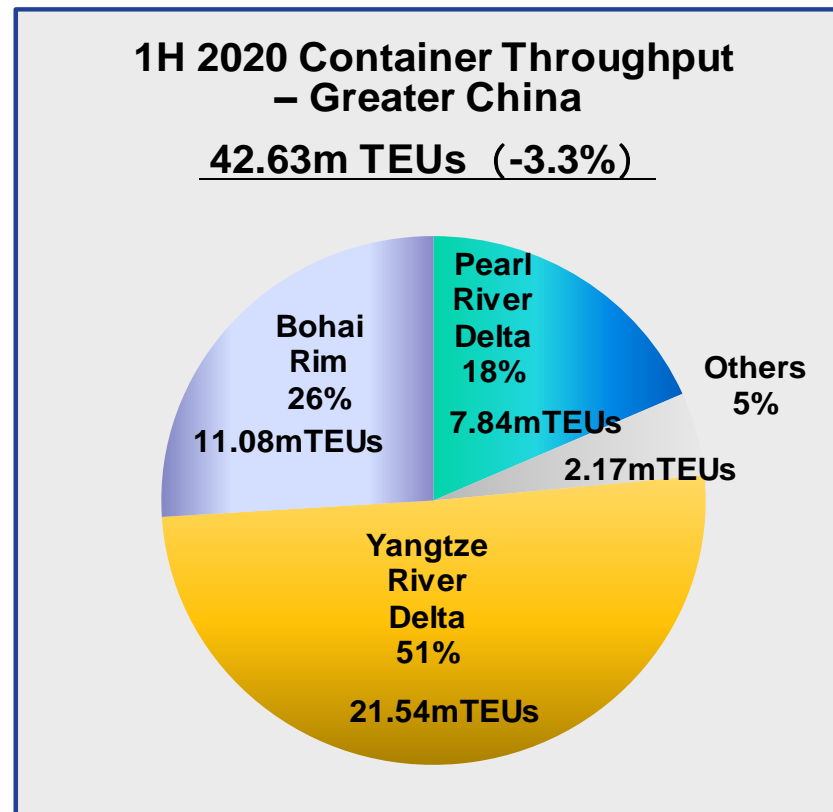
Business Analysis – Container Operation

- The aggregate container throughput in Mainland China, Hong Kong and Taiwan decreased by 3.3% y-o-y, mainly due to the impact from COVID-19 pandemic.
- Benefitted from the new throughput contributed by the eight terminals acquired by Terminal Link SAS, the Group's overseas container throughput rose by 16.6% y-o-y.



Business Analysis – Greater China

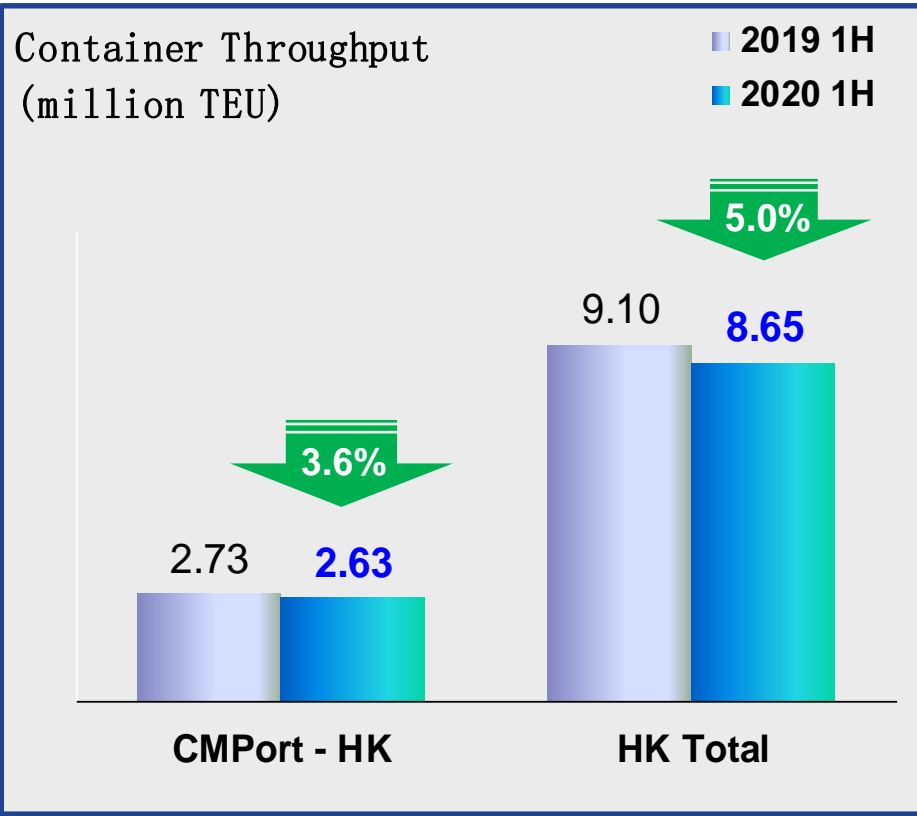
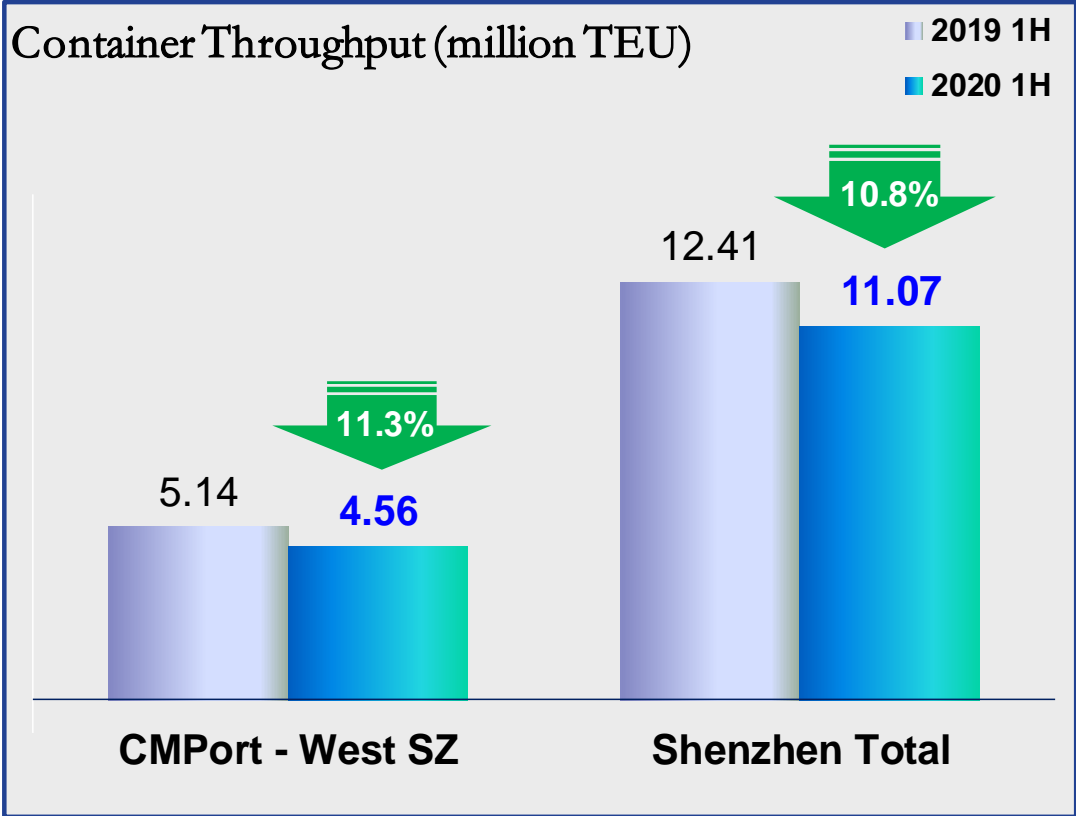
- Performance in Greater China (Mainland, HK & Taiwan) rebounded from March.
- Proportion of Bohai Rim enlarged due to the restructure of Tianjin Port.
- Container throughput in YRD dropped by 7.1% due to the pandemic.





Business Analysis – Pearl River Delta

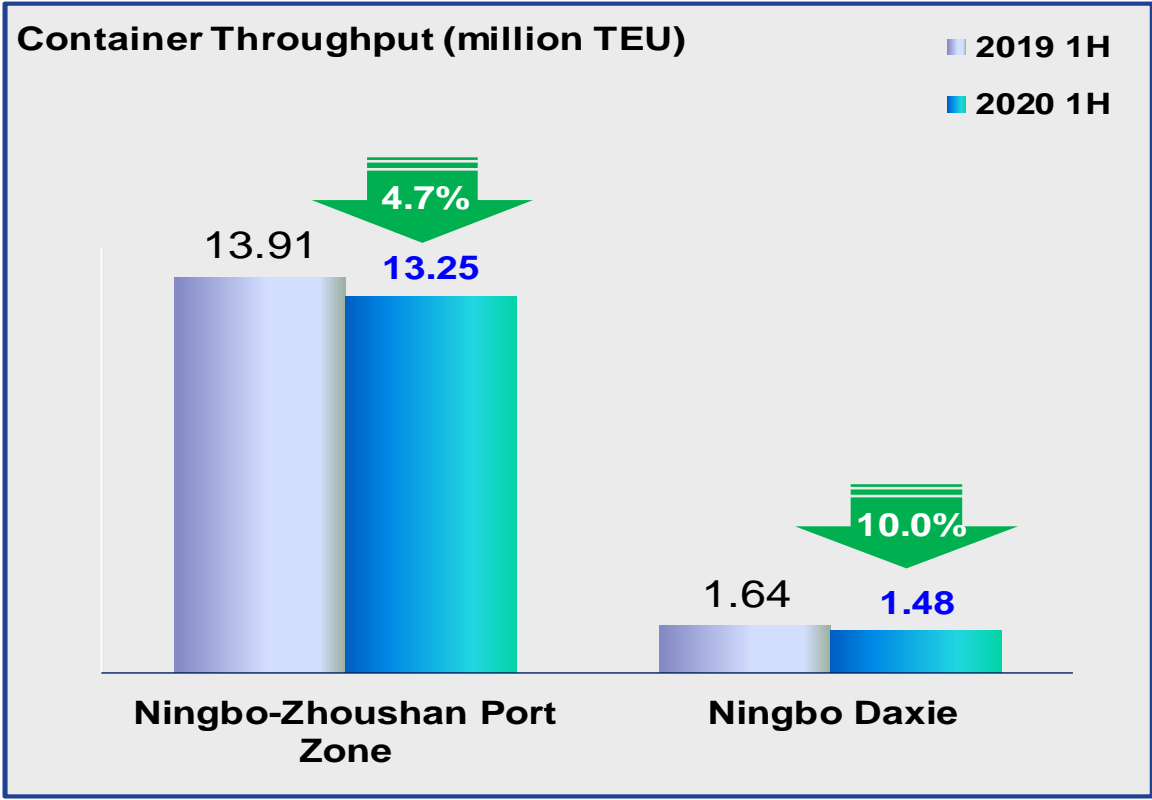
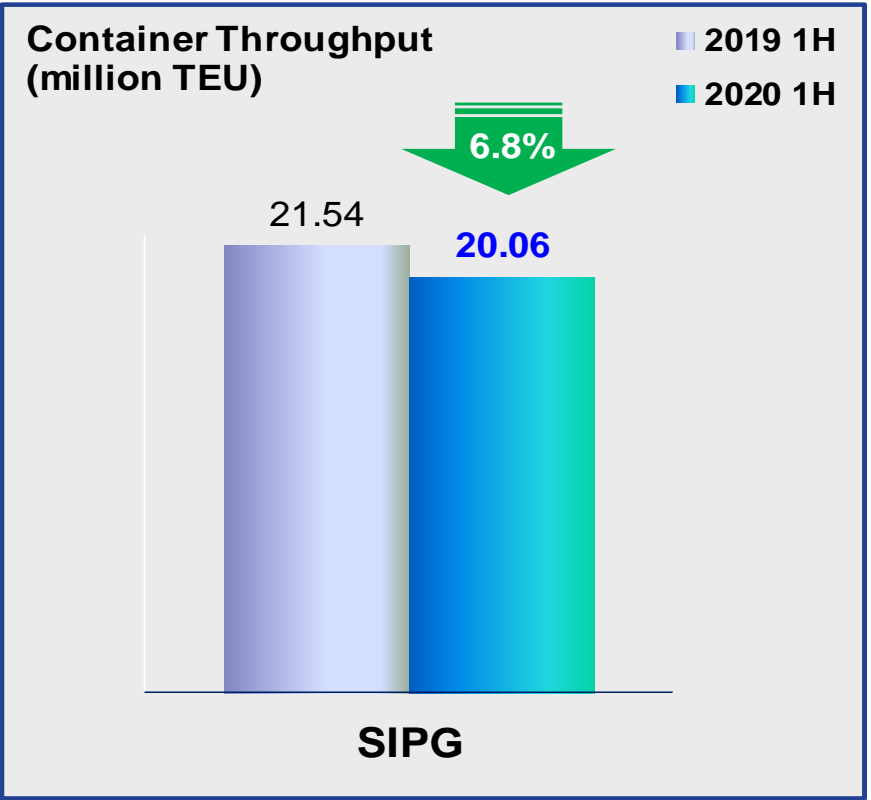
- The pandemic impact on export goods has led to a decrease of 11.3% in West Shenzhen throughput volume.
- CMPort HK outperform overall HK port market.





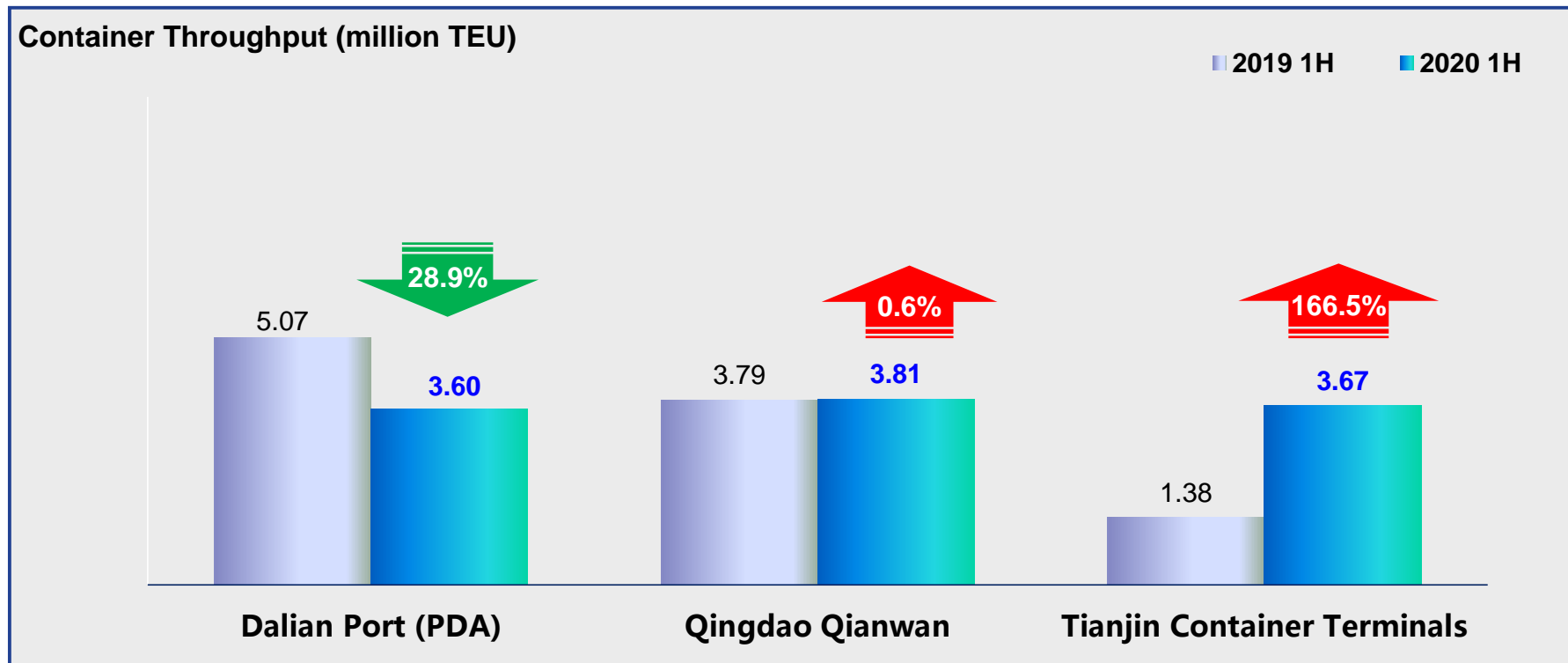
Business Analysis – Yangtze River Delta

- Due to the impact of the pandemic, SIPG's container throughput dropped by 6.8% y-o-y.
- Ningbo Daxie underperformed the overall Ningbo Ports due to track maintenance and dredging in 1H.



Business Analysis – Bohai Rim

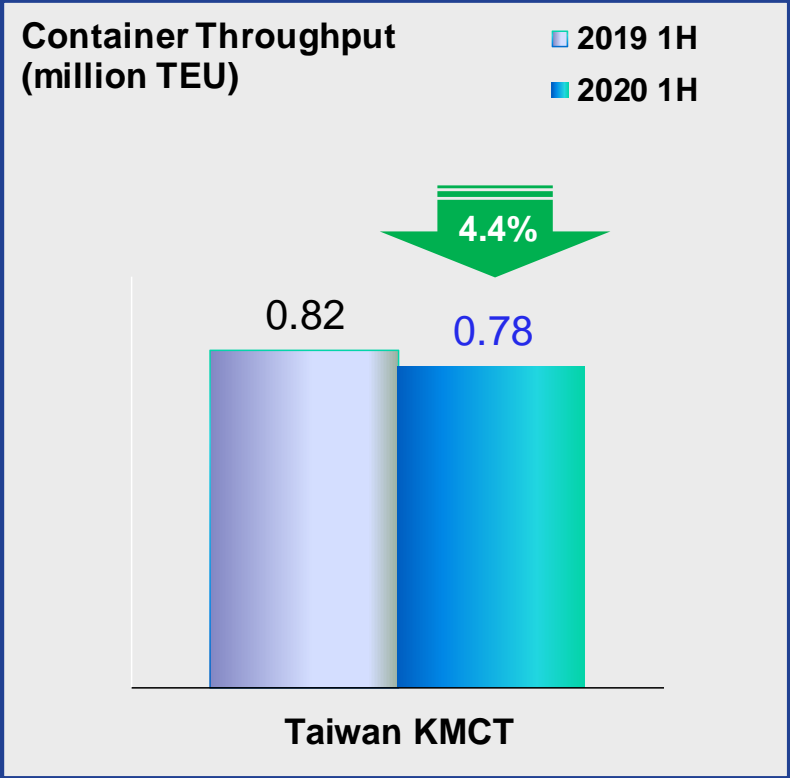
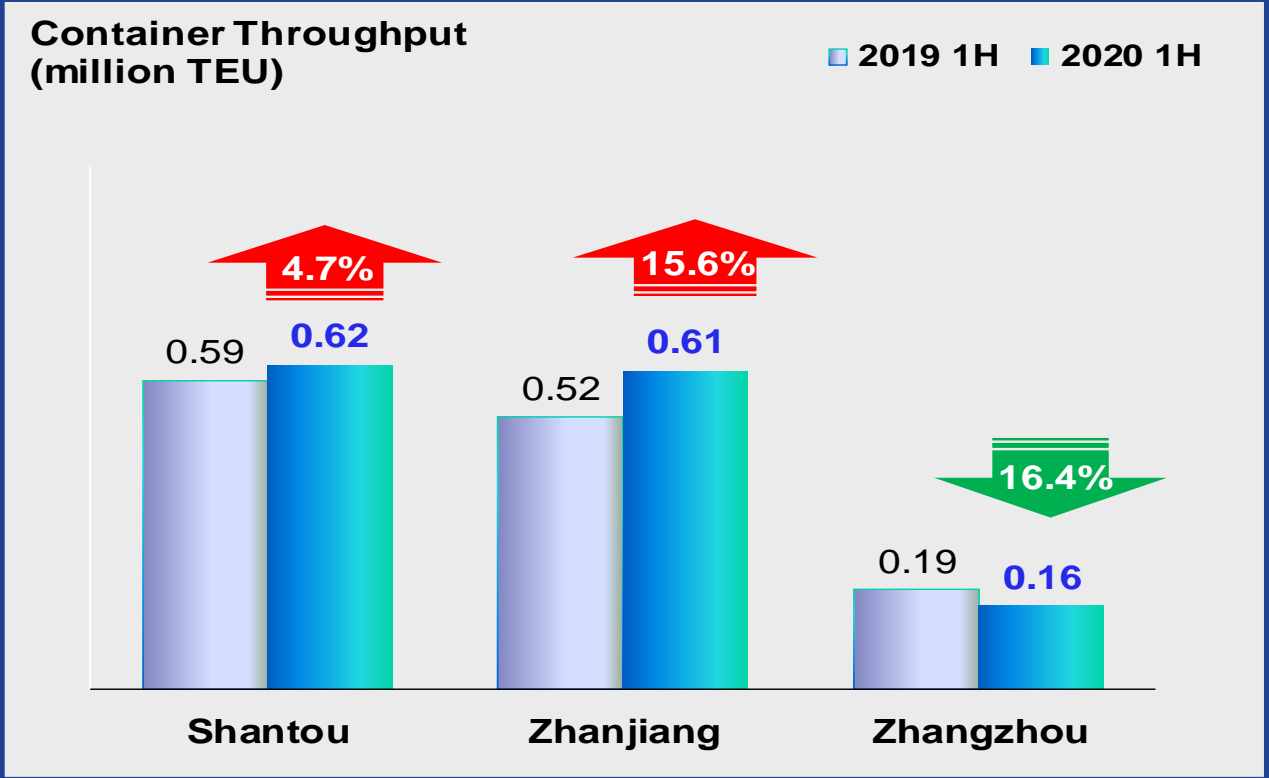
- Since the Group has participated in the merger of container terminals in Tianjin in 2H2019, throughput volume of the project rose significantly in 1H2020.
- CMPort invested terminals in Qingdao rose by 0.6%.
- Due to the impact of the pandemic and the adjustment on business structure, container throughput of Dalian Port (PDA) dropped by 28.9%.





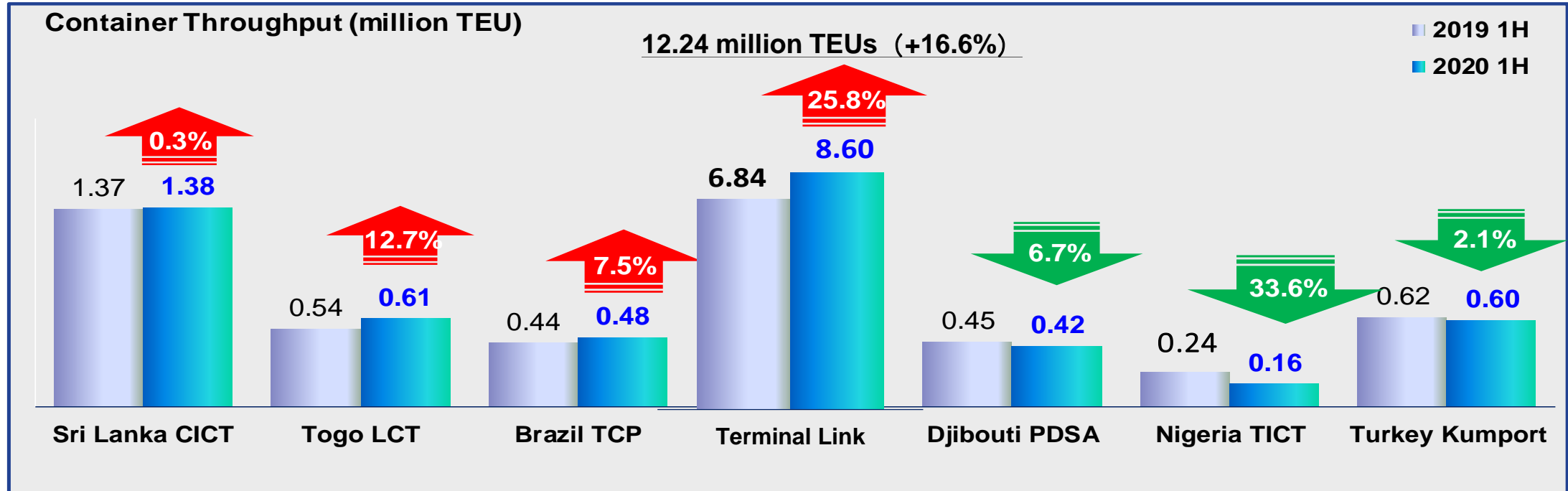
Business Analysis – Mainland Others & Taiwan

- Shantou PG rose by 4.7% due to the growth in the volume of domestic transshipment containers.
- Zhanjiang rose by 15.6%, mainly attributable to the expansion of new shipping routes and the newly-added domestic transshipment business.
- Zhangzhou Port dropped by 16.4% due to shipping route adjustment.



Business Analysis – Overseas

- Total container throughput handled by the Group's overseas projects rose by 16.6% y-o-y.
- Overseas homebase port CICT maintained a steady performance.
- LCT in Togo grew by 12.7% as shipping companies have moved some transshipment routes to LCT from regions seriously impacted by the pandemic.
- Benefitted from growth in the export of agricultural and meat products in Brazil, TCP grew by 7.5%.
- Nigeria was hit by the decrease of import demand and oil price due to pandemic, TICT dropped by 33.6%.





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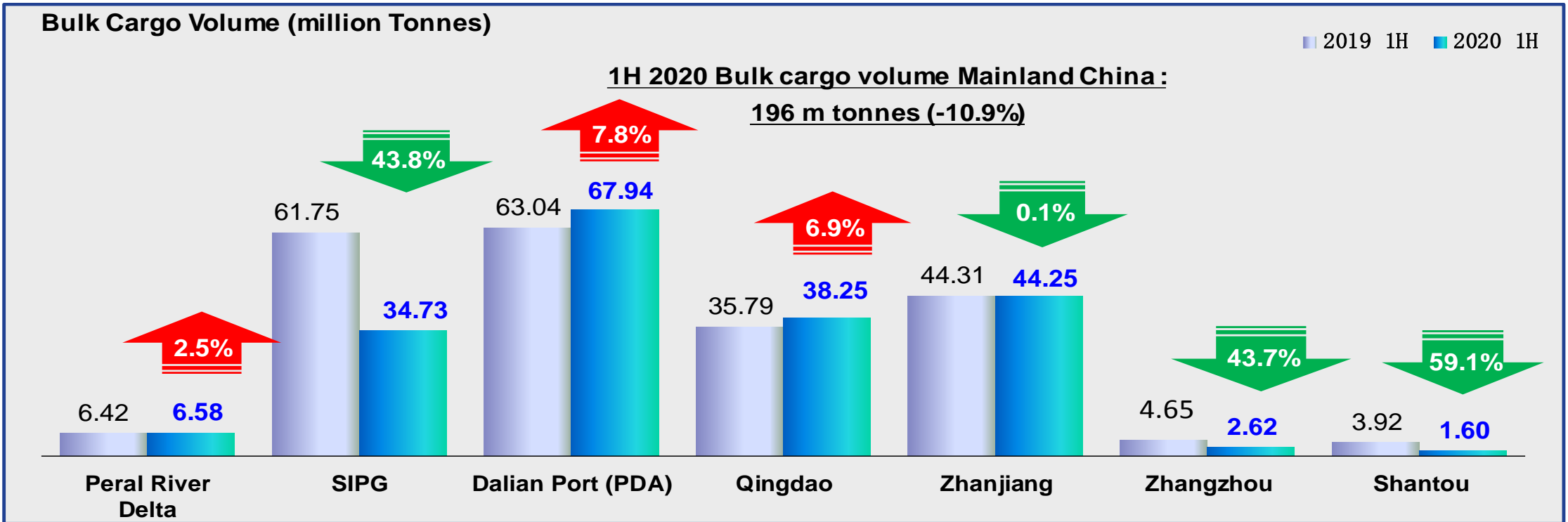
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Business Analysis – Bulk Cargo Operation in Mainland China

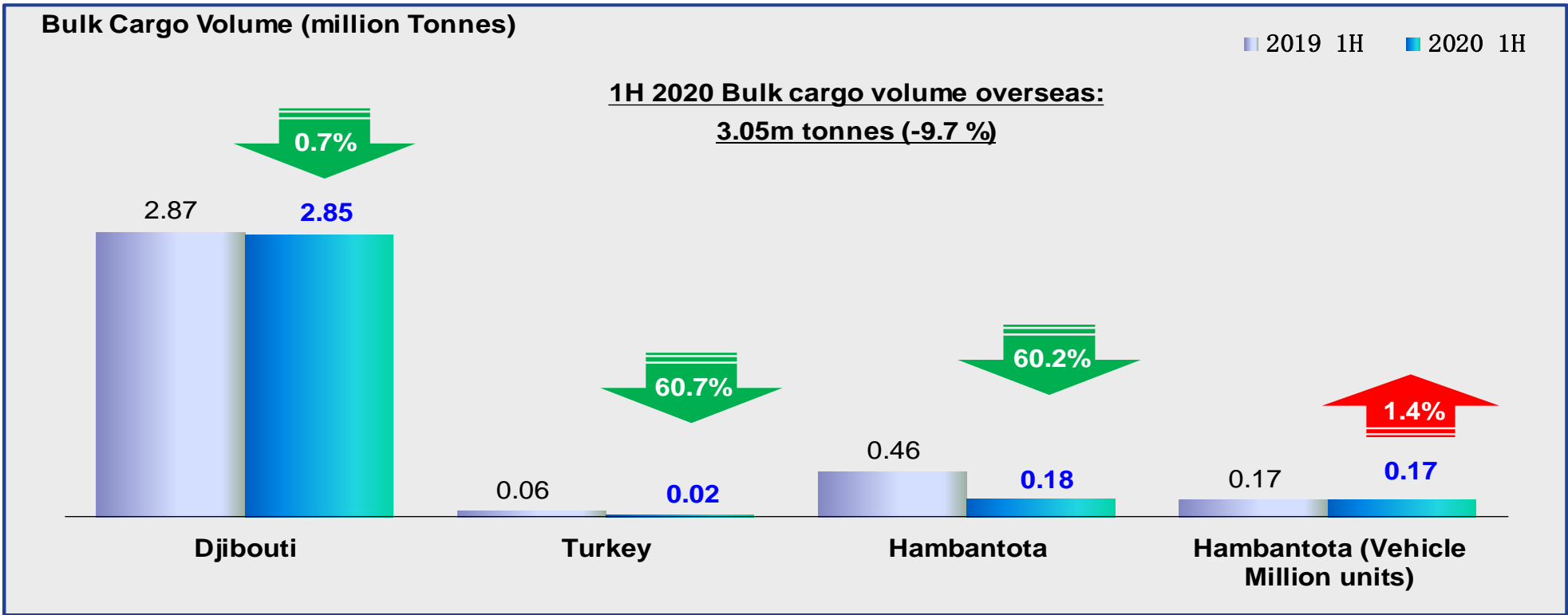
- Driven by the introduction of key customers in Shunde Yide Port, bulk cargo in PRD rose by 2.5% .
- Driven by the growth in business volume of ores and import crude oil, Dalian Port rose by 7.8%
- SIPG dropped by 43.8% due to business restructure.
- Dragged by the impact from pandemic, Bulk Cargo volume in Zhangzhou Port and Shantou PG dropped.





Business Analysis – Bulk Cargo Operation in Overseas

- Ro-Ro business in Hambantota Port remains steady, while bulk volume dropped due to pandemic.
- Bulk volume in Djibouti dropped due to the impact of pandemic to it's hinterland Ethiopia.
- Due to the impact of the pandemic on marble exports, bulk cargo volume dropped significantly in Turkey Kumport.





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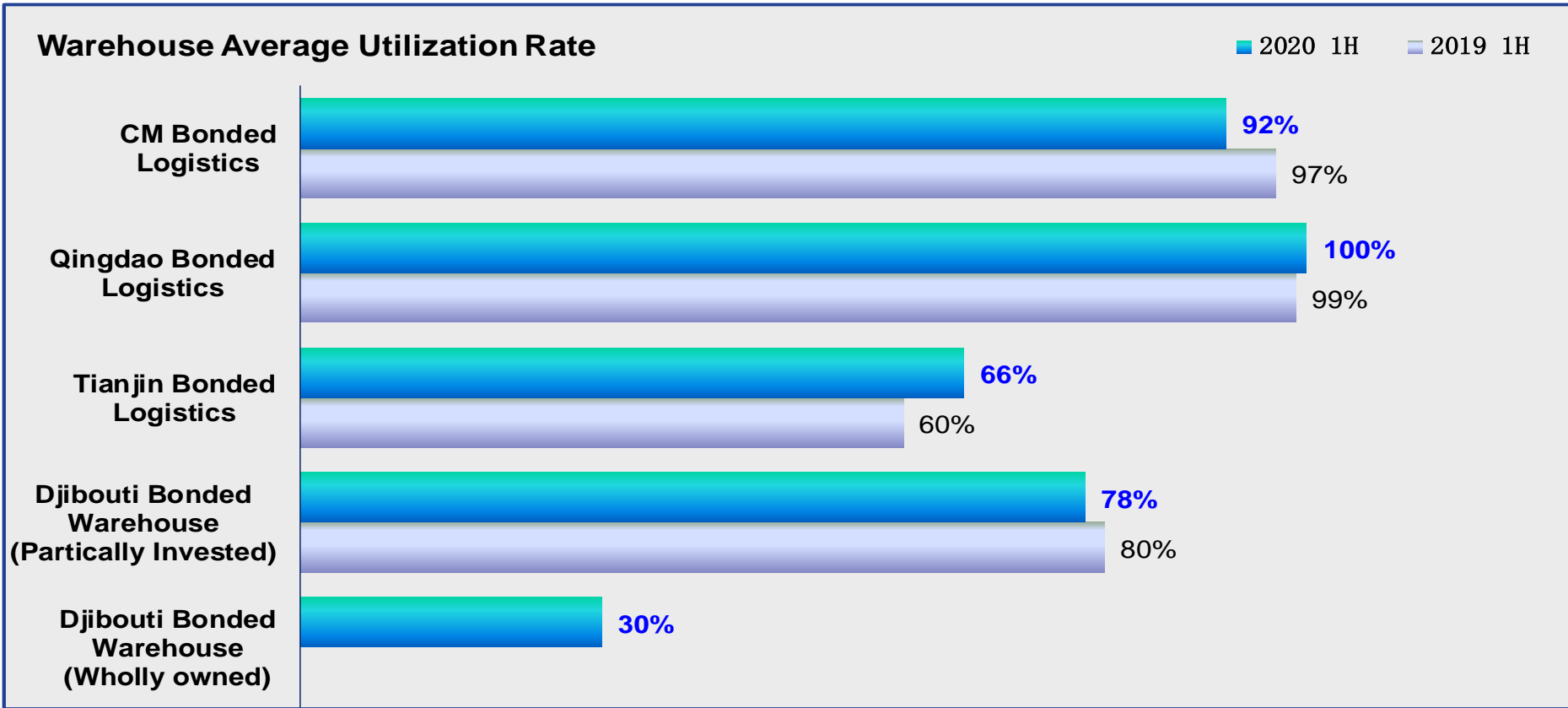
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Business Analysis – Bonded Logistics

- Due to active exploration of new clients and the development of self-operated business, CM and Qingdao bonded logistics maintains well and steady performances.
- The bonded warehouses in Djibouti commenced operation in 2019 keep their business on track.





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Operations Overview – West Shenzhen Homebase Port Development

Reefer Containers for Imported Fruits



With the expanded business of reefer containers of import fruits, more boutique shipping routes from Southeast Asia were attracted.

Tonggu Channel



Promote the development of channels in the West Shenzhen while trying to realise regular night services of Tonggu Channel.

Mawan Smart Port



The transformation of “Mawan Smart Port” project has been progressing steadily as planned.

Operations Overview – Overseas Homebase Port Development

Colombo International Container Terminals



Succeeded in obtaining the calls of several maiden voyages of large liners, further secured business volume and diversified service of routes.

Hambantota International Port Group



Welcomed the first fuel oil vessel arrived in April this year for berthing and unloading, so as to supply low-sulfur fuel oil to cargo ships and ocean-going fishing vessels.

Operations Overview – Business Expansion and Comprehensive Development

Completed the acquisition of 8 Terminals through Terminal Link

Further optimised its global network to Southeast Asia, South Asia, Europe and the Caribbean Sea, etc.



Djibouti International Free Trade Zone

Continuously improve service quality, 83 enterprises registered by the end of June.



Explored North-South boutique shipping routes

Explored new business channels by fully utilising the Group's global terminal resources.



Comprehensive development project of Hambantota port

Continued to promote the induction of business and investment of “Port-Park-City” model.



Operations Overview – Capital Expansion

Strategic partnership for Hambantota Port

- June 2020, CMPort signed Share Transfer Deed with FJCT to introduce strategic partner for Hambantota Port.
- Further optimized TCP's current equity structure and cements CMPort future development of port infrastructure in Latin America region and worldwide together with strategic investors.




Share Transfer of TCP in Brazil

- Jan 2020, CMPort held a signing ceremony to celebrate successful transfer of equity share of TCP with CPD Fund and CLAC Fund.
- Further optimized TCP's current equity structure and cements CMPort future development of port infrastructure in Latin America region and worldwide together with strategic investors.



Operations Overview – Innovative Development




招商ePort
CM ePort

“CM ePort” has completed the technological realisation work of product launch and integration at Zhangzhou Port, Zhanjiang Port.



Blockchain Platform

“Guangdong-Hong Kong-Macao Greater Bay Area Port Logistics and Trade Facilitation Blockchain Platform” project



Mawan Smart Port

Centering Intelligence Element such as CMCore, CM ePort, artificial intelligence, the application of 5G network etc.



Digital Ports

Strategic cooperation with leading enterprises such as Alibaba and Tencent, with a view to building a digitalised ecosystem of ports.

Operations Overview – Fighting Against COVID-19 pandemic

Green Paths



Opened green paths for vessels loading with supplies for pandemic prevention and containment, offering priority in berthing and unberthing.

Fee Relief



Member companies of the Group reduced or waived the fees of containers carried pandemic prevention and containment

Supply Donation



Donated supplies for pandemic prevention and containment to countries like Sri Lanka, Djibouti and Bangladesh.

Oversea Aids



Provided food and daily necessities, and delivered such to nursing homes and other places in Sri Lanka.



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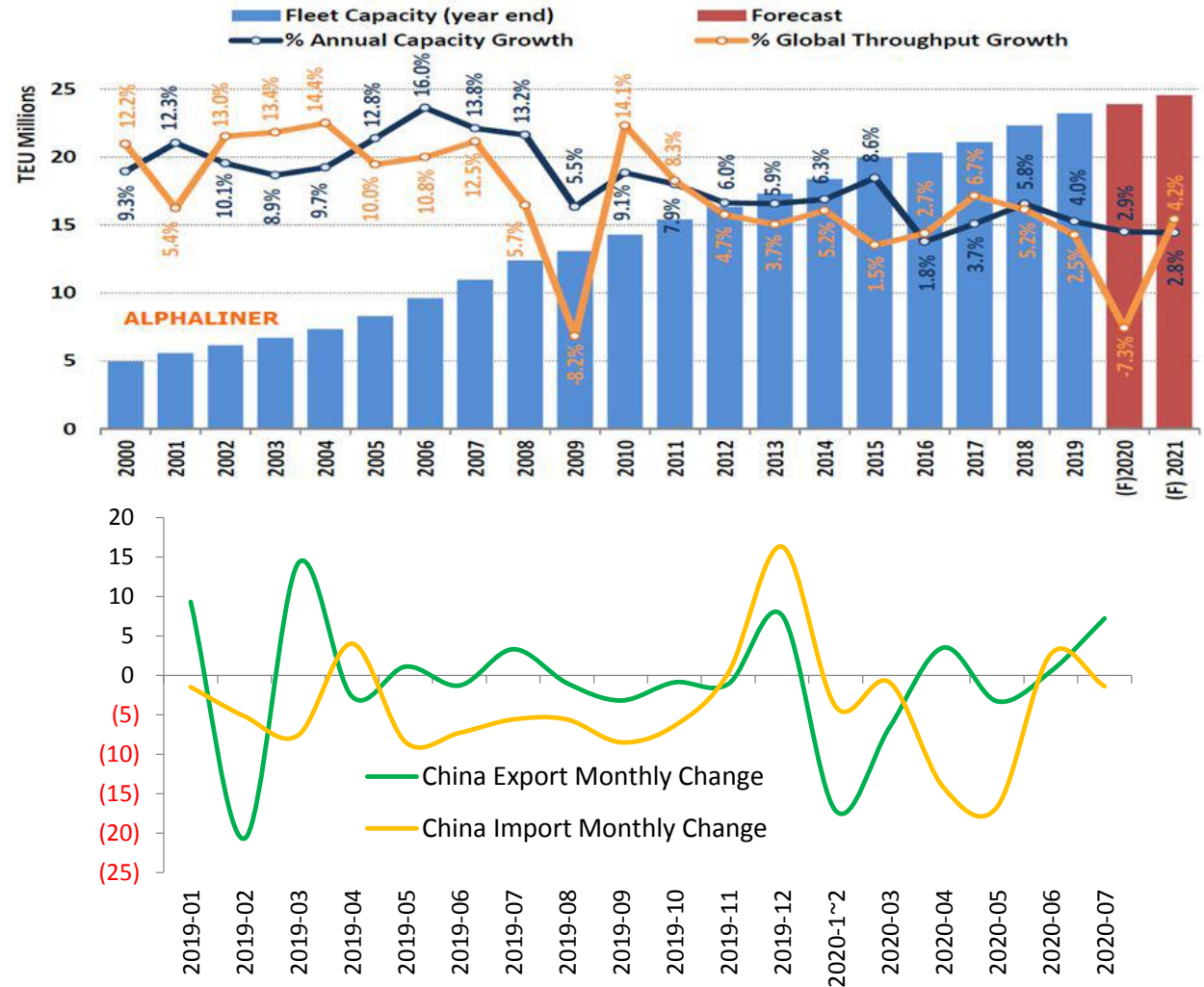


Outlook – Global Economic Environment

IMF World Economic Outlook (June 2020)

Country/Region	Actual Economic Growth	Forecast Economic Growth		2021 vs 2020
	2019	2020	2021	Change
Global	2.9	(4.9)	5.4	10.3
Developed Countries	1.7	(8.0)	4.8	12.8
USA	2.3	(8.0)	4.5	12.5
Euro Zone	1.3	(10.2)	6.0	16.2
Japan	0.7	(5.8)	2.4	8.2
UK	1.4	(10.2)	6.3	16.5
Developing Countries	3.7	(3.0)	5.9	8.9
ASEAN	4.9	(2.0)	6.2	8.2
China	6.1	1.0	8.2	7.2
India	4.2	(4.5)	6.0	10.5
Brazil	1.1	(9.1)	3.6	12.7
Russia	1.3	(6.6)	4.1	10.7
Int'l Trade Volume	0.9	(11.9)	8.0	19.9

Alphaliner Global Container Forecast





Outlook – Major Strategies of 2H 2020

Homebase Port Development

- West Shenzhen Port Zone will constantly enhance its comprehensive core competitiveness through determined self-improvement.
- Overseas homebase ports will coordinate and consider the layout of regional development.

Overseas Business

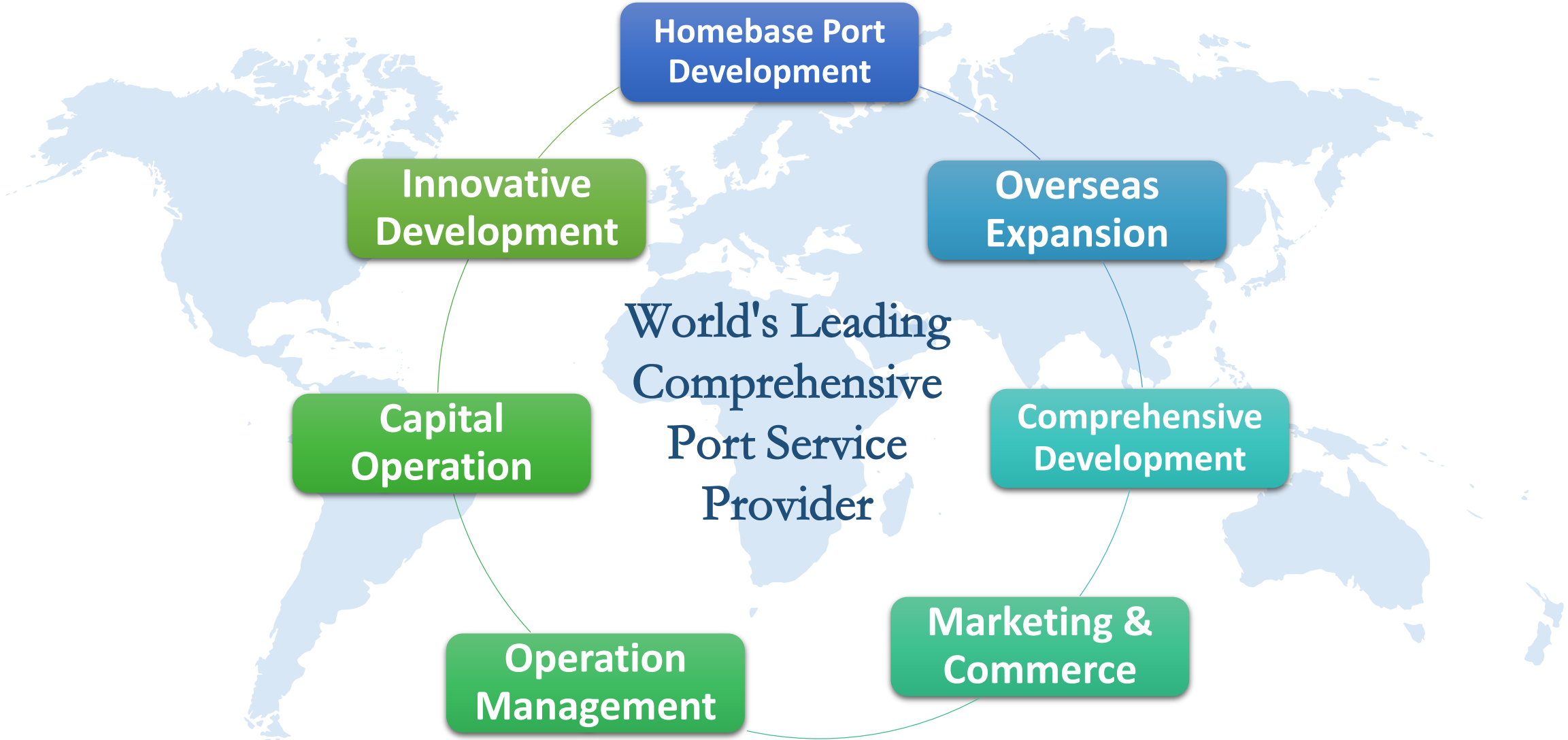
- Based on “East-West routes, South-North routes, the Belt and Road” , the Group will work diligently on the overall planning of overseas development.
- Facilitate the acquisition of the remaining two terminals with CMA CGM SA.

Innovative Development

- Signed the contract for CTOS project with the Thessaloniki Port Authority in Greece to promote the extensive application of CMCore platform in Europe.
- Develop overall solutions for intelligent ports featuring CMPort's characteristics with focus in Mawan Smart Port.



Outlook – Strive for World Class Standard





招商局港口控股有限公司

CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED



Q&A

World's Leading Comprehensive Port Service Provider

WE CONNECT THE WORLD