



COSCO SHIPPING Ports Limited 中遠海運港口有限公司

PRESS RELEASE

COSCO SHIPPING Ports Announces 2022 Annual Results

Expanding Global Presence and Implementing Lean Operations

Accelerating High-Quality Development by Increasing Efficiency

Hong Kong, 29 March 2023 – COSCO SHIPPING Ports Limited (“COSCO SHIPPING Ports” or “CSP” or the “Company”, SEHK: 1199), the world’s leading ports operator, today announced the annual results of the Company and its subsidiaries (the “Group”) ended 31 December 2022.

2022 FY Results Highlights

- Total equity throughput increased by 5.5% YoY to 42,069,050 TEU
- Revenue increased by 19.3% YoY to US\$1,441.3 million
- Gross profit increased by 32.1% YoY to US\$429.7 million
- Share of profits from joint ventures and associates decreased by 6.5% YoY to US\$308.0 million
- Profit attributable to equity holders of the Company (excluding one-off items) decreased by 8.2% to US\$305.2 million.
- Declared a second interim dividend of US 1.504 cents per share (equivalent to HK 11.6 cents per share)

FINANCIAL REVIEW

COSCO SHIPPING Ports’ 2022 full year revenue increased by 19.3% YoY to US\$1,441.3 million. Gross profit increased by 32.1% YoY to US\$429.7 million and the gross profit margin expanded 2.9 percentage points to 29.8%. Excluding one-off items, including disposal gain of US\$11,451,000 from disposal of Tianjin Euroasia Terminal and the after-tax gain of US\$10,669,000 on re-measurement of the previously held 16.01% interest in Tianjin Container Terminal at fair value upon acquisition of additional equity interest in Tianjin Container Terminal to make it a subsidiary, profit attributable to equity holders of the Company decreased by 8.2% YoY to US\$305.2 million.



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OPERATIONAL REVIEW

2022 Full Year

Total throughput was 130,107,074 TEU, +0.6% YoY

Total equity throughput was 42,069,050 TEU, +5.5% YoY

Total throughput from subsidiaries was 31,627,734 TEU, +35.3% YoY^{Note}

Note: In 2021, the Company completed the acquisition of additional equity interest in Tianjin Container Terminal to make it a subsidiary and completed the disposal of Tianjin Euroasia Terminal. Tianjin Container Terminal had become a terminal in which the Group has controlling stakes since December 2021. Therefore, throughput of this terminal was included in the throughput from the terminals in which the Group has controlling stakes since December. After the disposal of Tianjin Euroasia Terminal in December 2021, throughput of this terminal was no longer included in the Group's non-controlling terminals.

China

Total throughput of the terminals in China decreased by 0.9% YoY to 98,338,099 TEU in 2022 (2021: 99,275,231 TEU) and accounted for 75.6% of the Group's total. Total equity throughput of terminals in China increased by 8.5% YoY to 29,382,264 TEU (2021: 27,087,286 TEU), accounting for 69.8% of the Group's total equity throughput.

Bohai Rim

Total throughput of the Bohai Rim region increased by 0.7% YoY to 43,120,988 TEU in 2022 (2021: 42,835,185 TEU) and accounted for 33.1% of the Group's total. Total equity throughput of the Bohai Rim region increased by 26.5% YoY to 11,958,004 TEU (2021: 9,449,239 TEU) and accounted for 28.4% of the Group's total equity throughput. Dalian Container Terminal Co., Ltd. actively strengthened sales and marketing, and expanded the domestic trade services, its total throughput increased by 22.1% YoY to 4,377,050 TEU (2021: 3,584,188 TEU). Total throughput of Tianjin Container Terminal decreased by 1.9% YoY to 8,481,293 TEU (2021: 8,642,445 TEU).

Yangtze River Delta

Total throughput of the Yangtze River Delta region decreased by 9.4% YoY to 13,986,956 TEU in 2022 (2021: 15,436,773 TEU) and accounted for 10.8% of the Group's total. Total equity throughput of the Yangtze River Delta region decreased by 6.3% YoY to 3,976,608 TEU (2021: 4,243,965 TEU) and accounted for 9.4% of the Group's total equity throughput. The throughput of Shanghai Mingdong Terminal decreased by 20.0% YoY to 5,477,740 TEU (2021: 6,845,534 TEU), which is mainly due to



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COVID-19 pandemic in the region. As Nantong Tonghai Port Co., Ltd. actively strengthened sales and marketing and continued to enhance synergy with the liners of the parent company while proactively introducing new shipping routes from other shipping companies, its total throughput increased by 11.8% YoY to 1,623,027 TEU (2021: 1,452,334 TEU).

Southeast Coast and Others

Total throughput of Southeast Coast and others region increased by 3.9% YoY to 6,392,128 TEU in 2022 (2021: 6,149,785 TEU) and accounted for 4.9% of the Group's total. Total equity throughput of Southeast Coast and others increased by 4.8% YoY to 3,642,358 (2021: 3,477,010 TEU) and accounted for 8.7% of the Group's total equity throughput. Xiamen Ocean Gate Terminal actively grasped the opportunity of strong demand in the European and American shipping routes in the first half of 2022, and provided customers with efficient operation services, so its throughput increased by 7.9% YoY to 2,741,179 TEU (2021: 2,541,035 TEU).

Pearl River Delta

Total throughput of the Pearl River Delta region decreased by 3.6% YoY to 27,817,027 TEU in 2022 (2021: 28,841,688 TEU) and accounted for 21.4% of the Group's total. Total equity throughput of the Pearl River Delta region decreased by 3.8% YoY to 8,036,580 TEU (2021: 8,349,734 TEU) and accounted for 19.1% of the Group's total equity throughput. The throughput of Guangzhou South China Oceangate Terminal decreased by 2.6% YoY to 5,747,136 TEU (2021: 5,902,426 TEU). However, good prospect on the back of economic growth in the Guangdong-Hong Kong-Macau Greater Bay Area, it will create new momentum for growth to China, in particular, the Pearl River Delta region.

Southwest Coast

Total throughput of the Southwest Coast region increased by 16.8% YoY to 7,021,000 TEU in 2022 (2021: 6,011,800 TEU), accounting for 5.4% of the Group's total throughput, which was mainly due to the increased trade between China and Southeast Asia. On 1 January 2022, the Regional Comprehensive Economic Partnership (RCEP) officially came into effect. As the most convenient access to the sea from western region of China to ASEAN countries, the business volume in the southwest region centered on Beibu Gulf Port is growing rapidly. Total equity throughput of the Southwest Coast region increased by 12.8% YoY to 1,768,714 TEU (2021: 1,567,334 TEU) and accounted for 4.2% of the Group's total equity throughput.

Overseas



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Total throughput of the overseas region increased by 5.9% YoY to 31,768,975 TEU in 2022 (2021: 30,011,144 TEU) and accounted for 24.4% of the Group's total. Total equity throughput of overseas region decreased by 0.8% YoY to 12,686,786 TEU (2021: 12,786,819 TEU) and accounted for 30.2% of the Group's total equity throughput. As CSP Zeebrugge Terminal strengthened synergy with OCEAN Alliance and actively introduced new shipping routes and ad-hoc call volume from third-party customers, its total throughput increased by 15.0% YoY to 1,070,762 TEU (2021: 931,447 TEU). Driven by the synergy with the liners of the parent company and other members in the OCEAN Alliance, total throughput of CSP Abu Dhabi Terminal L.L.C. increased by 46.1% YoY to 1,018,668 TEU (2021: 697,236 TEU).

Prospects

In its World Economic Outlook report released on 30 January 2023, the International Monetary Fund (IMF) revised upwards its forecasts for global economic growth in 2023, indicating that the economy is showing signs of resilience. With the forecast for China's economic growth rebounding to 5.2% in 2023, an increase of 2.2 percentage points YoY, China's economic recovery is expected to help stabilise the global supply chain and contribute to global economic growth. New potential usually lies in emerging markets, according to data from the General Administration of Customs of China, in 2022, China's imports and exports to ASEAN grew by 15% annually, while those to the member countries of RCEP grew by 7.5% YoY. According to a United Nations Conference on Trade and Development (UNCTAD) study, the RCEP will boost exports from member countries by more than 10% over the next three years, bringing new opportunities for the port industry.

Looking ahead to 2023, China has set its GDP growth target at around 5%, COSCO SHIPPING Ports will continue to adhere to the 14th Five-Year Plan, improve operational efficiency, expand across the global markets and capitalise on the synergies to further improve in fields such as sales and marketing, port operations and management, green, low-carbon and digital transformation, business extension and supply chain project expansion, so as to promote high quality development.

The Group will continue to improve its global terminal network, actively explore investment and development opportunities in emerging and regional markets, identify projects with high potential growth, tap into strategic terminals in which it has controlling stakes and highly profitable non-controlling terminals to build a balanced global terminal network.

The Company will proactively keep on deepening its customer service and marketing strategies, focusing on customer needs; increasing revenue per container and enhancing the profitability of its terminals. In the meantime, the Company will strengthen and optimise cost control measures at



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terminals through digital upgrade. All domestic terminals in which the Group has controlling stakes and the overseas Abu Dhabi Terminal have been equipped and commissioned with EAM system, which has become an important tool for terminals to carry out production equipment life-cycle management and reduce equipment operation and maintenance costs.

The Company will continue to promote digital transformation; push forward the construction of smart ports, promote achievements in automated terminal construction, accelerate the large-scale application of unmanned container truck operations; and speed up green and low-carbon port building.

The Company will vigorously promote the development of supply chain businesses and rely on its existing port resources to develop and construct supply chain bases in port areas. Also, it will develop a customer-centric supply chain service system, capitalise on its global layout to explore the market needs of enterprises, and provide supply chain service products with its own characteristics. Through the development of supply chain businesses, the Company is committed to establishing an integrated network with a port-logistics linkage effect, thereby creating a synergistic platform that offers maximize mutual benefits to all in the shipping industry.

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About COSCO SHIPPING Ports (<https://ports.coscoshipping.com>)

COSCO SHIPPING Ports Limited (Stock Code: 1199.HK) is a leading ports operator in the world; its terminals portfolio covers the five main port regions in Mainland China, Southeast Asia, the Middle East, Europe, South America and the Mediterranean. As at 31 December 2022, CSP operated and managed 367 berths at 37 ports worldwide, of which 220 were for containers, with a combined annual handling capacity of 122 million TEU. COSCO SHIPPING Ports has adopted "The Ports for ALL" as its mission and is working towards building a global terminal network with controlling stake that offers linkage effects on costs, services and synergies, a synergistic platform that offers mutual benefits to all in the shipping industry, connecting global routes and becoming truly "the ports for all people".

Please visit the Company's website <https://ports.coscoshipping.com> and the designated website of Hong Kong Exchanges and Clearing Limited <https://www.hkexnews.hk> for 2022 Full Year Results Announcement.

For further inquiry, please contact:



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