



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

PRESS RELEASE

COSCO SHIPPING Ports Announces 2020 First Quarter Results

With strong financial position and sustainable cash flow

We are well prepared to capture the visible demand once the market recovered

Hong Kong, 27 April 2020 – COSCO SHIPPING Ports Limited (“COSCO SHIPPING Ports” or “CSP” or the “Company”, SEHK: 1199), the world’s leading ports operator, today announced first quarter results of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2020.

2020 First Quarter Results Highlight

- Revenue was US\$220.5 million -11% yoy
- Gross profit was US\$ 45.6 million, -34.9%yoy
- Share of profits from JV and associates was US\$ 52.3 million, -15.5%yoy
- Net Profit was US\$ 91.9 million, +84.1%yoy^{Note}
- Earnings per share was US 2.91 cents, +81.9%yoy

Note: Including one-off after-tax disposal gain of US\$61,472,000 from the disposals of all the shares in COSCO Ports (Yanzhou) Limited together with its 51% interest in Yangzhou Yuanyang Terminal and all the shares in Win Hanverky Investments Limited together with its 51% interest in Zhangjiagang Terminal and 4.59% interest in Yangzhou Yuanyang Terminal.

OPERATIONAL REVIEW

- Total throughput was 27,479,714 TEU, -4.4%yoy
- Total equity throughput was 8,671,140 TEU, -6.6%yoy
- Total throughput from subsidiaries was 5,097,361 TEU, -14.2%yoy

Greater China

For the three months ended 31 March 2020, total throughput of the Greater China region decreased by 6.6% YoY to 20,655,665 TEU (1Q2019: 22,107,759 TEU), accounting for 75.2%



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of the Group's total throughput.

Bohai Rim

During the period, total throughput of the Bohai Rim region increased by 4.5% YoY to 9,610,666 TEU (1Q2019: 9,196,254 TEU), accounting for 35.0% of the Group's total throughput. Total throughput of QPI increased by 2.0% YoY to 5,040,000 TEU (1Q2019: 4,940,000 TEU).

Yangtze River Delta

Total throughput of the Yangtze River Delta region decreased by 33.1% YoY to 3,245,605 TEU (1Q2019: 4,849,042 TEU) and made up 11.8% of the Group's total. The drop in throughput was mainly due to completion of the disposal of Nanjing Longtan Terminal, Yangzhou Yuanyang Terminal and Zhangjiagang Terminal by the Group. Benefitting from adjustment in shipping routes and synergy effect, throughput of Nantong Tonghai Terminal increased by 40.4% YoY to 287,567 TEU (1Q2019: 204,821 TEU). During the period, throughput of Shanghai Pudong Terminal decreased by 8.7% YoY to 537,444 TEU (1Q2019: 588,941 TEU).

Southeast Coast and Others

Total throughput of the Southeast Coast region decreased by 9.1% YoY to 1,221,266 TEU (1Q2019: 1,343,975 TEU) and accounted for 4.4% of the Group's total. Total throughput of Xiamen Ocean Gate Terminal decreased by 10.9% YoY to 450,026 TEU (1Q2019: 505,297 TEU).

Pearl River Delta

Total throughput of the Pearl River Delta region decreased by 12.5% YoY to 5,599,728 TEU (1Q2019: 6,397,906 TEU) and accounted for 20.4% of the Group's total. During the period, total throughput of Guangzhou South China Oceangate Terminal decreased by 7.7% YoY to 1,273,888 TEU (1Q2019: 1,380,501 TEU).

Southwest Coast



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Total throughput of the Southwest Coast region surged by 205.2% YoY to 978,400 TEU (1Q2019: 320,582 TEU) and accounted for 3.6% of the Group's total, which was mainly because throughput from Beibu Gulf Port was included since January 2020 and the throughput from January to March amounted to 664,716 TEU.

Overseas Regions

Total throughput of overseas region increased by 3.0% YoY to 6,824,049 TEU (1Q2019: 6,623,974 TEU) and accounted for 24.8% of the Group's total. Throughput of Piraeus Terminal decreased by 2.4% YoY to 1,215,875 TEU (1Q2019: 1,246,007 TEU). Throughput of CSP Zeebrugge Terminal surged by 72.1% YoY to 153,209 TEU (1Q2019: 89,020 TEU), which was mainly driven by increasing volume from ad-hoc shipping calls due to strike in the terminals in the neighboring region. Throughput of CSP Abu Dhabi Terminal recorded 158,475 TEU.

Outlook

So far, the COVID-19 Outbreak has not been contained globally and global economy is heavily and negatively impacted, casting uncertainties over global trade, which is confronted with greater challenges. Although the outlook is full of uncertainties, COSCO SHIPPING Ports actively continues to execute development strategies, control cost and improve efficiency. In February 2020, the Group completed the disposal of Yangzhou Yuanyang Terminal and Zhangjiagang Terminal at a total consideration of approximately US\$251 million, of which around US\$131 million was received in February and the balance will probably be received in the second quarter. As at the end of March, the Group has cash and cash equivalents of approximately US\$832 million. It is expected that there will be sufficient cash to support the dividend policy of the Company in the year 2020. In April 2020, the Group entered into an agreement related to disposal of its 30.40% interest in Jiangsu Petrochemical at a consideration of approximately RMB250 million. The Group also intends to dispose its 39.04% interest in Taicang Terminal in 2020.

COSCO SHIPPING Ports is well prepared to embrace the rising demand. The Group will keep a close eye on the declining valuation of global terminal resources and opportunities of



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disposal to enhance the Group's global terminal network. Leveraging on the synergy from the parent company and the OCEAN Alliance and benefiting from the ship calls from other shipping alliances, the Group is well positioned to improve throughput when demand recovers. Meanwhile, as the COVID-19 Outbreak has been gradually contained in China, factories started to resume manufacturing. On the other hand, the manufacturing capabilities in overseas regions are still negatively impacted by the epidemic. The Group hopes to grasp the opportunities from rising demand after the epidemic.

COSCO SHIPPING Ports has been committed to enhancing terminal operational efficiency and strengthening the cost control, which is one of the Group's major strategic initiatives as the world's leading terminal operator. The Group continues to improve operation and management capabilities, enhance customer services experience. The Group actively provided training sessions for its internal staff for the application of the Navis N4 operating system. It aims at, on one hand, strengthening the standardised production process management of the subsidiaries, enhancing the control of the terminal business, and building a terminal with high efficiency; on the other hand, enhancing information sharing technology and the ability of integrating shipping information chain in the future, to ultimately unify the management perspective, management mind set, management control and marketing capacity of COSCO SHIPPING Ports all across the world.

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

COSCO SHIPPING Ports Limited (Stock Code: 1199.HK) a leading ports operator in the world; its terminals portfolio covers the five main port regions in Mainland China, Southeast Asia, Middle East, Europe, South America the Mediterranean. As at 31 March 2020, CSP operated and managed 372 berths at 36 ports worldwide, of which 206 were for containers, with a combined annual handling capacity of 115 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



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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 2020 First Quarter Results Announcement.

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