



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

2023 FY Results Announcement

*Anchoring on Global Development, Empowered by Lean Operations and Innovation
Led by Digital Intelligence, Achieving Cooperation and Success for All*

March 2024





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Financial
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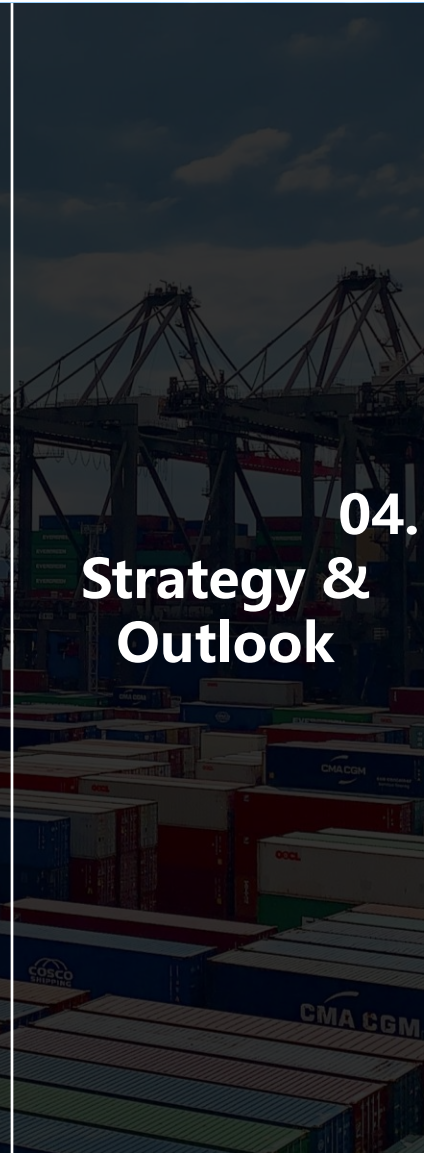
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Performance**



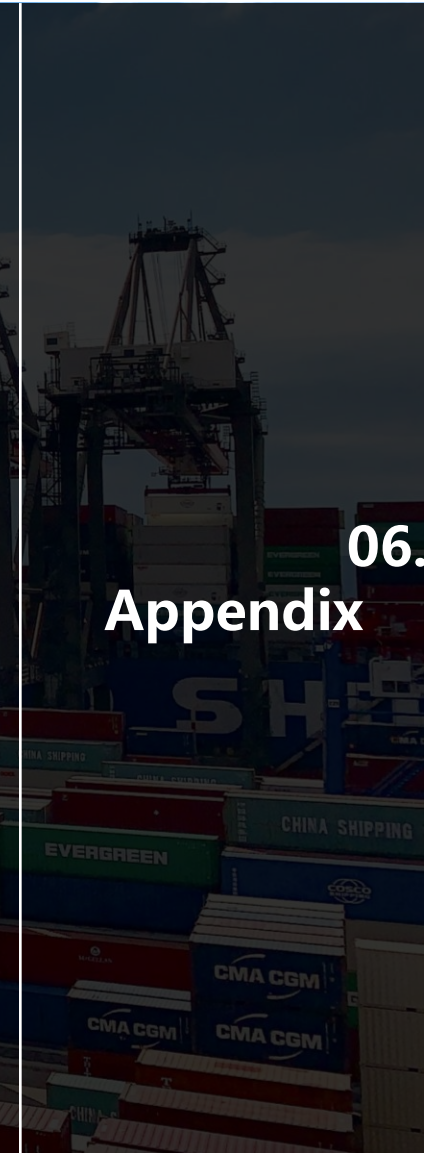
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2023 HIGHLIGHTS

“In 2023, our company achieved steady growth amidst many challenges
The market is expected to grow further in 2024 based on the recovery in 2023”

2023
Total Equity Throughput

 **+3.1%**

Equity throughput rose by 3.1% YoY to 43.4 million TEU

2023 ASP of
China Subsidiaries

 **+3.5%**

ASP of Subsidiaries in China rose by 3.5% YoY

2023 ASP of
European Subsidiaries

 **+4.0%**

ASP of Subsidiaries in Europe rose by 4.0% YoY

2023 Profit Attributable
to Equity Holders

 **+5.8%**

Profit Attributable to Equity Holders rose by 5.8% YoY to USD 324.6 million

2023 Dividends per
Share (US cents)

 **+2.8%**

Dividends per share rose by 2.8% YoY to 3.732 US cents



05 | FINANCIAL PERFORMANCE

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06 | OVERALL PERFORMANCE

Revenue
(USD Million)

1,454.4 ↑

+0.9% YoY

Operating profit
(USD Million)

274.8 ↑

+5.2% YoY

Profit attributable to
equity holders
(USD Million)

324.6 ↑

+5.8% YoY

Dividends per share
(US cents)

3.732 ↑

+2.8% YoY

(US\$ Million, unless stated otherwise)	2022	2023	YoY
Total throughput from subsidiaries (Million TEU)	31.6	30.8	-2.7%
Revenue	1,441.3	1,454.4	+0.9%
Cost	(1,011.6)	(1,033.5)	+2.2%
Gross Profit	429.7	420.9	-2.1%
Operating Profit	261.4	274.8	+5.2%
Net Finance Cost:	(109.3)	(143.2)	+31.0%
Finance Income	17.1	28.0	+63.5%
Finance Cost	(126.4)	(171.2)	+35.4%
Share of profits less losses of JV and Associates	308.0	297.9	-3.3%
Profit attributable to equity holders	306.6 ⁽¹⁾	324.6	+5.8%
Dividends per share (US cents)	3.632	3.732	+2.8%

(1) The Group made necessary adjustments on the cumulative effect of adopting HKAS12 (Amendment) "Deferred Tax related to Assets and Liabilities arising from a Single Transaction", therefore, the profit attributable to equity holders of the Company in 2022 was adjusted from US\$305,163,000 to US\$306,633,000.

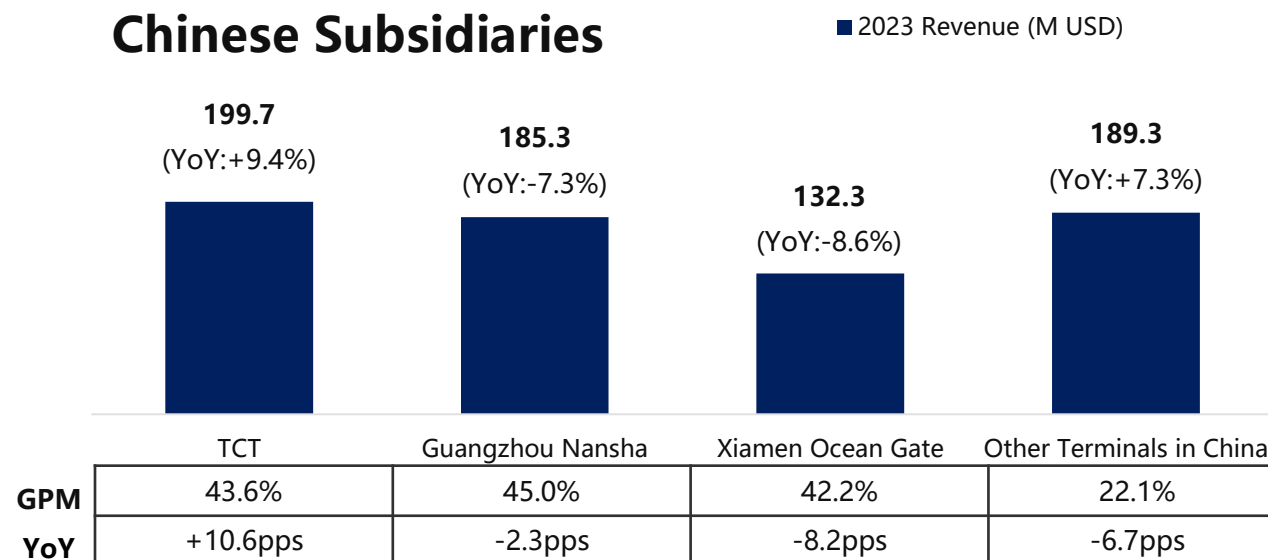
07 | REVENUE AND GROSS PROFIT MARGIN

“Overall revenue at Chinese and overseas subsidiaries rose steadily in 2023, our company will continue to increase revenue and reduce costs to drive further growth”

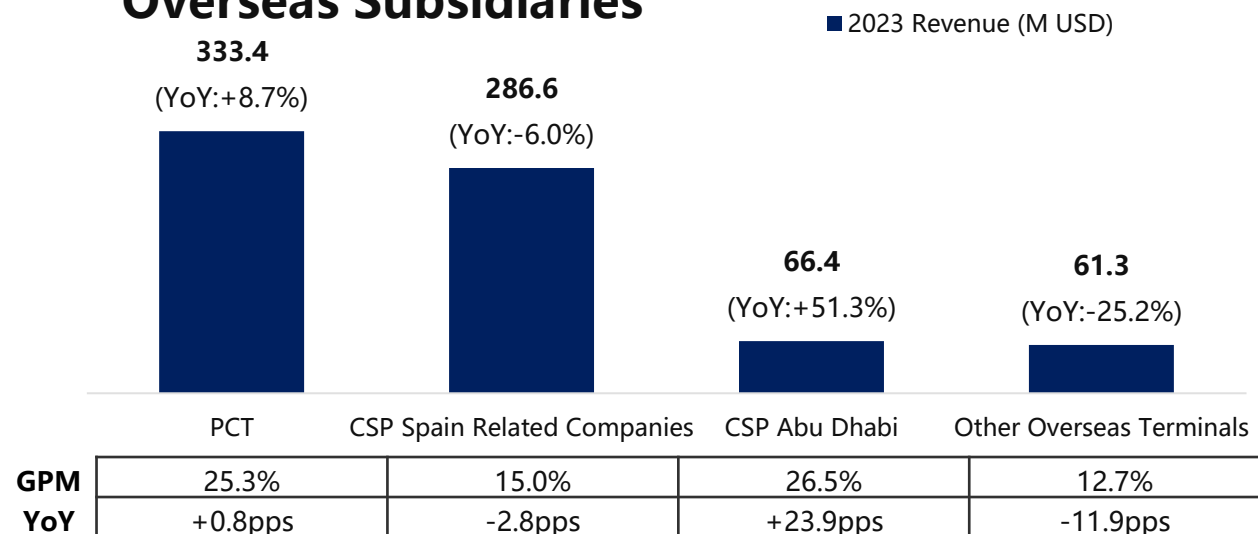
Revenue (USD Million)		
Chinese Subsidiaries	Overseas Subsidiaries	All Subsidiary Terminals
706.5	747.8	1,454.4
+0.4%	+1.4%	+0.9%

GPM (%)		
Chinese Subsidiaries	Overseas Subsidiaries	All Subsidiary Terminals
37.9%	20.4%	28.9%
-1.7pps	-0.1pps	-0.9pps

Chinese Subsidiaries



Overseas Subsidiaries



08 | SUBSIDIARY AND NON-SUBSIDIARY TERMINAL PROFIT

Total Terminal Profit

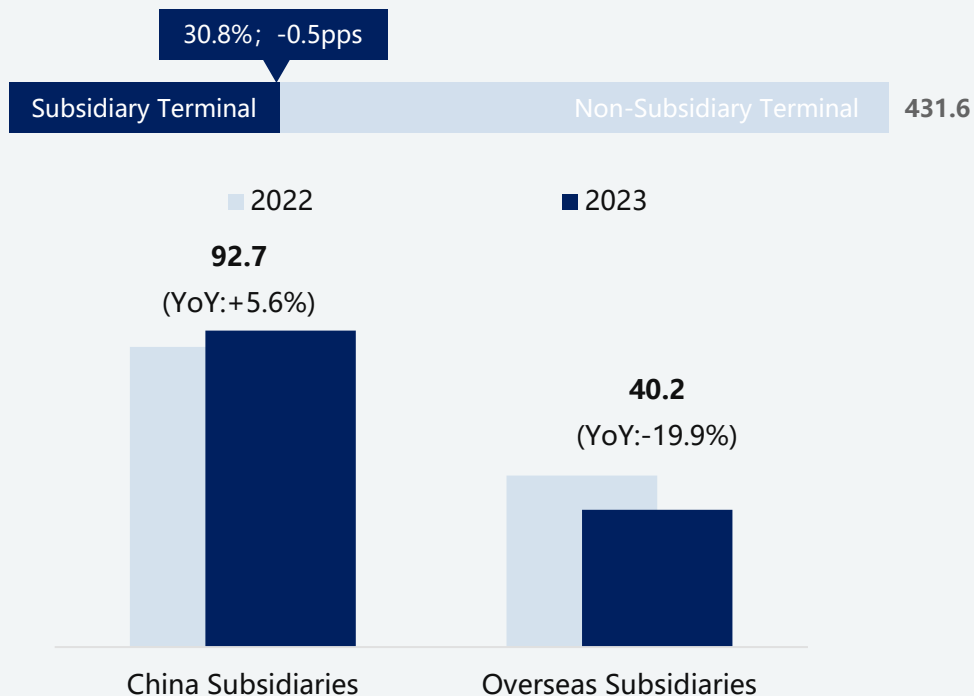
431.6 M USD YoY ▼ -2.2%

Subsidiaries profits decreased by 3.7% YoY, among which China subsidiaries recorded a 5.5% YoY increase due to successful lean operations strategy, while overseas subsidiaries decreased by 19.9% YoY. Excluding CSP Spain and Zeebrugge terminals, profits of overseas subsidiaries rose by 17.2% YoY. This year our company will continue to strengthen the routes to European and the Mediterranean;

Non-Subsidiaries profits remained relatively stable both overseas and in China, recording a 1.4% decrease YoY

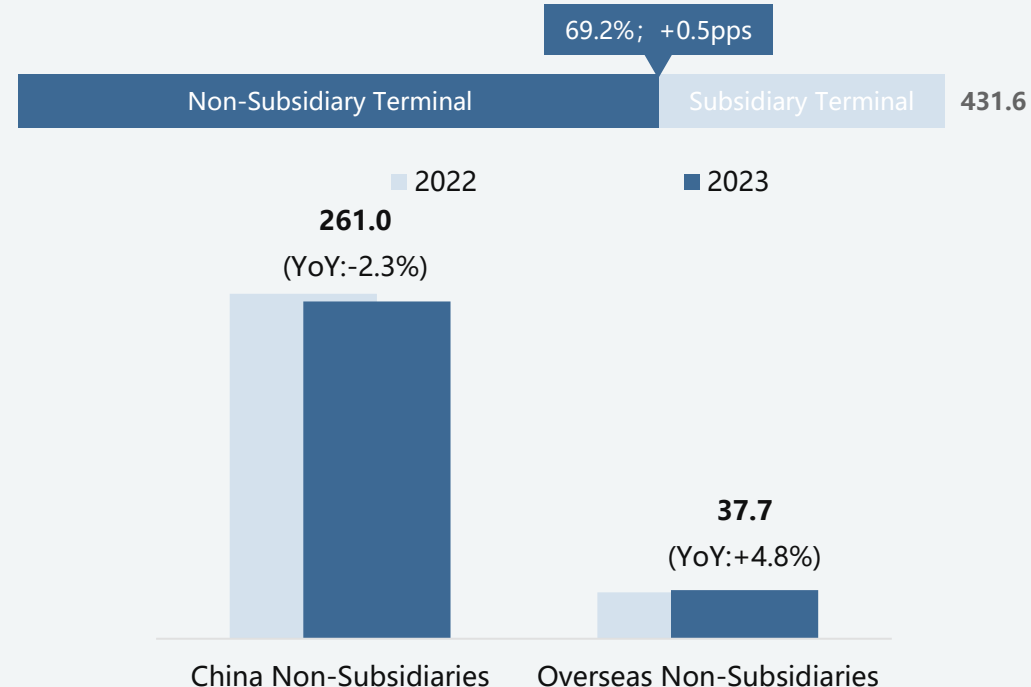
Subsidiary Terminal Profit **132.9** Mil. USD YoY ▼ -3.7%

Share of Profits of Subsidiary Terminals:



Non-Subsidiary Terminal Profit **298.7** Mil. USD YoY ▼ -1.4%

Share of Profits of Non-Subsidiary Terminals:



09 | CHINA AND OVERSEAS TERMINAL PROFIT

Total Terminal Profit

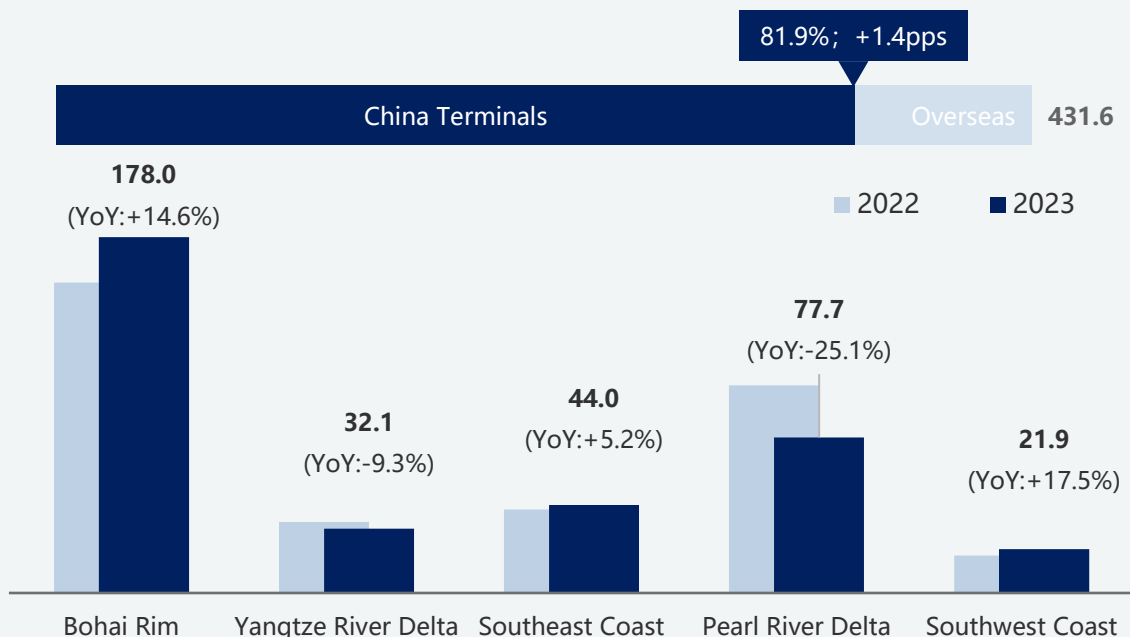
431.6 M USD YoY ▼-2.2%

In China, due to the impact on terminals mainly with foreign trade, terminal profit in China slightly declined by 0.3% YoY but remained stable;

Overseas, performance was mainly affected by terminals in Northwestern Europe, terminal profit in overseas regions decreased 9.6%, but they are expected to benefit from the recovery in global trade this year

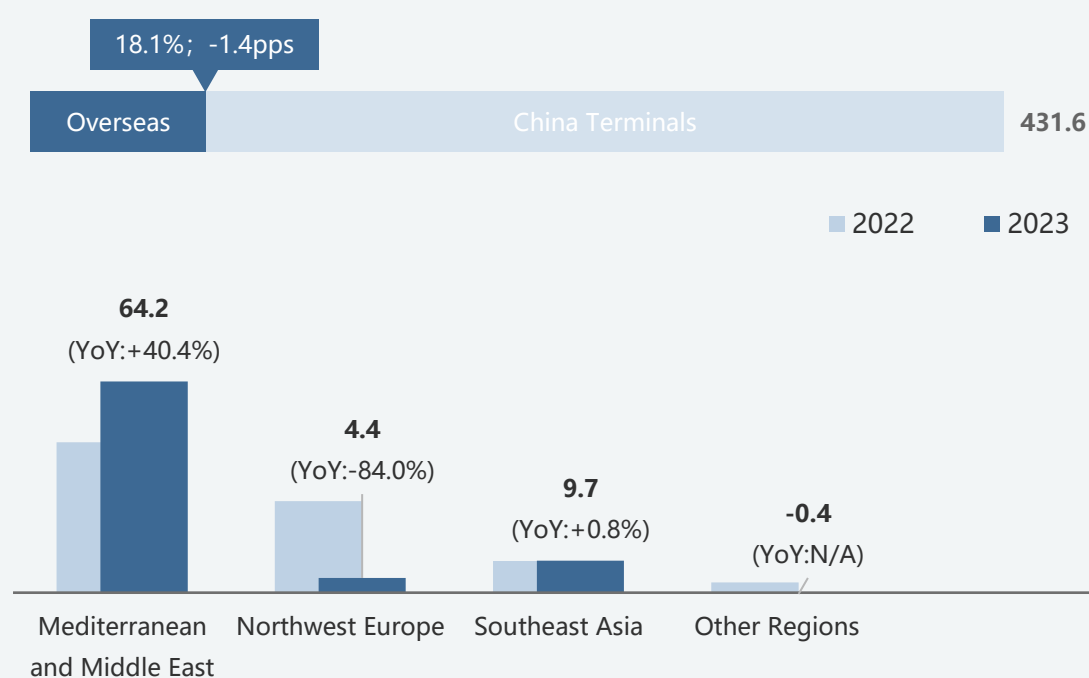
China Terminal Profit **353.7** Mil. USD YoY ▼-0.3%

Share of Profits of China Terminals:



Overseas Terminal Profit **77.9** Mil. USD YoY ▼-9.6%

Share of Profits of Overseas Terminals:



Mediterranean and Middle East: PCT, CSP Abu Dhabi and CFS, RSGT, Suez Canal, Kumport, Vado terminals and other related business;
Northwestern Europe: CSP Spain, CSP Zeebrugge and CFS, Antwerp, Euromax, CTT and other related business;

Southeast Asia: COSCO-PSA Terminal;
Other Regions: CSP Chancay, Guinea, Seattle Terminal

10 | FINANCIAL POSITION

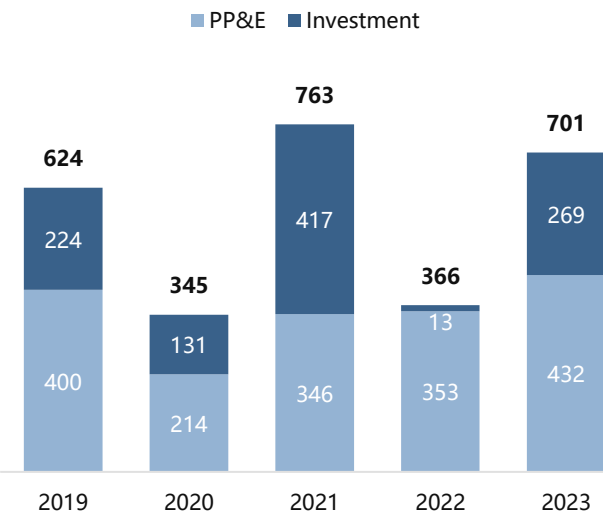
USD Million	As of 31 Dec 2022	As of 31 Dec 2023
Total assets	11,326.4	11,931.9
Total Liabilities	4,687.2	5,089.4
Equity Attributable to Shareholders	5,532.0	5,770.7
Cash and Bank Balance	1,069.3	1,162.9
Total Debt	2,908.6	3,234.6

“Healthy Financial Position Drives Sustainable Development”

- Strong cash and bank balance of USD 1.163 billion, with a YoY rise of 9%, enable our company to continue to seek out new growth and investment opportunities
- Due to large increases in interest rates in USD and EUR, average bank borrowing costs increased from 3.4% in 2022 to 5.3% in 2023, while the overall net debt to equity ratio remained stable at 29.6% for 2023.

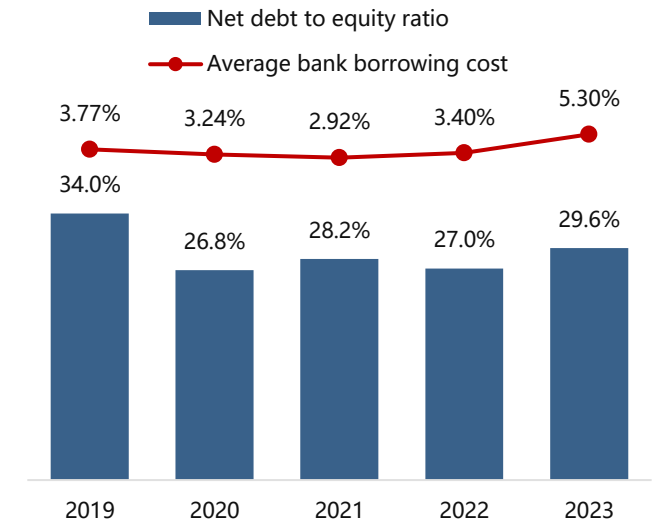
CAPEX (Million USD)

701M USD
Full Year Capex

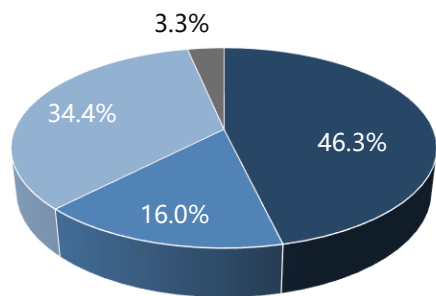


Net debt-to-equity ratio & average bank borrowing cost

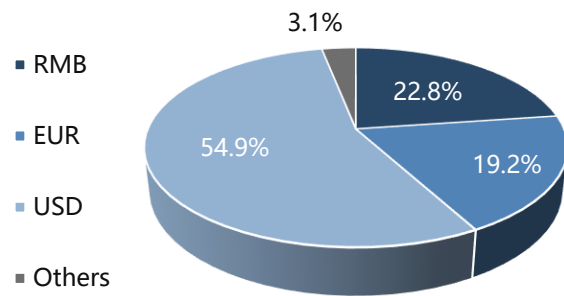
29.6%
Net debt to equity ratio



Cash and Bank Balance



Total Debt Structure



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12 | TOTAL THROUGHPUT AND EQUITY THROUGHPUT

Total Throughput ▲ +4.4%

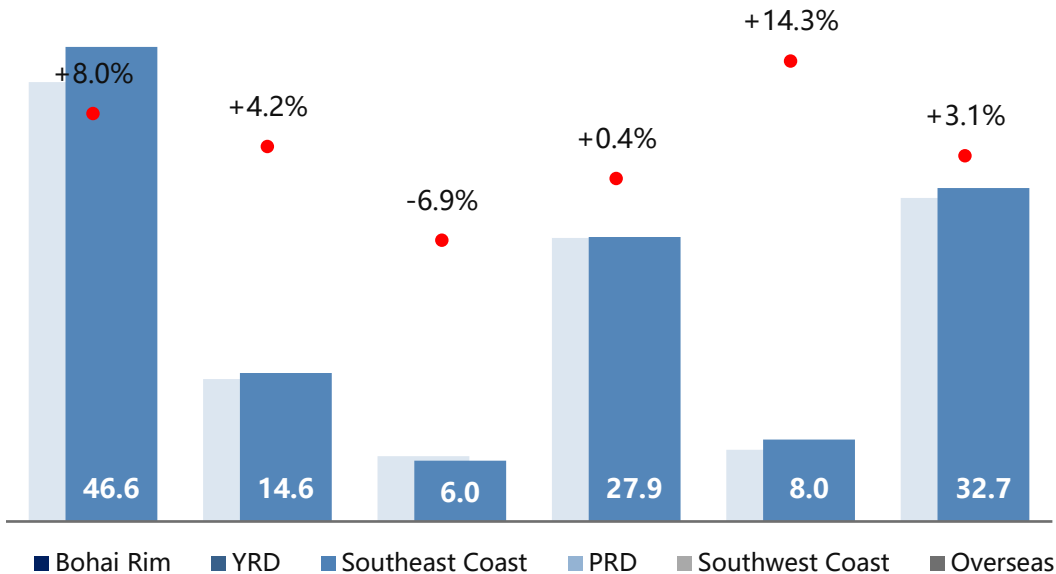
135.8 M TEU

“In 2023, Throughput Continued to Recover with Most Regions Recording YoY Growth”

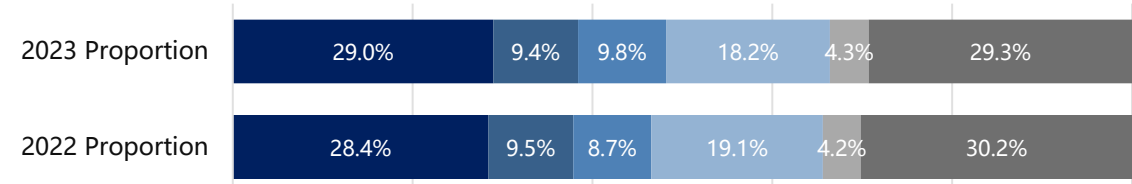
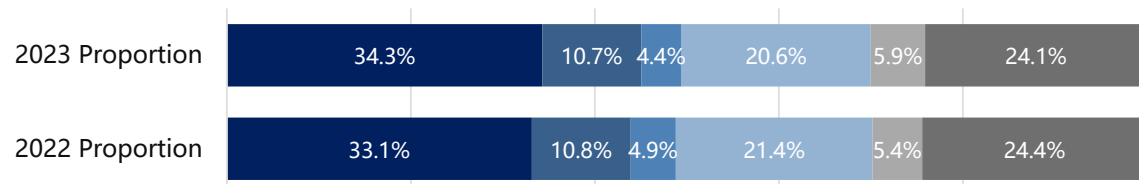
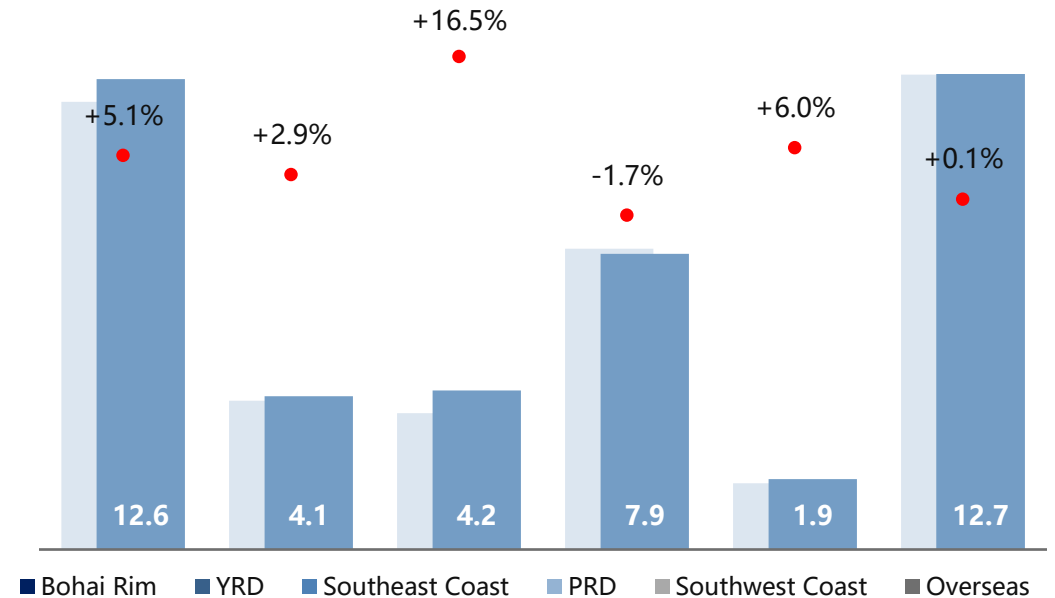
Equity Throughput ▲ +3.1%

43.4 M TEU

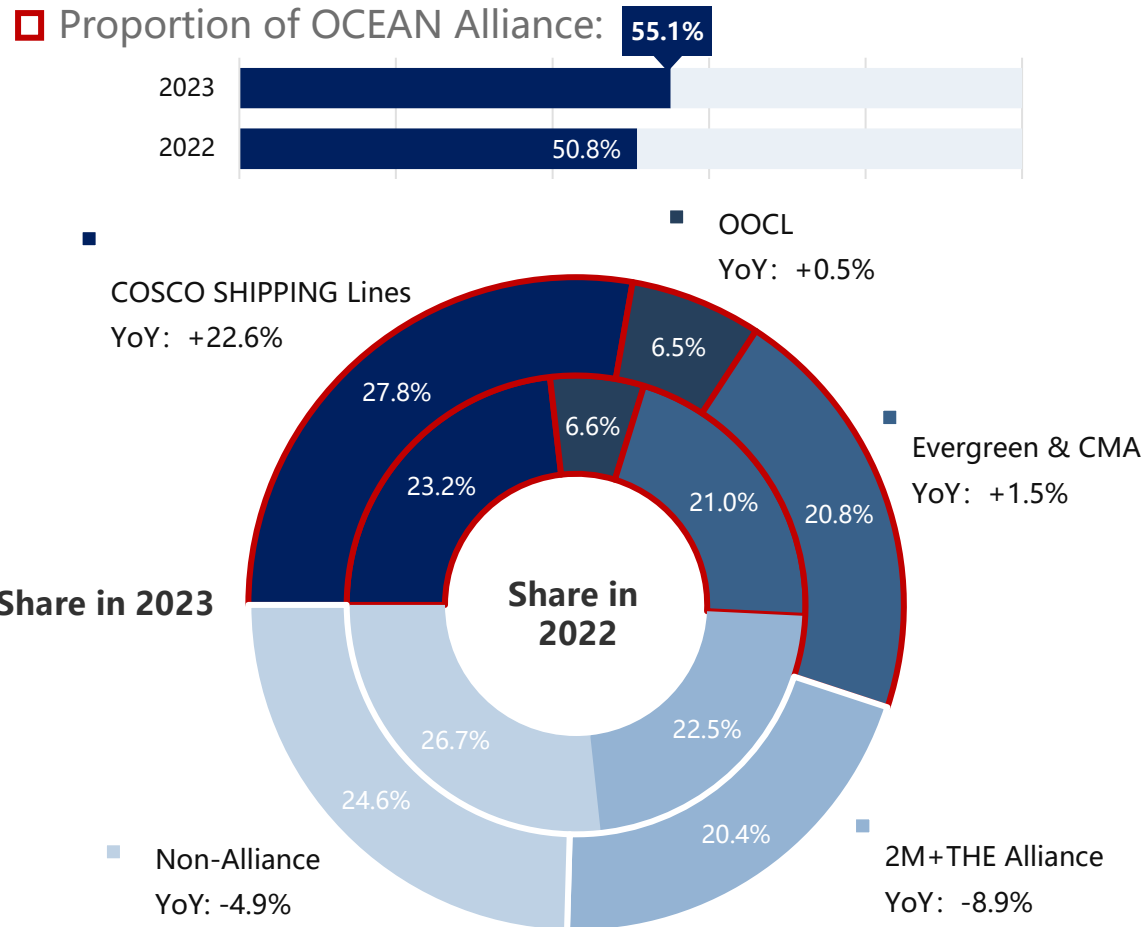
2023 Total Throughput by Region (M TEU)



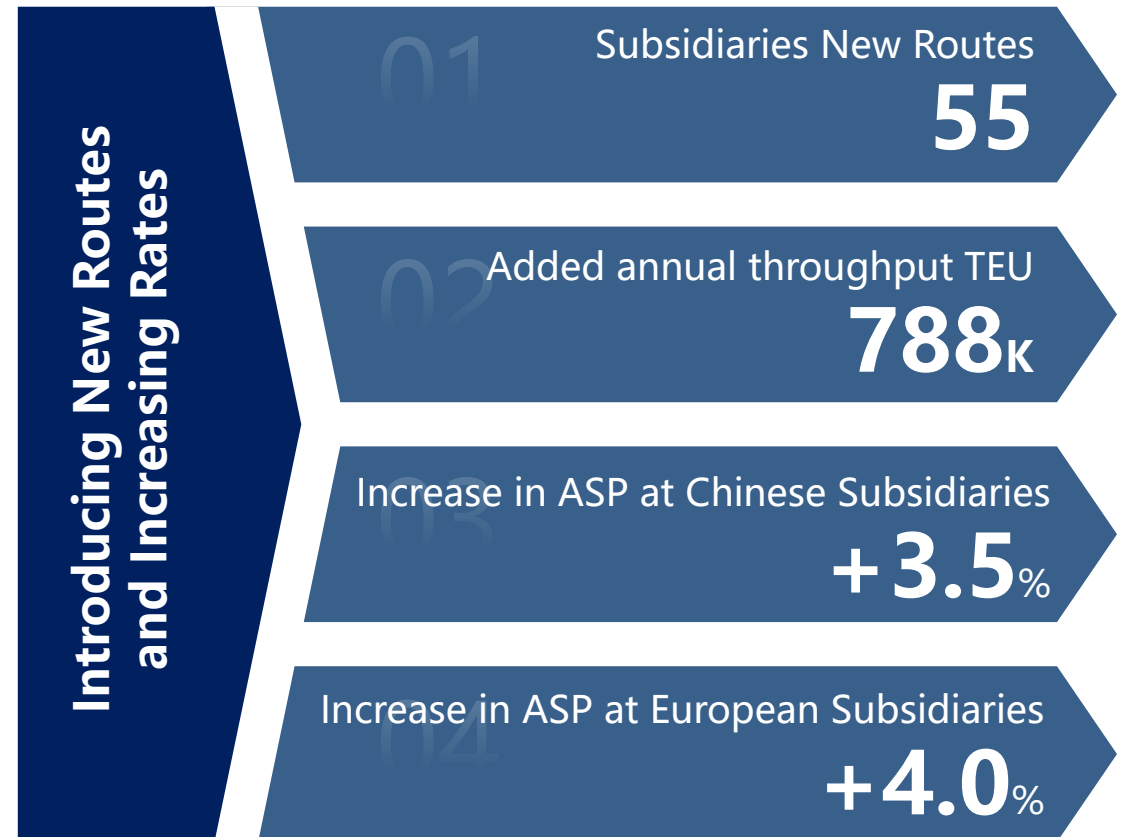
2023 Equity Throughput by Region (M TEU)



“Throughput of 8 Major Subsidiaries (1) from OCEAN Alliance in 2023 increased 11.0% YoY”



- In 2023, our subsidiary terminals introduced 55 new routes, contributing approximately 788 thousand TEU
- ASP at major subsidiary terminals continued to increase. In the future we will continue to grasp every market opportunity to increase rates and improve efficiency



(1) Total throughput from 8 major subsidiary terminals at which all shipping companies call, including terminals of TCT, Guangzhou Nansha, Xiamen, Lianyungang, PCT, CSP Spain, CSP Zeebrugge and CSP Abu Dhabi.



“High-technology, high value-added and green products have become the new engine to support China's foreign trade growth”



1.2 Million Vehicles

Growth in Exports of Electric Vehicles from China

In 2023, Exports of Electric Vehicles from China increased by 77.6%



120 thousand vehicles

Handled by our Subsidiary Terminals

Every Terminal has grasped the new opportunities from the export of electric vehicles. The export of cars from Xiamen Ocean Gate to CSP Zeebrugge Terminal reached 120,000 in 2023, a YoY increase of nearly 5 times, becoming a new growth driver

Xiamen Haitou CFS

Total Area
377,100m²

CAPEX
94M USD

Warehouse Area
218,500m²

Operating

Xiamen Haicang CFS

Total Area
23,800m²

CAPEX
135M RMB

Warehouse Area
20,000m²

To be operated

CSP Abu Dhabi CFS Phase 1 (1)

Total Area
273,970m²

CAPEX
64M USD

Warehouse Area
50,666m²

Operating

CSP Zeebrugge CFS

Total Area
77,869m²

CAPEX
13M EUR

Warehouse Area
41,582m²

Operating

(1) The total warehouse area and estimated capex of phase 1 and 2 is about 105,225 sqm and approximately USD 138M.

5G Smart Ports

- Xiamen Ocean Gate Terminal has fully implemented the driverless container vehicle project, with an annual handling of 210,000 TEU, a YoY increase of 4.5 times.
- Expanding the implementation of 5G Smart Ports at CSP Abu Dhabi Terminal
- Completing the project of automation upgrade at TCT
- Promote the further development of 5G Smart Ports at other terminals in the future



EAM & MIS

- EAM: Improving the maintenance and upkeep abilities of the headquarters and terminals, lowering costs and improving energy use efficiency
- MIS: Driving the use of artificial intelligence and digitalisation to achieve an upgraded management method



GSBN

- Actively promoting the use of GSBN and application of blockchain technology to improve the terminals' IT infrastructure, developing the synergy between shipping and port industry
- CSP Portal for GSBN has been launched, promoting an innovative alternative to the traditional workflow of the industry



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Strategies

Global Layout

Continuously build a globally efficient port network, continue to explore investment development opportunities in key hub ports in emerging markets, regional markets, and third-country markets, as well as core supply chain resources behind the ports

Balanced Development

Build a balanced global port network, seize investment opportunities in potential greenfield and brownfield projects, explore strategically significant subsidiaries and highly profitable non-subsidiaries

Operational Efficiency

Strategically dispose of non-core port assets to enhance the profitability and efficiency level of the asset portfolio



Lean Operations

Focus on per container operating costs and vigorously promote cost control. Achieve better use of operational resources through digitalization

Synergy

Strengthen synergy between ports and shipping lines, engage in marketing strategies with major shipping companies, improving service capabilities under the "dual-brand" strategy

Digitalisation

Through digital and intellectual innovation, starting from the digitalization of customer service, port production automation and information management intelligence, we have formed a systematic ability to empower lean operations and serve customers efficiently

Integration

Digitalisation

Green Development

Major ESG Ratings in 2023

Became a constituent company in the FTSE4Good Index in June 2023



CDP 2023 Rating: B



Rated as 'Low Risk'



Part of the Hang Seng Corporate Sustainability Index Series since 2021
Rating A+



Hang Seng Corporate Sustainability Index Series Member 2023-2024

Greenhouse Gas Emissions

2023 Subsidiaries GHG Emissions Intensity

YoY **0.9%** ↓

Compared to 2020 (Base Year)

20.8% ↓

Subsidiaries' emission intensity⁽¹⁾:
(kg of CO₂e per TEU)



Mid-term Target:

- To reduce greenhouse gas (scope 1 and scope 2) emission intensity of our subsidiaries by 20% in 2030

Long-term Target:

- To achieve carbon neutrality no later than 2060

Energy Consumption

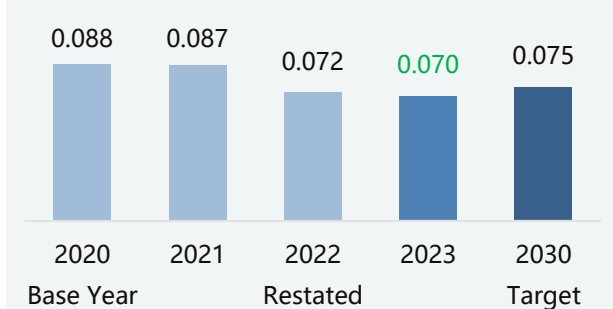
2023 Subsidiaries Energy Use Intensity

YoY **2.5%** ↓

Compared to 2020 (Base Year)

20.5% ↓

Subsidiaries' energy consumption intensity⁽¹⁾:
(GJ per TEU)



Mid-term Target:

- To reduce energy consumption intensity of our subsidiaries by 15% in 2030

(1) Among the existing 15 Subsidiaries of our company, CSP Chancaay Terminal in Peru is under construction so its performance has not been included. Tianjin Container Terminal's environmental performance has been included in the Subsidiaries' performance since 2022.

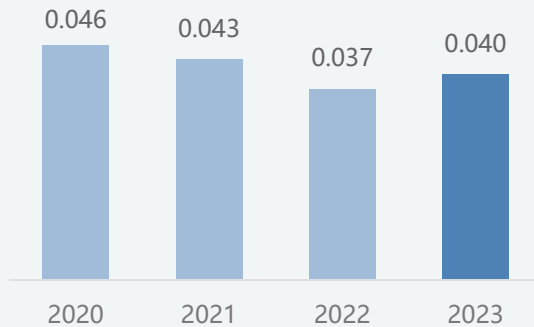
Water Consumption

2023 Subsidiaries
Water Consumption Intensity

Compared to 2020

12.5% ↓

Subsidiaries' water consumption intensity ⁽¹⁾:
(m³ per TEU)



Target:

- Strengthen the management of water resources and improve water use efficiency



Waste

Target for hazardous waste:

- Maintain 100% hazard-free disposal of waste

Target for non-hazardous waste:

- Reduce domestic waste at terminals and in the long term, achieve the goal of zero waste sent to landfills

2023 Subsidiaries' hazardous waste treatment performance ⁽¹⁾:

- 100% of hazardous waste was handled by recycling companies or material suppliers with professional qualifications

(1) Among the existing 15 Subsidiaries of our company, CSP Chancay Terminal in Peru is under construction so its performance has not been included. Tianjin Container Terminal's environmental performance has been included in the Subsidiaries' performance since 2022.

Goal for 2024:

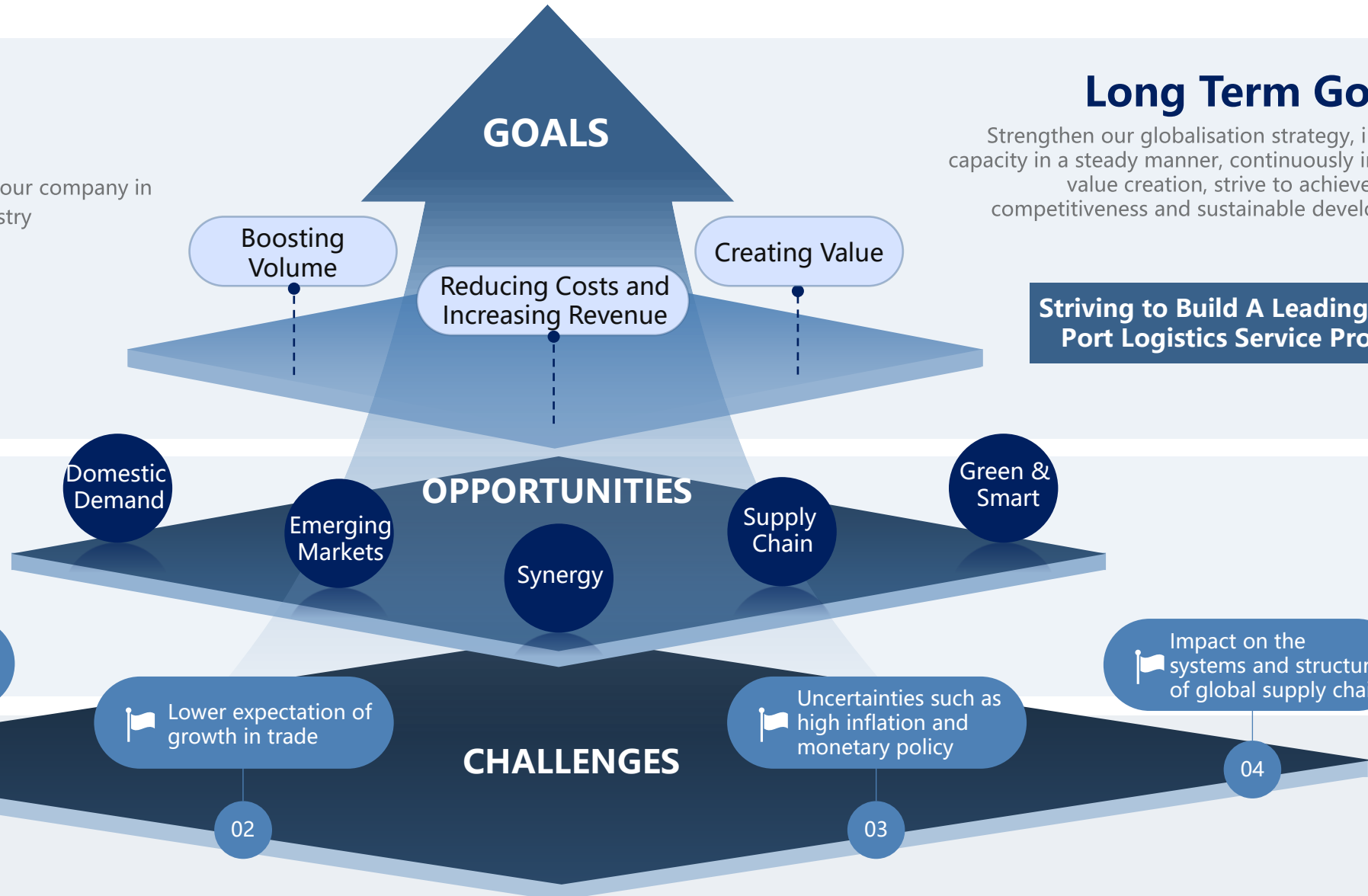
Growth of Equity Throughput of our company in 2024 will be in line with the industry

Equity Throughput

Long Term Goals:

Strengthen our globalisation strategy, increase capacity in a steady manner, continuously improve value creation, strive to achieve higher competitiveness and sustainable development

Striving to Build A Leading Global Port Logistics Service Provider



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This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of COSCO SHIPPING Ports Limited (“COSCO SHIPPING Ports”) and certain plans and prospects of the management of COSCO SHIPPING Ports.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual result or performance of COSCO SHIPPING Ports to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward-looking statements are based on numerous assumptions regarding COSCO SHIPPING Ports’ present and future business strategies and the political and economic environment in which COSCO SHIPPING Ports will operate in the future.

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The Ports for ALL

Thank You!

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