



招商局港口控股有限公司

CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED

2022 Annual Results Press Conference

2023.03.31



招商局港口上市30周年
香港联交所股份代码: 00144



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Financial Performance



Highlight 1

Steady growth & improved efficiency: revenue & recurrent profit up year-on-year

Highlight 2

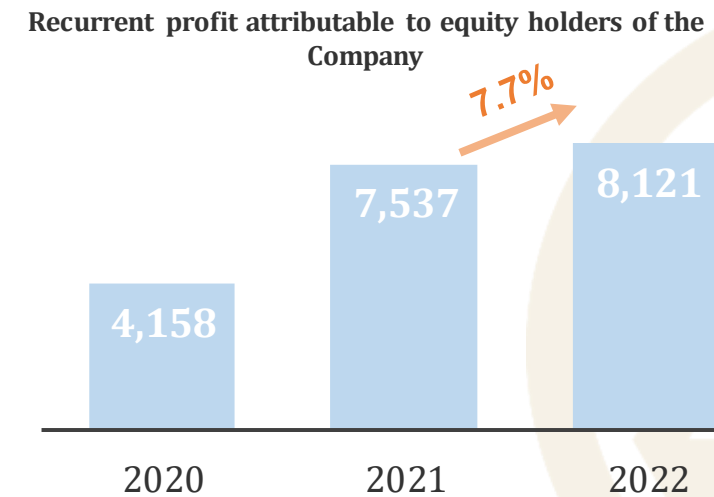
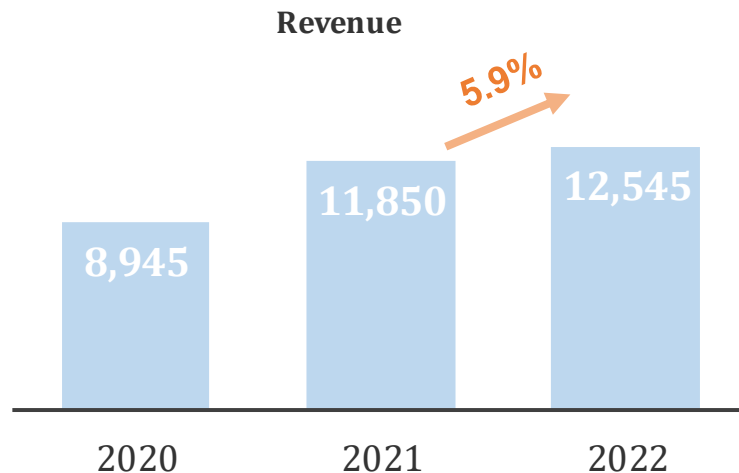
Assets remain healthy & net gearing ratio decreases further





Revenue & Recurrent Profit Up Year-on-year

Items	2022 (HKD Millions)	2021 (HKD Millions)	Year-on-year Change
Revenue	12,545	11,850	+5.9%
Recurrent profit attributable to equity holders of the Company	8,121	7,537	+7.7%
Net profit attributable to equity holders of the Company	7,781	8,144	-4.5%
Basic earnings per share (HK cents)	201.52	219.87	-8.3%
Annual dividend per ordinary share (HK cents)	82.00	94.00	-12.8%

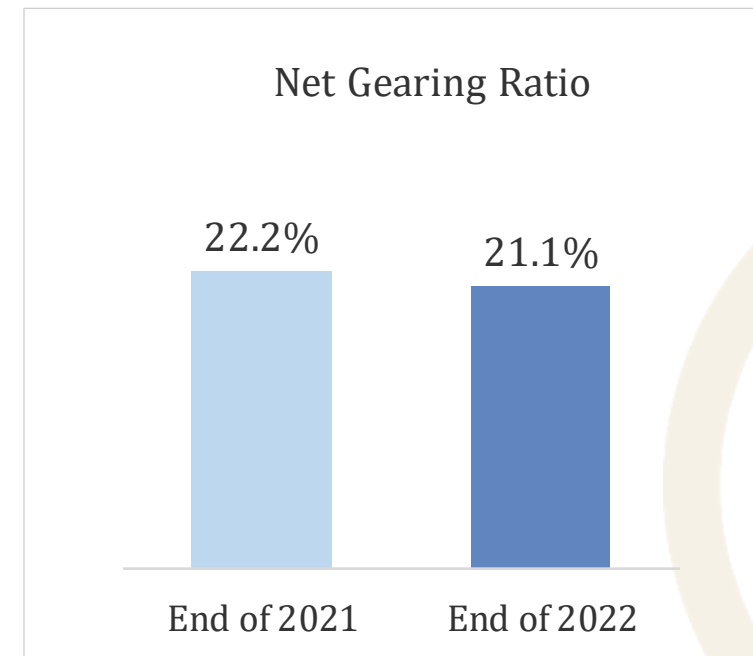
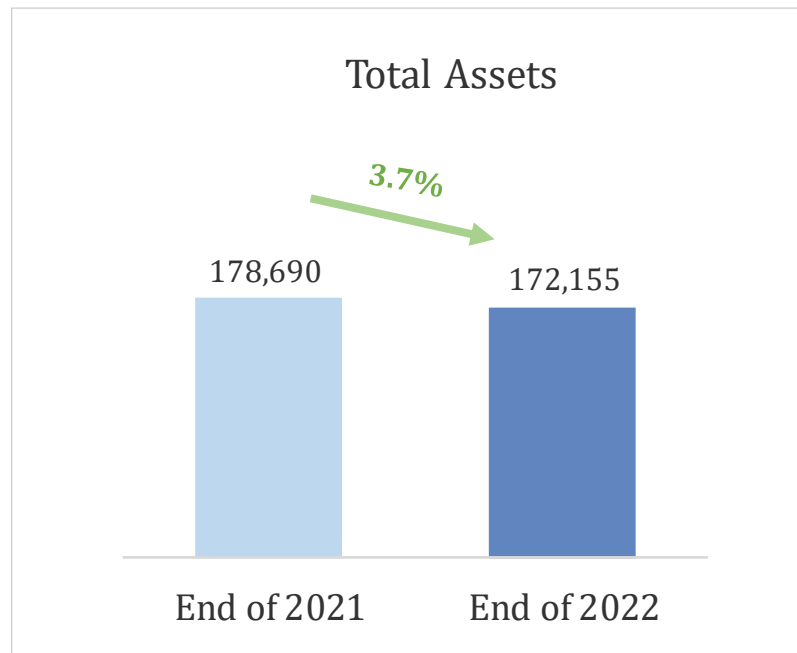




Assets Remain Healthy & Net Gearing Ratio Decreases Further

Items	December 31, 2022 (HKD Millions)	December 31, 2021 (HKD Millions)	Change
Total Assets	172,155	178,690	-3.7%
Net assets attributable to equity holders of the company	96,969	98,262	-1.3%
Interest-bearing Debts	35,479	37,708	-5.9%
Net Gearing Ratio ¹	21.1%	22.2%	-1.1ppts

Note 1 Net interest-bearing debts and lease liabilities divided by total equity.



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Highlight 1

The container business continues its steady growth. Notwithstanding the fluctuating economic environment, the container business volumes of West Shenzhen and overseas homebase ports hit record highs against headwinds.

Highlight 2

New progresses has been made in innovative development. The Group continues to actively accelerate industrial digitalization and strengthen the construction of the Mawan Smart Port to lower operating costs and enhance operating efficiency.

Highlight 3

Capital Operation has been Optimized. Continuing to enhance the efficiency of its assets, the Group completed the acquisition of equity interests in Asia Airfreight Terminal Company Limited (“AAT”) and SIPG.

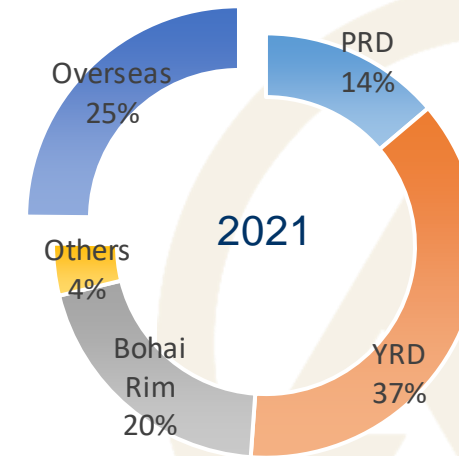
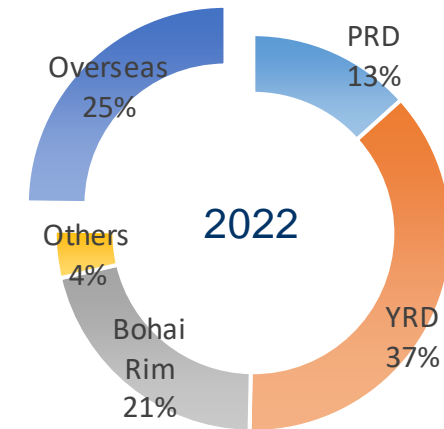
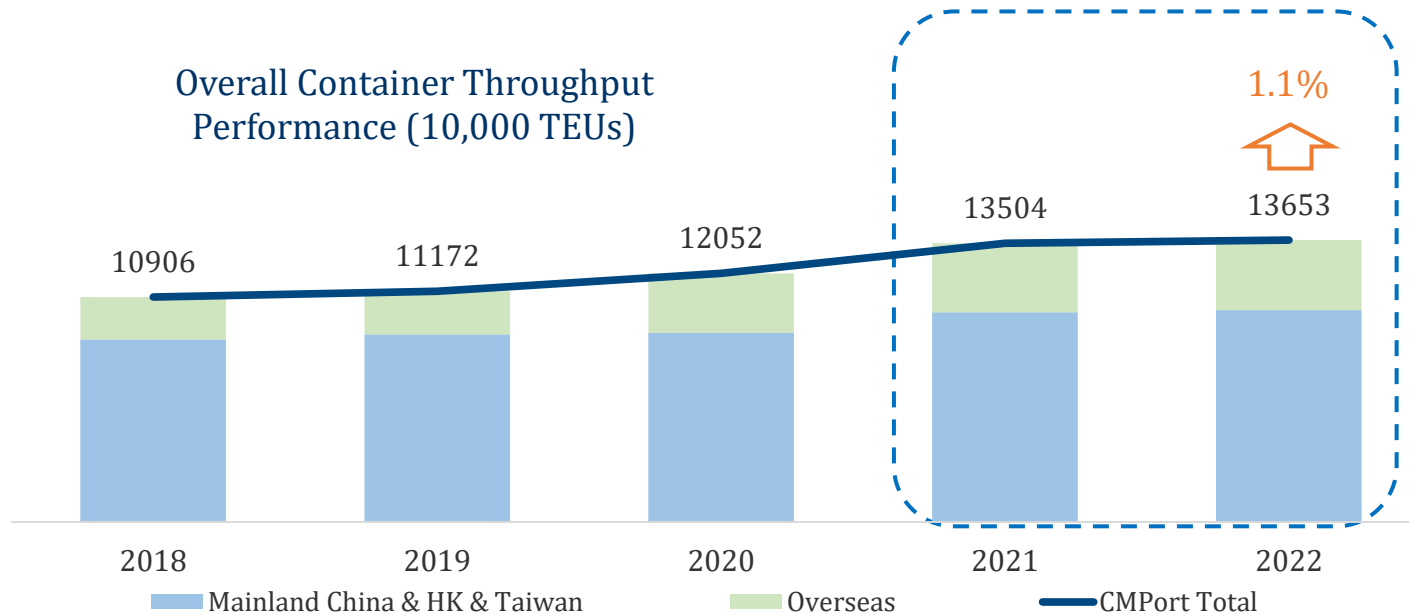
Highlight 4

Scientific pandemic prevention was carried out to safeguard the national sea gate. With proper planning and determination, the Group was committed to fighting the pandemic, safeguarding the national gate, stabilizing its business, and ensuring smooth operation in all aspects.



Steady Container Business Growth

- Throughput of 136.53 million TEUs in 2022, up 1.1% over the year of 2021
- Benefitting from the increase in container volume in West Shenzhen Port Zone, the Yangtze River Delta region and the Bohai Rim region, the Group's ports in greater China saw an increase in throughput of 1.2% year-on-year, while its overseas subsidiaries set new heights, with an increase in throughput of 0.9% year-on-year.
- The proportion for each region is similar to the same period last year.



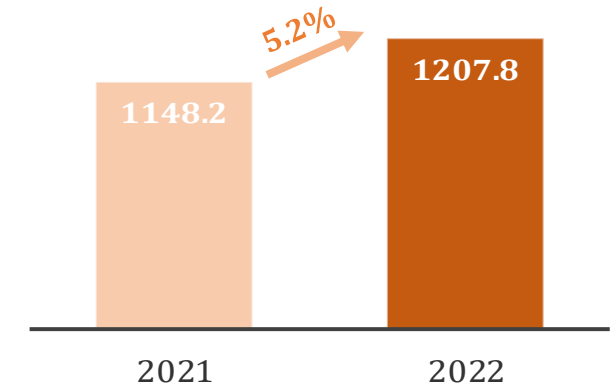


West Shenzhen & Overseas Homebase Ports Hit New Highs against Headwinds

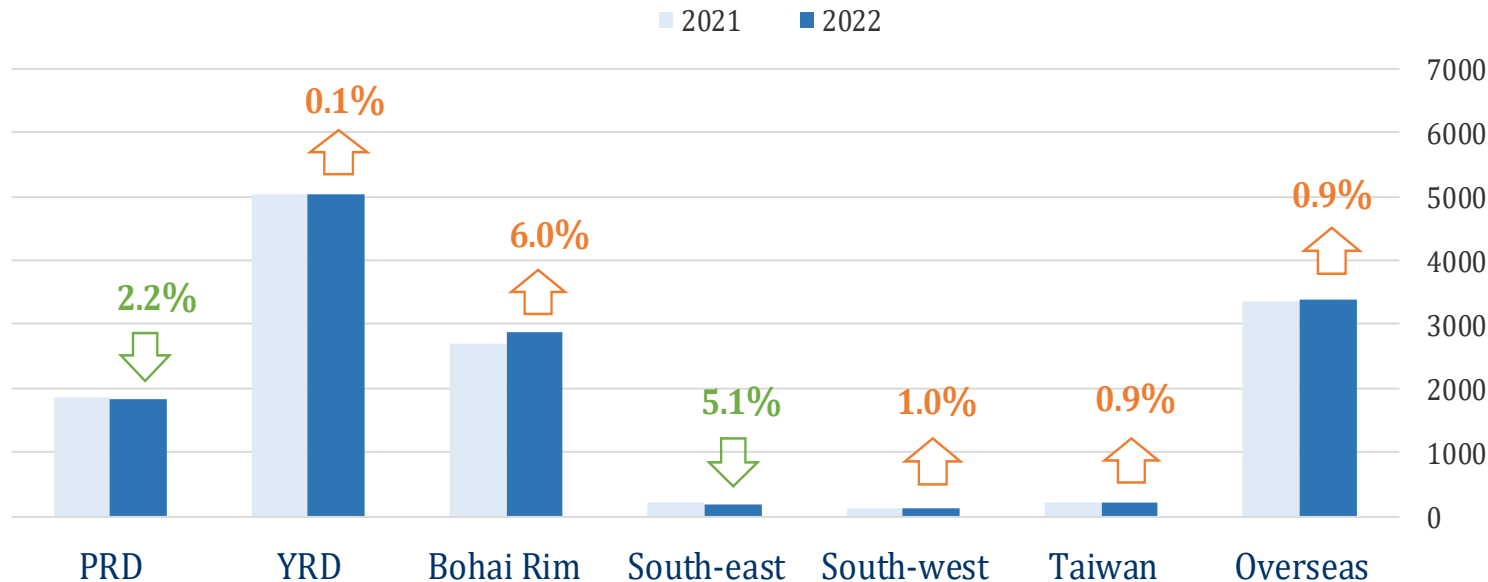


- West Shenzhen & overseas homebase port hit new highs in container volumes against headwinds. Throughput of West Shenzhen Homebase Port increased by 5.2%, outperforming the Shenzhen port zone average.
- Overseas homebase port CICT reached a new high with an increase of 5.1%; its market share increased by 2 percentage points, leading the Colombo port zone average.
- Business in Hong Kong declined due to the impact of the epidemic and intensified regional competition, dragging down container volumes in the PRD region by 2.2%.
- SIPG rebounded in the second half of the year, driving container volumes in the YRD region to increase by 0.1%.
- Container volumes for overseas subsidiaries Terminal Link, CICT and TCP all showed good growth.

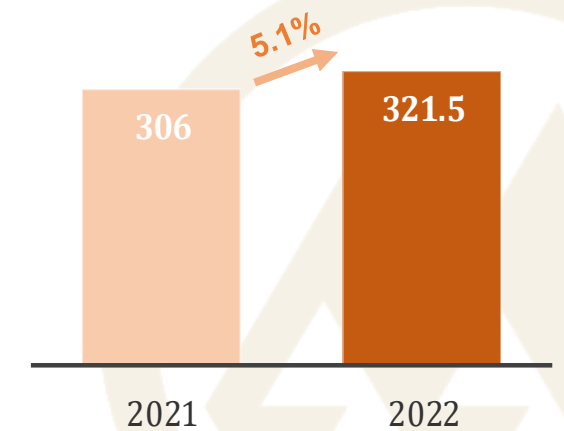
West Shenzhen Homebase Port



Container Throughput Performance per Region (10,000 TEUs)



Overseas Homebase Port

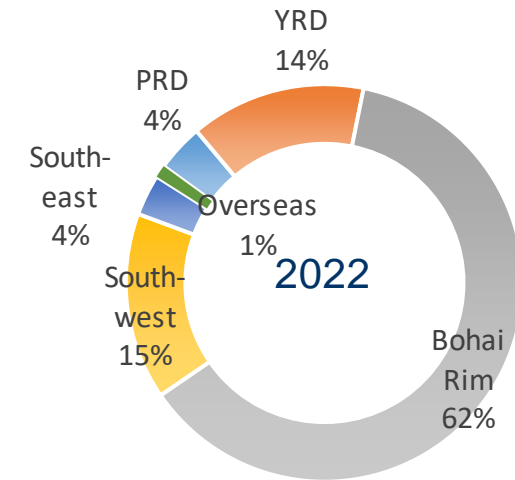




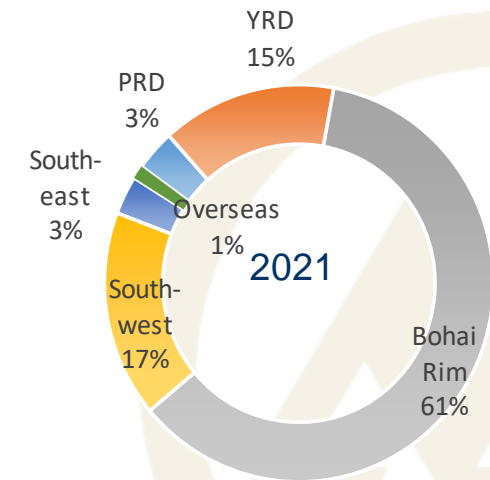
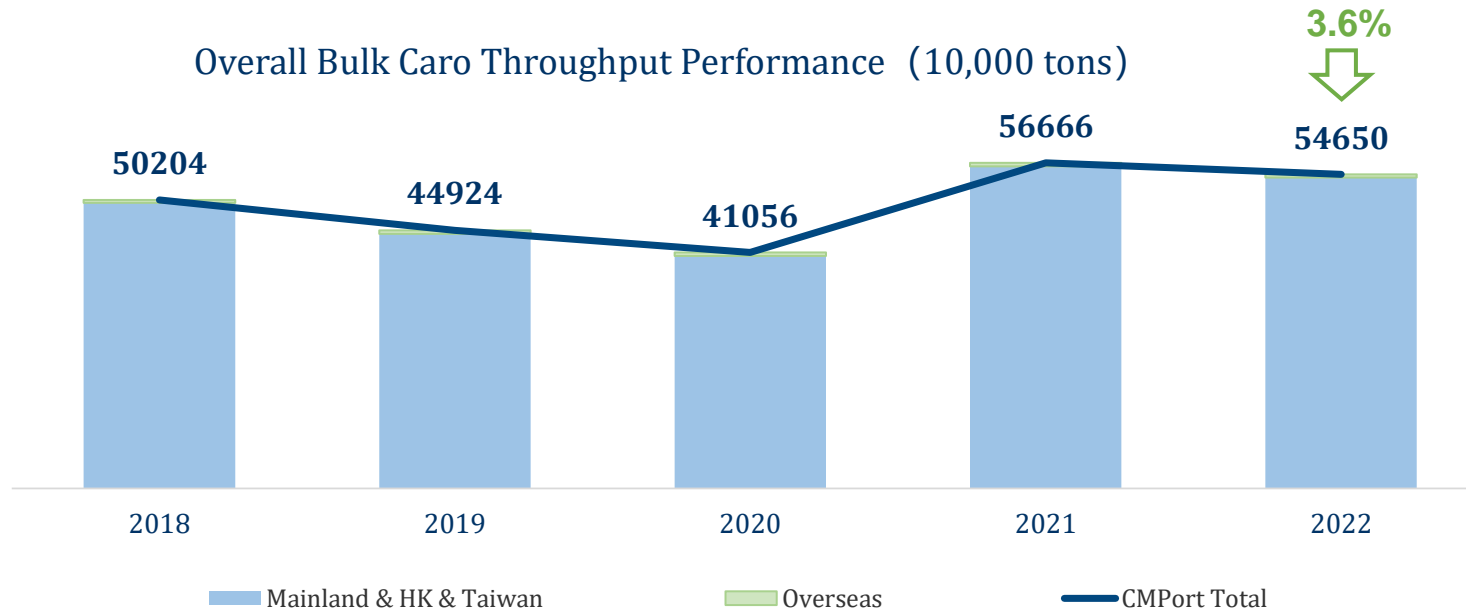
547 Million Tons of Bulk Cargo Throughput Completed in 2022



- 547 million tons of bulk cargo throughput completed in 2022, a 3.6% decrease year-on-year.
- Bulk cargo business in mainland China began to recover in the second half of 2022, down 3.5% annually; overseas volumes fell by 11.0%
- Volumes for CKRTT & Shunde Yide Port increased significantly, resulting in their proportions in the Pearl River Delta region increasing by 1 ppts.



Overall Bulk Cargo Throughput Performance (10,000 tons)

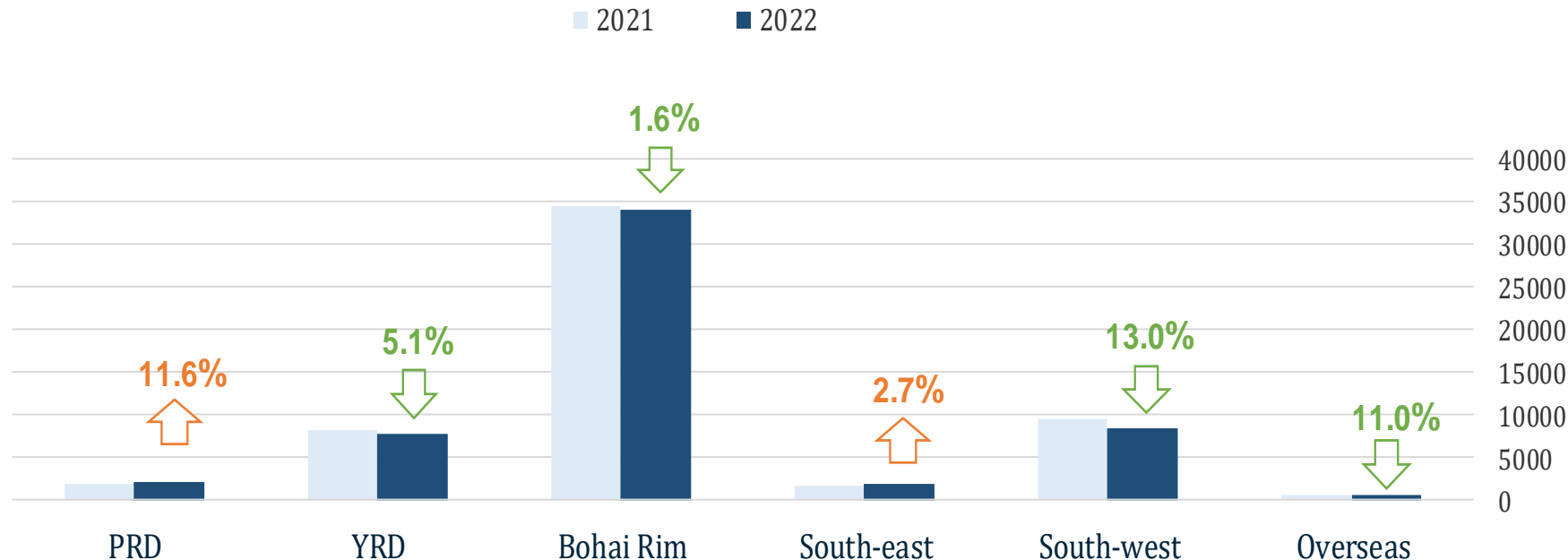




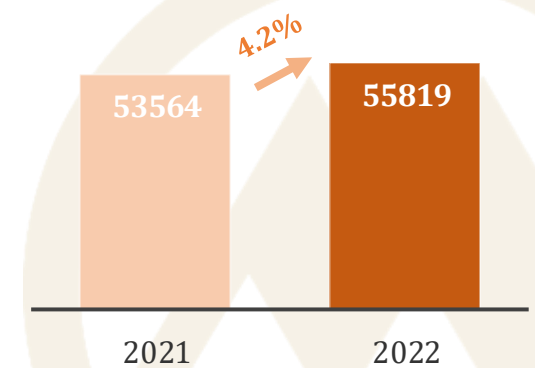
Bulk Cargo Business Growth Accelerated in Second Half of Year

- SIPG's bulk cargo business rebounded rapidly in the second half of the year, which narrowed the decline volumes in the Yangtze River Delta region.
- Zhanjiang PG, located in the southwestern region, was affected by domestic & foreign market fluctuations as well as the epidemic, and its bulk cargo throughput fell sharply.
- Regarding overseas regions: Kumport in Turkey benefited from the continuous increase in the export of construction materials and saw a 35.5% increase in volumes; HIPG was affected by the economic downturn in Sri Lanka, and its bulk cargo throughput fell sharply, but its RORO business increased by 4.2%.

Bulk Cargo Throughput Performance Per Region (10,000 tons)



HIPG RORO Volumes

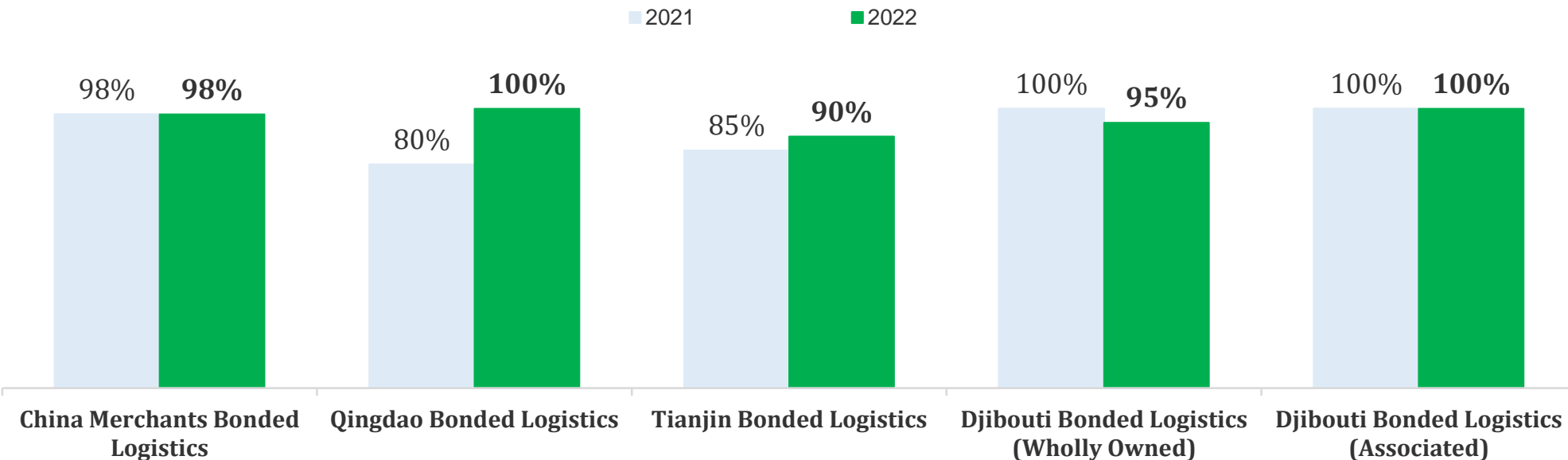




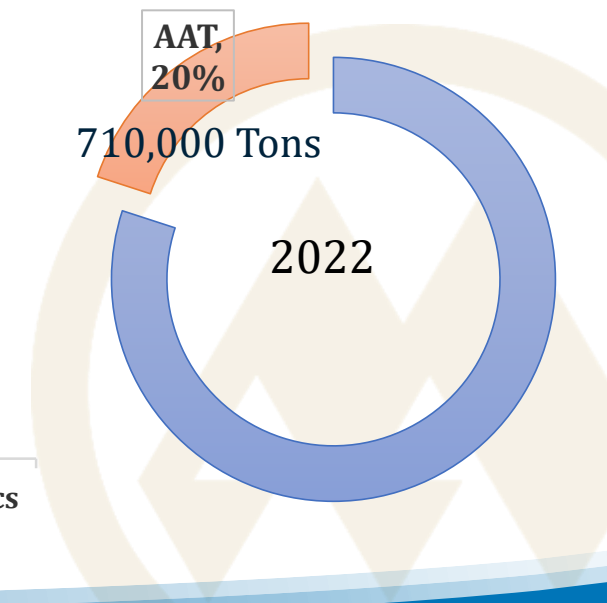
Bonded Logistics Business Maintains High Warehouse Utilization Rate

- China Merchants Bonded Logistics actively develops resources and explores service models, with an average warehouse utilization rate of 98%.
- Qingdao Bonded Logistics has stabilized its main customer base and continuously improved its service level, achieving an average warehouse utilization rate of 100%.
- The average utilization rate of bonded warehouses under Djibouti DIFTZ is 95% and the average utilization rate of associated bonded warehouses is 100%.
- AAT has completed a total cargo handling volume of 710,000 tons, with a market share of 20.0%.

Average warehouse Utilization Rates for Bonded Logistics Businesses



AAT Cargo Handling Volume





Up to 327 Contracted Enterprises

Djibouti International Free Trade Zone



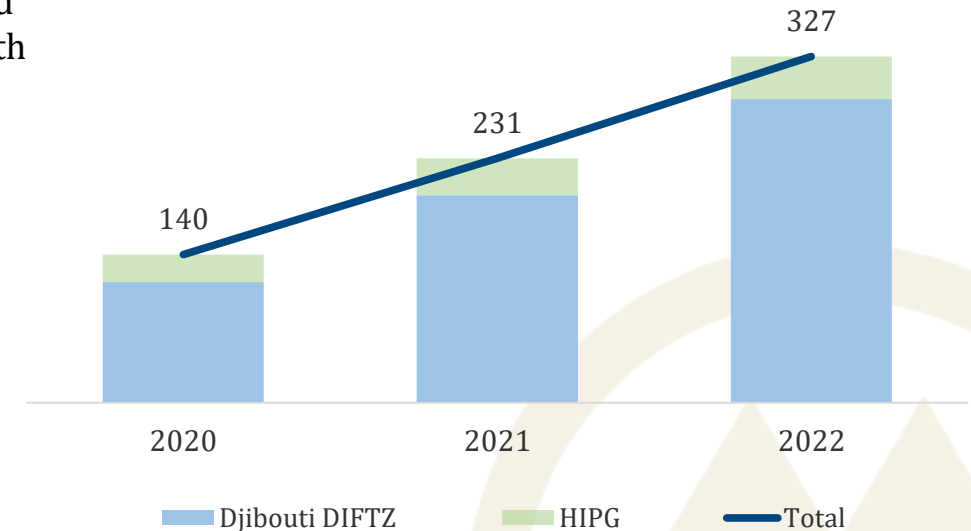
- Up to 287 Contracted Enterprises
- Established a new sea-air transportation and logistics channel between China and major African cities by collaboration with its strategic partners, which would shorten transit time and lower transportation costs

HIPG industrial zone



- Up to 40 Contracted Enterprises, including tire factories, cement plants, yacht assembly yards and other key industrial projects
- Consistently offered flexible and diversified service models to broaden the business base and improve the industrial chain of the park.

Number of Contracted Enterprises





- the Group adheres to the strategic objective of “building world-class leading ports” to further improve the comprehensive competitiveness of the West Shenzhen homebase port as a world-class leading port and continues to strengthen the integrated operation of the overseas homebase ports in Sri Lanka.

West Shenzhen Homebase Port



- Efficient Operation of Mawan Smart Port**

In 2022, the Mawan Port Zone handled 3.29 million TEUs, an increase of 26% over 2021.



- 25 coordinated ports set up in Greater Bay Area**

Services to over 4,700 import and export enterprises in the Greater Bay Area were provided & 0.26 million TEUs handled.

Building World-class Leading Ports

Overseas Homebase Ports (CICT+HIPG)

- International shipping centers in the South Asia region**

Continuously integrating the operation & management of CICT & HIPG in Sri Lanka and promoting their coordinated development

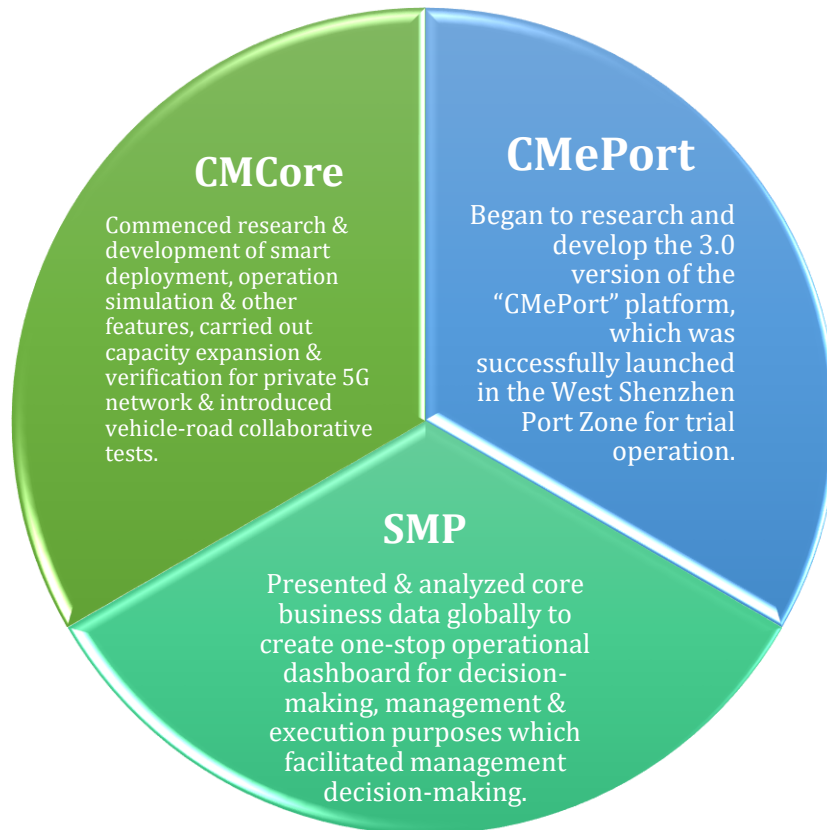


- Actively engaged in business cooperation with shipping companies**

Actively facilitating Sri Lanka homebase ports' cooperation with shipping companies to drive volumes.



- Promoting construction of “CMCore”, “CMePort” & Smart Management (“SMP”) Platforms
- Held the “Digital & Intelligent Transformation in Ports & Shipping Forum” to focus on the new development trends & explore space for industrial chain cooperation.
- Construction of Mawan Smart Port won many awards.



Mawan Smart Port

- Deepening the construction of Mawan Smart Port to help reduce operating costs and increase efficiency.
- Key technology for digitalization & intelligent transformation of container terminals recognized as a Major2022 Scientific & Technological Innovation Achievement by the Ministry of Transport of China.



Digital & Intelligent Transformation in Ports & Shipping Forum

- Gathered industry experts under the theme “New Trends & New Synergy” to share multi-dimensional wisdom & discuss win-win scenarios.





34.6%

20.0%



Increased equity interests in AAT to 34.6% which helped create synergies among the Group's terminal operation, bonded warehousing and airport businesses of Hong Kong. It also provided expansion of the Group's airport business and facilitated the development of the logistics and supply chain in the Greater Bay Area.



28.05%

26.64%



Following the acquisition of the equity interests in SIPG, the Group's shareholding percentage in SIPG went up from 26.64% to 28.05%. The acquisition allowed the Group to utilize the available funds for a return and continue to boost the profitability of its asset.



COVID Prevention



- The West Shenzhen Port Zone scientifically & accurately responded to the COVID epidemic in Shenzhen in March & achieved maximum prevention & control effect at minimal costs.
- Adhered to precise prevention & control and local emergency response, withstood multiple rounds of COVID waves, ensured the safety and stability of overall operation and protected the health of employees.

Assistance to Hong Kong



- The West Shenzhen Port Zone launched a special shipping route to Hong Kong, which guaranteed an efficient channel for goods supply in support of the fight against the pandemic. In 2022, the special shipping route to Hong Kong reached 4,051 voyages and served export laden containers of 0.20 million TEUs without waiting for berth and without backlog at container yard. The West Shenzhen Port Zone has become the port with the shortest distance and time of transport, the highest frequency of shipping and the largest transportation capacity from Shenzhen to Hong Kong.



Facilitating Sustainable Development of Both the Enterprise and Society

01

Building an enterprise of ecological green ports

Increasing energy conservation & emission reduction and expanding application of new energy-saving technologies and products.



02

Focusing on ecological protection

HIPG continues to engage with elephant protection by pushing forward the “Human-Elephant Peace” project as well as the “Save Ali Pancha” Project.



03

China Merchant Silk Road Hope Village

Created job opportunities for and improved the living environment of the locals in a bid to enhance their living standards and establish a new harmonious village with happiness.



04

Caring for employee health

Strictly complied with the local laws, regulations & standards related to health & safety issues & remedial methods and fully implemented the main responsibilities in respect of occupational health and production safety.



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Outlook

The global economy will enter a slowdown phase, the growth rate of global maritime container volumes will tend to normalize, and technological innovation and green & low-carbon transformation will bring new opportunities to ports.

Strategy

Based on the dual-wheel drive model of “endogenous growth” and “innovation & upgrade”, strive to create a comprehensive port service system with stronger innovation and higher added value.

Goals

Become a “world’s leading comprehensive port service provider with high quality” by striving to create greater value and bringing more returns to shareholders.



Global Economy Slows Down while Maritime Transport Market Capacity & Container Volumes Recover



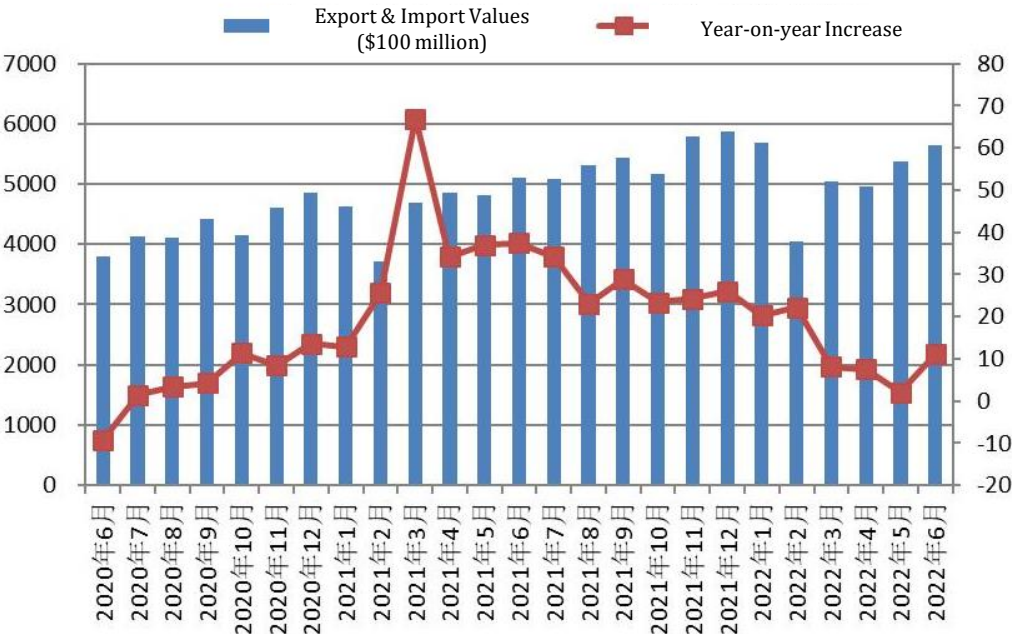
➤ Global economy will enter a slowdown phase

➤ China will make important contribution to the recovery of world economy

➤ Growth rate of global maritime container volumes will tend to normalize

➤ Technological innovation & green & low-carbon transformation will bring new opportunities to ports.

Changes in China's monthly import & export data (Ministry of Commerce)

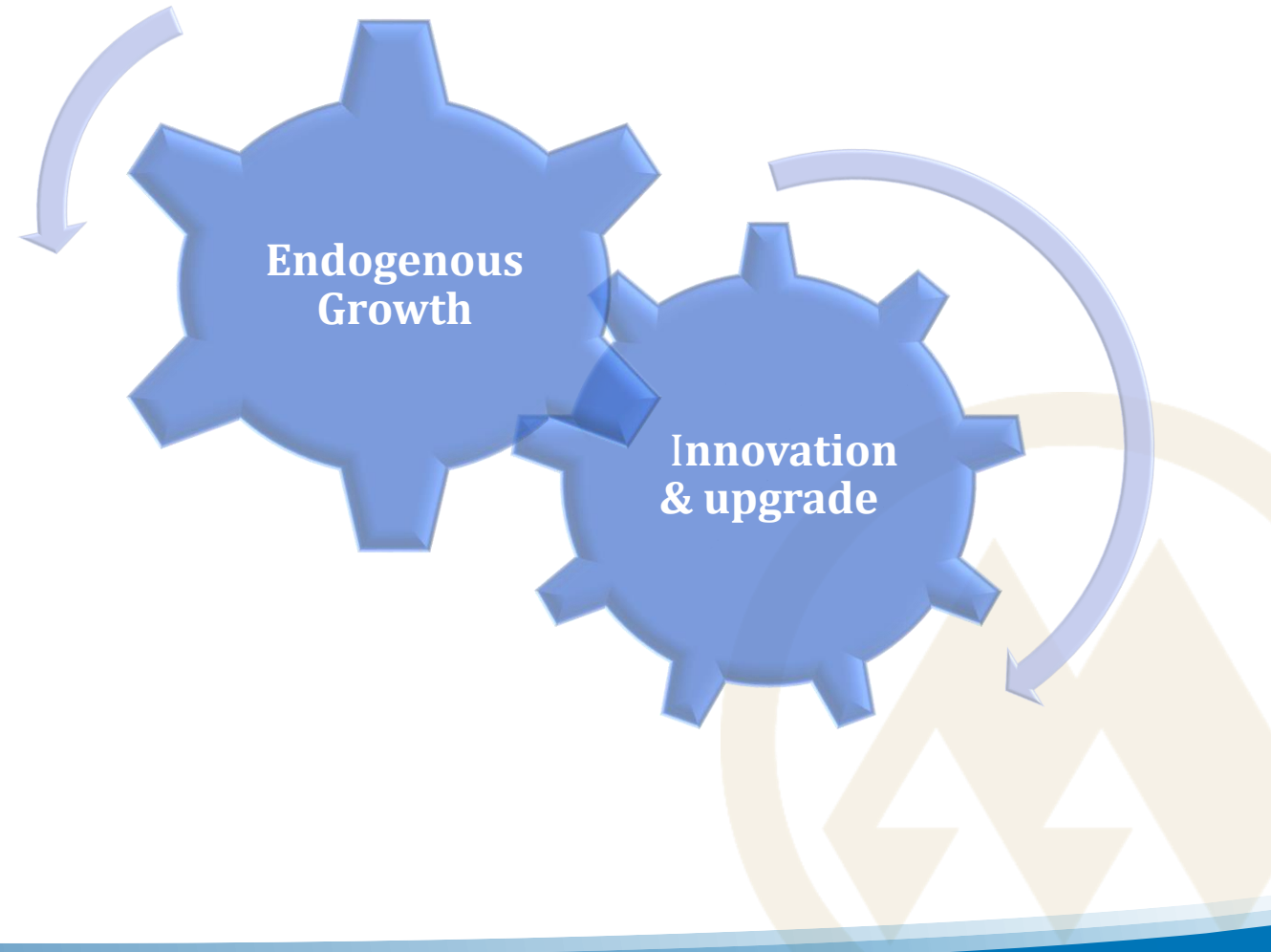


IMF World Economic Outlook Forecast (2023 January)

Country/Region	Estimated Economic Growth	Forecast Economic Growth		2023 vs 2022
	2022	2023	2024	Change
Global	3.4	2.9	3.1	-0.5
Developed Countries	2.7	1.2	1.4	-1.5
Developing Countries	3.9	4.0	4.2	0.1
China	3.0	5.2	4.5	2.2



- Pursuing the dual-wheel drive model of “endogenous growth” and “innovation and upgrade”, strive to enhance the capabilities in expanding the homebase ports, promoting innovation, optimizing operation, expanding layout plan, seeking business opportunities and preventing risks, to constantly push forward general high-quality development
- Spare no effort to set off a new development journey and improve digitalization, marketisation, internationalization, platformization and intellectualization to realize the strategic goal of becoming a “world’s leading comprehensive port service provider with high quality”





Creating a Comprehensive Port Service System with Stronger Innovation and Higher Added Value





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