



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

PRESS RELEASE

COSCO SHIPPING Ports Announces FY2019 Results

With strong financial position and sustainable cash flow

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

Hong Kong, 26 March 2020 – COSCO SHIPPING Ports Limited (“COSCO SHIPPING Ports” or “CSP” or the “Company”, SEHK: 1199), the world’s leading ports operator, today announced full year results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2019.

2019 Full-year Results Highlight

- Revenue rose by 2.7% to US\$1,027.7 million
- Gross profit reduced by 7.1% to US\$272.7 million
- Share of profits from joint ventures and associates reduced by 8.5% to US\$267.5 million
- Excluding one-off gain from QPI transactions last year and impact from the New Lease Standard :
 - Adjusted net profit rose by 8.1% to US\$350.9 million
- Declared a total dividend of US\$3.928 cents per share

OPERATIONAL REVIEW

In spite of uncertainties casted over the global trade, COSCO SHIPPING Ports continued to implement strategy effectively by leveraging on the synergistic advantages in 2019. Backed by the increased calls from the shipping alliances at the Group’s container terminals and the contributions from newly acquired terminals, total throughput of the Group grew steady.

2019 Full-year

- Total throughput increased by 5.5% to 123,784,335 TEU
- Total throughput from subsidiaries increased by 11.5% to 25,104,282 TEU
- Total equity throughput increased by 7.0% to 39,670,783 TEU



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Greater China

In 2019, total throughput of the Greater China region increased by 3.4% to 95,789,852 TEU in 2019 (2018: 92,597,126 TEU) and accounted for 77.4% of the Group's total.

Bohai Rim

Total throughput of the Bohai Rim region increased by 6.1% to 40,659,612 TEU in 2019 (2018: 38,328,815 TEU) and accounted for 32.8% of the Group's total. In particular, throughput of QPI grew by 8.7% to 21,010,000 TEU (2018: 19,320,000 TEU). During the year, repositioning of several ports by Liaoning Port Group upon its consolidation has resulted in the business diversion of domestic trade of Dalian Container Terminal and a decrease in business volume. As such, throughput of Dalian Container Terminal declined by 10.4% to 8,525,291 TEU (2018: 9,512,744 TEU).

Yangtze River Delta

During the period, total throughput of the Yangtze River Delta region increased by 2.2% to 20,238,468 TEU (2018: 19,808,646 TEU) and accounted for 16.4% of the Group's total. Throughput of Nantong Tonghai Terminal reached 1,135,840 TEU (August to December 2018: 264,255 TEU). Shanghai Pudong Terminal recorded a decrease of 2.0% in throughput to 2,550,390 TEU (2018: 2,602,151 TEU). Shanghai Mingdong Terminal recorded a decrease of 1.5% in throughput to 6,160,365 TEU (2018: 6,252,083 TEU).

Southeast Coast region and Others

Total throughput of the Southeast Coast region increased by 1.5% to 5,783,821 TEU (2018: 5,699,718 TEU) and accounted for 4.7% of the Group's total. During the year, throughput of Xiamen Ocean Gate Terminal increased by 4.7% to 2,061,341 TEU (2018: 1,968,613 TEU).

Pearl River Delta

Total throughput of the Pearl River Delta region increased by 0.3% to 27,469,330 TEU (2018: 27,388,896 TEU) and accounted for 22.2% of the Group's total. Benefitting from the support of shipping alliances, throughput of Guangzhou South China Oceangate Terminal increased by 8.9% to 5,624,830 TEU (2018: 5,164,923 TEU).

Southwest Coast

Total throughput of the Southwest Coast region increased by 19.5% to 1,638,621 TEU (2018: 1,371,051 TEU) and accounted for 1.3% of the Group's total.



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Overseas

Total throughput of overseas portfolio increased by 13.0% to 27,994,483 TEU (2018: 24,768,234 TEU) and accounted for 22.6% of the Group's total. Supported by increased calls from the OCEAN Alliance and THE Alliance, throughput of Piraeus Terminal increased by 17.0% to 5,158,626 TEU (2018: 4,409,205 TEU). With two new berths added in January 2019 in response to increasing regional demand, throughput of COSCO-PSA Terminal remain stable and increased by 56.7% to 5,011,091 TEU (2018: 3,198,874 TEU). Throughput of CSP Spain Group remain stable and slightly decreased by 1.0% to 3,585,276 TEU (2018: 3,622,200 TEU).

Outlook

2020 is full of challenges and opportunities. Novel Coronavirus Pneumonia spreads across the world, it is expected to hit global economy. Despite the uncertain outlook, however, the Group's strong EBITDA, cash on hand as well as cash received from the disposals so far this year could assure us to maintain our financial stability and sustainability. Meanwhile, the Group sees coronavirus epidemic in China has now been under control and factories have started to resume operation since late February. The Group is well prepared to grasp the opportunities arising from the pent-up demand as a result of the global restocking.

COSCO SHIPPING Ports, as one of the world's largest ports operators, will continue to cooperate with major shipping companies and ports companies to keep boosting throughput. The Company will remain committed to building its global terminal network and searching for opportunities to acquire overseas terminals in line with the Board's established plan, so as to provide more efficient and comprehensive services to meet the needs of the shipping alliances.

COSCO SHIPPING Ports continues to improve operation and management capabilities, enhance customer services experience, and gradually deploy the Navis N4 system to its terminals in the future. In 2019, the Company actively provided training sessions for its internal staff for the application of the Navis N4 operating system. At present, CSP Zeebrugge Terminal and Lianyungang New Oriental Terminal have successfully launched the Navis N4 system, which further strengthens the efficiency of terminal operations and enhance cost saving effects.

COSCO SHIPPING Ports will continue to speed up the terminal extension business. On 3 April 2019, the Group signed an investment agreement with Guangzhou Nansha Economic and Technology Development Zone Commercial Bureau to invest in the supply chain base project of COSCO SHIPPING Ports in Nansha District, Guangzhou, with a view to build up a port supply chain platform, develop mid to high-end warehousing and related businesses, and extend to upstream and downstream industries. Looking ahead, apart from Guangzhou, the Company will develop its terminal extended business to Abu Dhabi, Nantong,



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Xiamen, Wuhan and other regions to further improve its profitability.

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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, Europe, the Mediterranean and the Black Sea. As at 31 December 2019, CSP operated and managed 290 berths at 36 ports worldwide, of which 197 were for containers, with a combined annual handling capacity of 113 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 2019 Full year Results Announcement.

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COSCO SHIPPING Ports Limited

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