



招商局港口控股有限公司
CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED

2022 Interim Results Press Conference

2022.08.30



招商局港口上市30周年
香港联交所股份代码:00144



C O N T E N T S

1

Financial Overview

2

Operation Overview

3

Outlook and Strategy

Financial Overview



Highlight 1

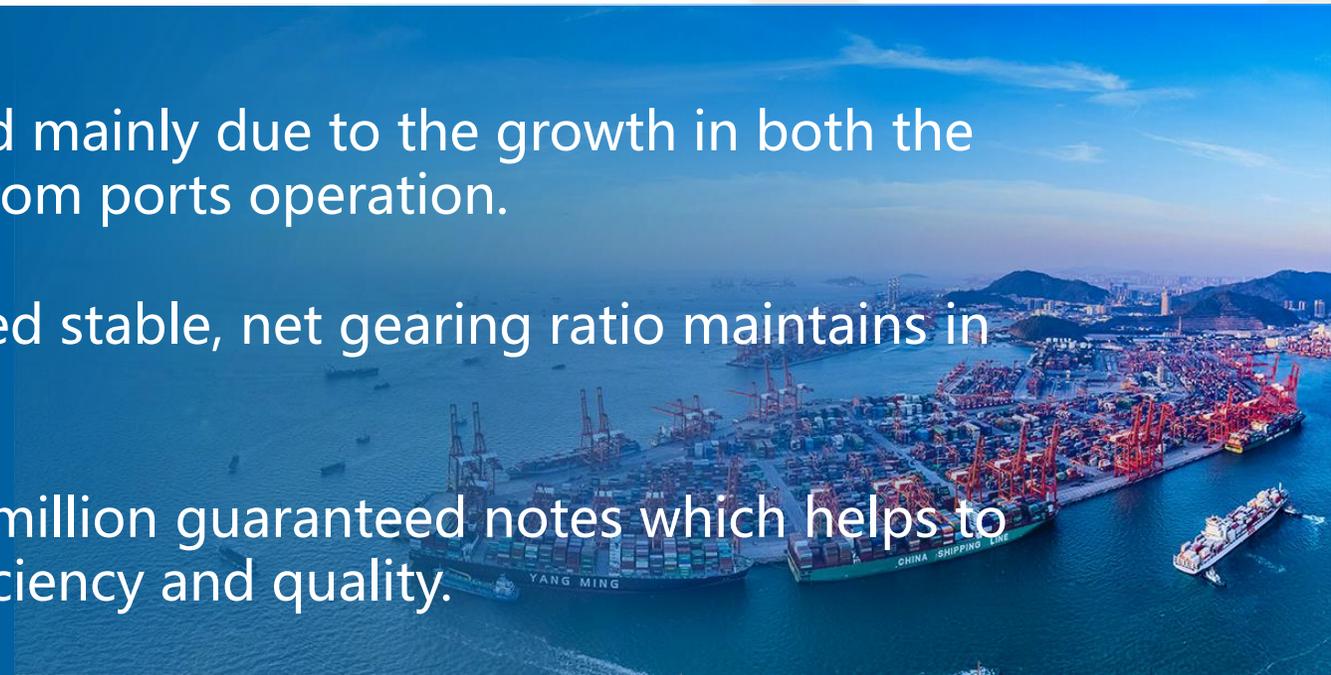
Revenue and profit increased mainly due to the growth in both the business volume and tariff from ports operation.

Highlight 2

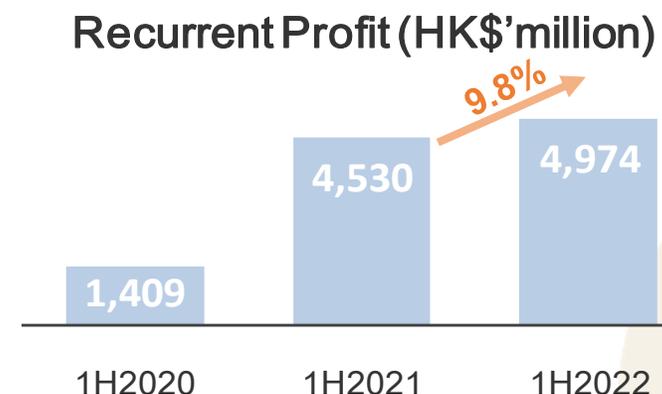
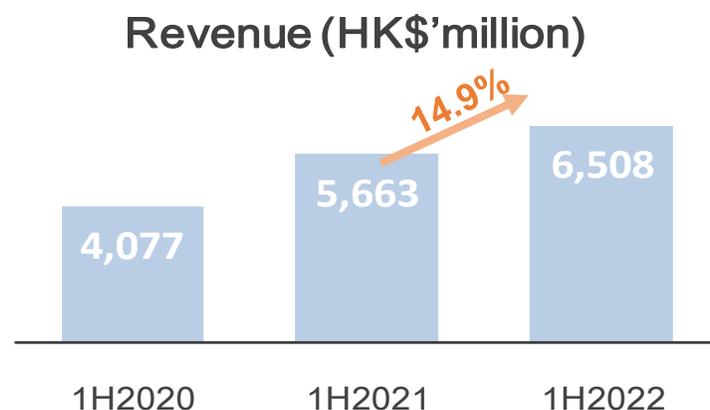
Assets and liabilities remained stable, net gearing ratio maintains in healthy level.

Highlight 3

Successfully issued US\$500 million guaranteed notes which helps to enhance the Company's efficiency and quality.



Items	1H2022 (HK\$'million)	1H2021 (HK\$'million)	Y-o-Y Change
Revenue	6,508	5,663	14.9%
Profit attributable to equity holders of the Company	4,825	4,711	2.4%
Recurrent profit ¹	4,974	4,530	9.8%
Basic EPS (HK cents)	127.48	128.67	-0.9%
Interim dividend per ordinary share (HK cents)	22.00	22.00	Flat

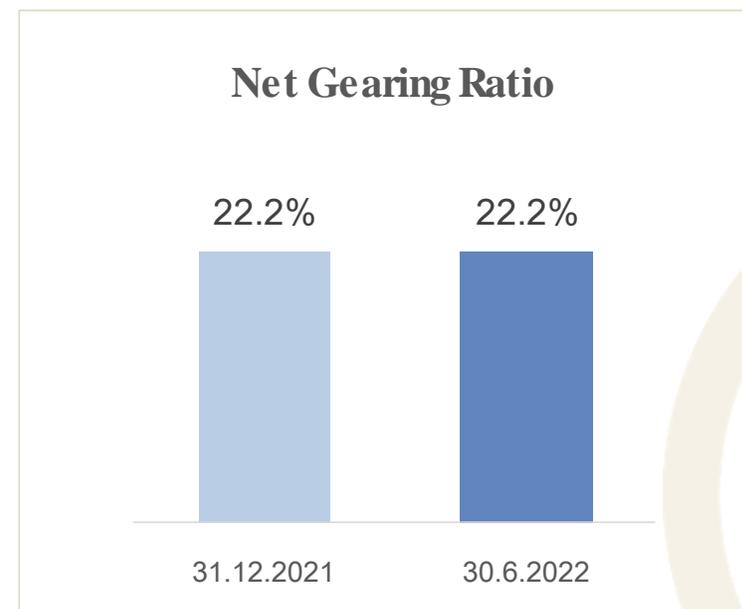
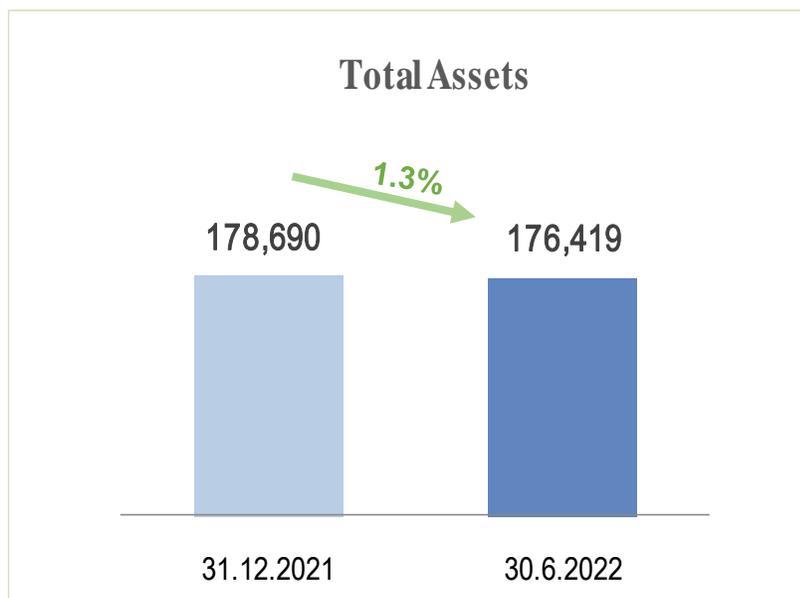


Note¹ Profit attributable to equity holders of the Company net of non-recurrent losses/gains after tax. Non-recurrent losses/gains include: for the first half of 2022, net changes in fair value of financial assets at fair value through profit or loss, net changes in fair value of investment properties and loss on deemed disposal of partial interest in an associate; while for the first half of 2021, net changes in fair value of financial assets and liabilities at fair value through profit or loss, net changes in fair value of investment properties, gain on deemed disposal of a subsidiary and gain on deemed disposal of partial interest in an associate.



Financial Position

Items	30 June 2022 (HK\$'million)	31 Dec 2021 (HK\$'million)	Change
Total assets	176,419	178,690	-1.3%
Net assets attributable to equity holders of the company	96,640	98,262	-1.7%
Interest-bearing debts (including lease liabilities)	36,103	37,708	-4.3%
Net gearing ratio ²	22.2%	22.2%	持平



Note² Net interest-bearing debts and lease liabilities divided by total equity.

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Achieved steady growth in the container business at the West Shenzhen homebase port and its efforts in technology empowerment met initial success amidst the recurrence of the pandemic tariff of ports operation.

Highlight 2

Ensure stable and smooth ports operation of the cargo transportation and logistics supply chain and actively provided supplies and assistance to Hong Kong in support of the fight against COVID-19.

Highlight 3

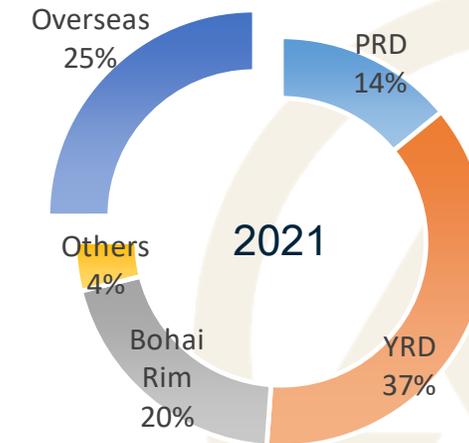
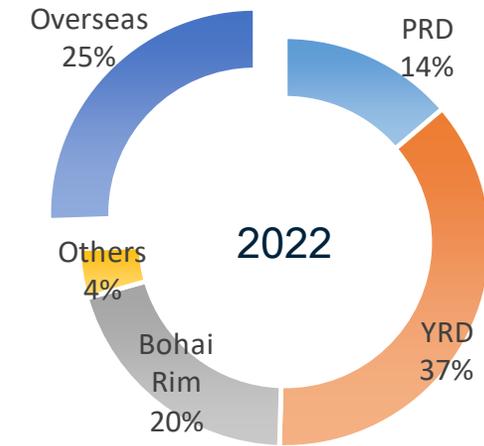
Devoted substantial efforts to smart port construction, while “Mawan Smart Port” showed substantial achievements and “CMCore” launched in Europe.



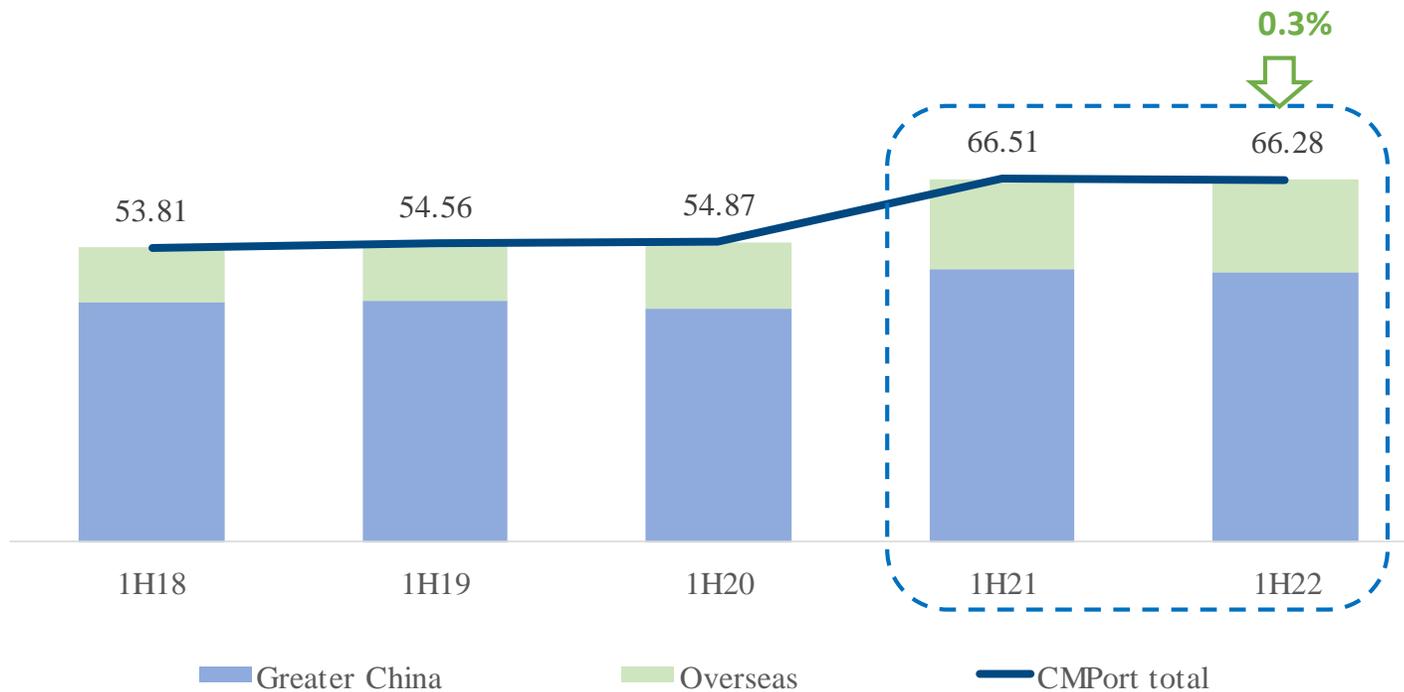


Business Analysis – Container Operation

- Container throughput reached 66.28m TEUs in 1H2022.
- Greater China decreased by 1.0% due to Pandemic, overseas increased by 1.5% with the contribution of consolidated terminals.
- Business proportion of regions remains stable.

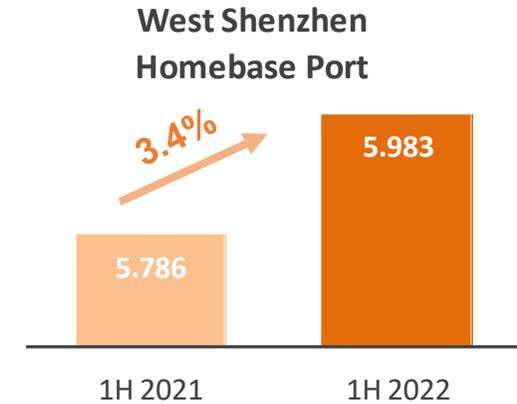


Container Throughput (Million TEUs)

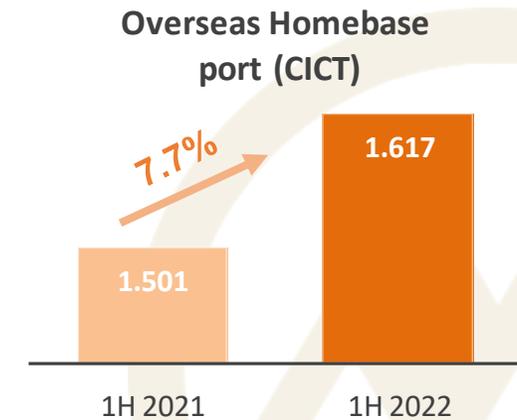
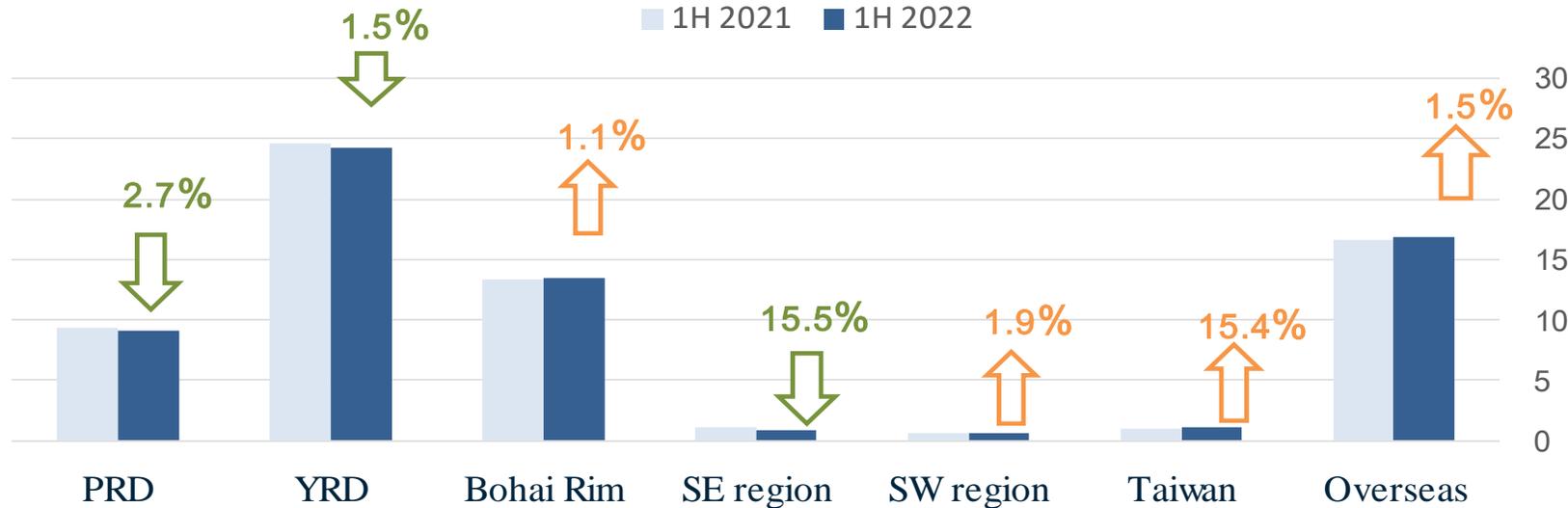


Business Analysis – Container Operation

- Homebase ports performed well with WSZ recorded 3.4% growth and CICT recorded 7.7% growth.
- Business volume in PRD dropped by 2.7% due to the pandemic in HK.
- Business volume in YRD dropped by 1.5% due to the pandemic in Shanghai.
- Terminal Link and overseas consolidated terminals contributed to the overall growth in Overseas business.



Container Throughput by Regions (Million TEUs)

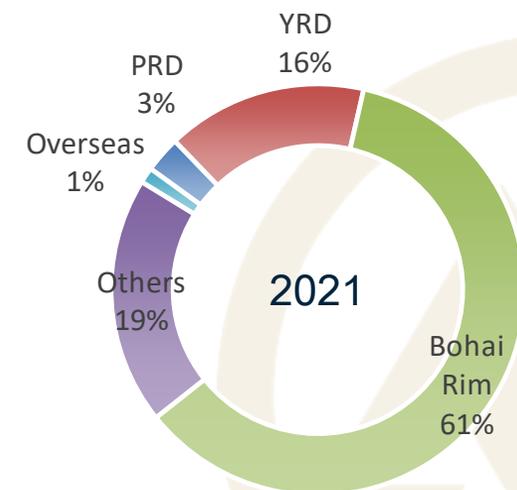
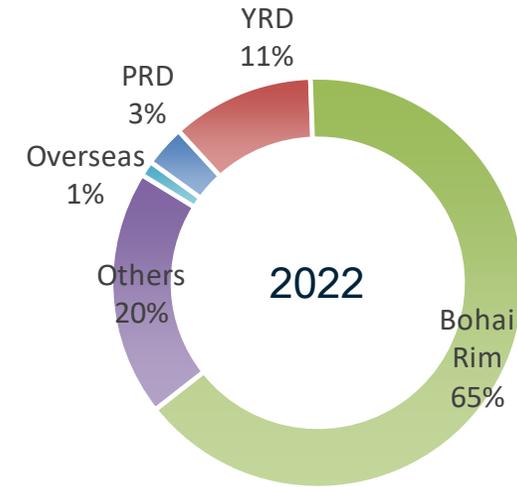
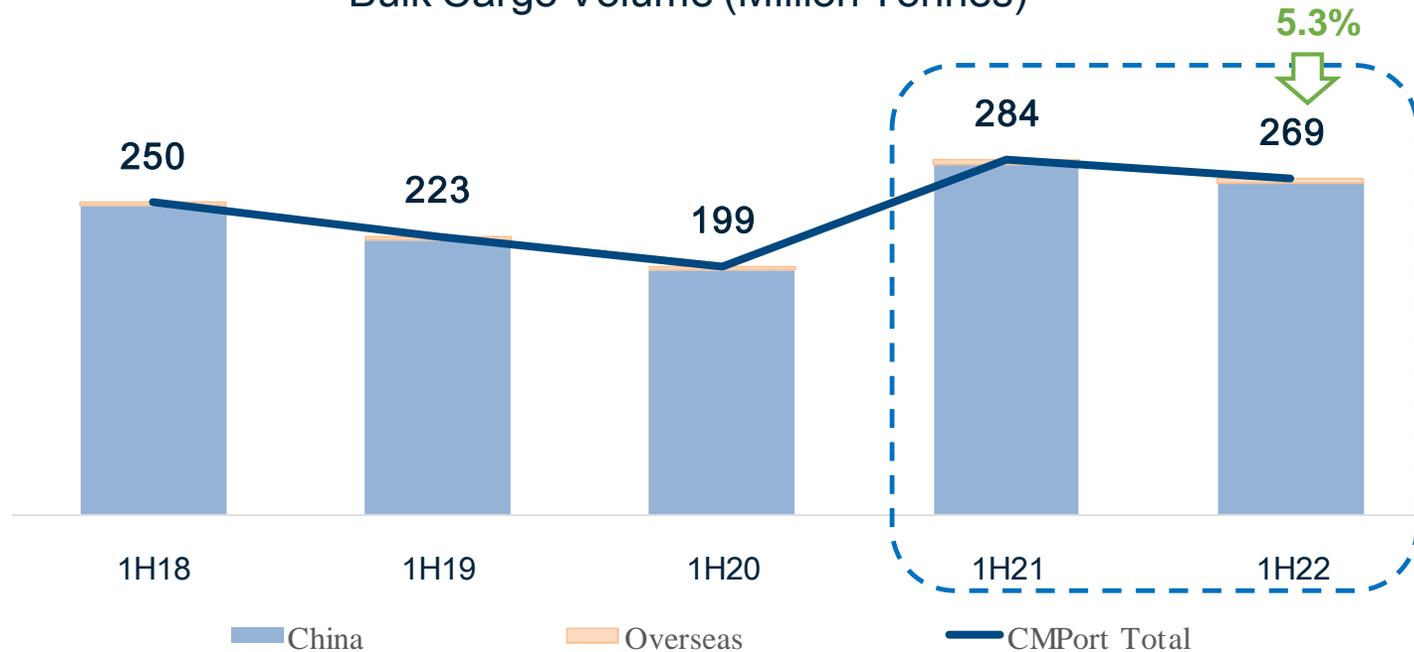




Business Analysis – Bulk Cargo Operation

- CMPort handled a total bulk cargo volume of 269m tonnes in 1H2022.
- Bulk cargo volume in China dropped by 5.2% due to the impact of the unstable pandemic situation in various regions.
- The proportionate business volume dropped by 5ppts in YRD due to the pandemic in Shanghai.

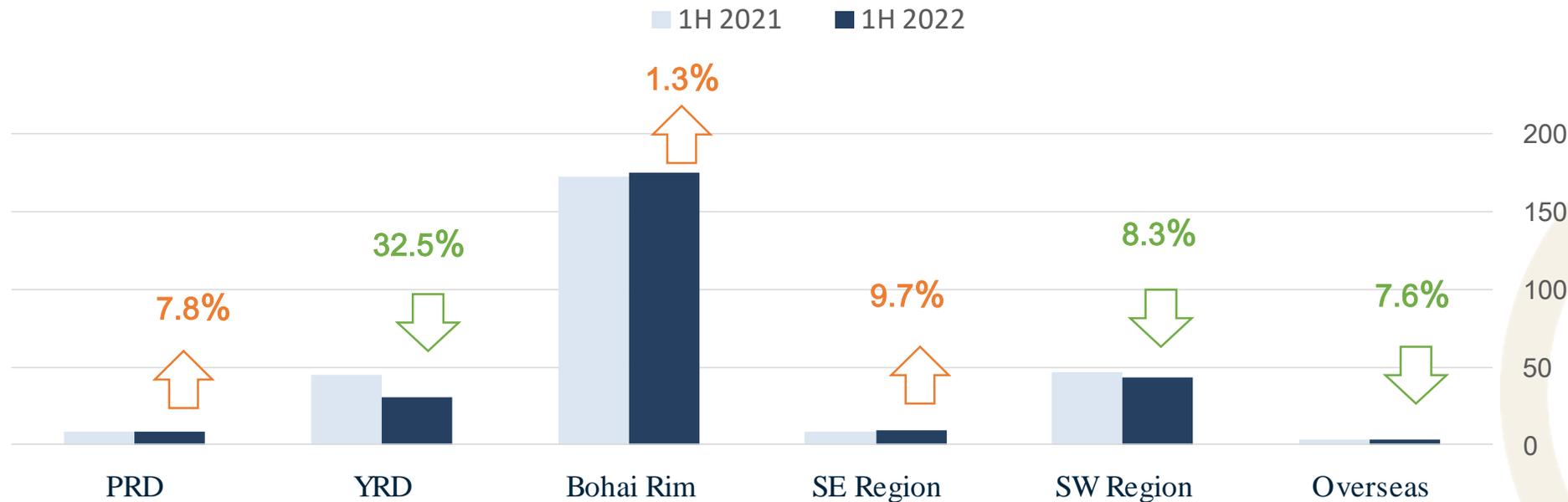
Bulk Cargo Volume (Million Tonnes)





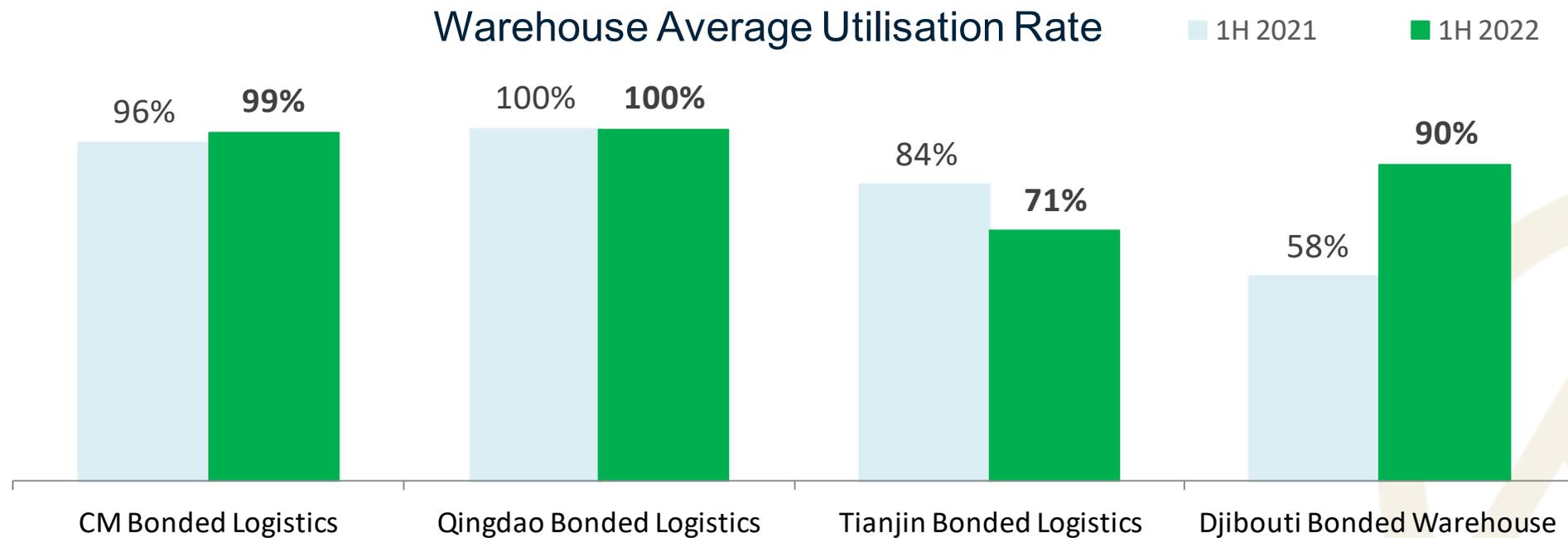
- Bulk cargo volume in PRD rose by 7.8% mainly contributed by the growth in Shunde Yide port and CKRTT.
- Bulk cargo volume in YRD dropped significantly due to the pandemic in Shanghai.
- Bulk cargo volume in Southeast Region rose by 9.7% mainly attributable to the newly added production capacity of sandstone processing enterprises in the hinterland of Zhangzhou Terminal.
- Bulk cargo volume dropped in overseas projects due to the weak economic growth from the hinterland of Djibouti and the fluctuations of exchange rate in Turkey.

Bulk Cargo Volume by Regions (Million Tonnes)





- The average utilisation rate of the warehouses of China Merchants Bonded Logistics Co., Ltd. in Shenzhen reached 99%, as a result of active exploration of new clients and business models.
- China Merchants International Terminal (Qingdao) Co., Ltd. fully utilised its resources to develop the self-operated business and its average utilisation rate of the warehouses reached 100%.
- In the Djibouti International Free Trade Zone, the average utilisation rate of the bonded warehouse increased significantly to 90%.





Contracted enterprises reached **274**,
+43 compared to beginning of the year



Djibouti International Free Trade Zone

- 237 contracted enterprises
- Partnered with Liaocheng in Shandong to establish the Djibouti Liaocheng Product Distribution Centre to support the steady growth in foreign trade business of domestic enterprises.



Sri Lanka HIPG industrial zone

- 37 contracted enterprises
- Secured the project with INSEE, which was the largest cement manufacturer of Sri Lanka in terms of production scale.
- Cylon Tire factory increased 68,000sqm of land rental for 2nd phase construction.

- ENHANCED OVERALL COMPETITIVENESS OF WEST SHENZHEN HOMEBASE PORT AS A WORLD-CLASS PORT, WHICH HAS ACHIEVED STEADY GROWTH IN THE CONTAINER BUSINESS AND ITS EFFORTS IN TECHNOLOGY EMPOWERMENT MET INITIAL SUCCESS AMIDST THE RECURRENCE OF THE PANDEMIC IN THE FIRST HALF OF 2022.

Substantial Achievements in Mawan Smart Port



In the first year of operation, the Mawan Smart Port received 3,710 vessels, and its container throughput reached 1 million TEUs with 28 new shipping routes.

Global Fruit & Vegetables Inbound Digital Trade Center

Offer efficient, convenient and standardised platform services throughout the whole process of online transactions for fruit and vegetable customers at the port, which continuously facilitated its development into the largest gateway port for fruit in Southern China.



**Building
world-class
leading ports**

Optimised shipping route network



15 new routes were added compared with the same period of last year, the business structure of the terminals were further optimised.

Launched 20 Coordinated Ports in GBA

CMPort set up 20 coordinated ports serving 3,363 import and export enterprises in the Greater Bay Area, and the business volume exceeded 100,000 TEUs in 1H 2022.





Pandemic Prevention and Control



- West Shenzhen homebase port responded to the COVID-19 outbreak with scientific and targeted measures , and was able to resume shortly.
- Ensure stable and smooth ports operation of the cargo transportation and logistics supply chain.

Support for Hong Kong



- Opened up the waterway supply from PRD to HK to alleviate the impact of blockage of land cross-border trailer due to the pandemic in HK.
- In 1H 2022, a total number of 1,717voyages were sailed with 100,00TEUs of laden boxes were exported, accounting for 57% of the total waterway cargo volume from Shenzhen to HK.



Operation Overview – Overseas homebase port development & Capital Operation

Overseas Homebase Port Development



- Strengthen the position of the overseas homebase port in Sri Lanka as the key hub in South Asia.
- Continuously upgrade the integrated operation and management of HIPG and CICT, thereby strengthening their regional competitiveness and influence in all respects.

Improved asset structure



- Completed the acquisition of 14.6% equity interests in AAT to 34.6%.
- Acquired an aggregate of 329 million shares of SIPG. Up to 30 June 2022, the Group's shareholding percentage in SIPG went up from 26.64% to 28.05%.

- TAKING INTO ACCOUNT THE DEVELOPMENT NEEDS OF THE INDUSTRY AND THE TREND OF TECHNOLOGICAL ADVANCEMENT, CMPORT PROMOTED THE DIGITALISATION TRANSFORMATION AND SMART UPGRADE OF PORTS THROUGH THE “CMCORE” AND “CM ePORT”

CMCore

CM ePort

Smart Management System



The “CMCore” was fully adopted at CMPort's domestic and overseas consolidated terminals, of which the Container Terminal Operation System CTOS system successfully launched at the Thessaloniki Port in Greece.



The pilot program of “CM ePort” in the West Shenzhen homebase port aims to explore new service models for cargo owners by the online platform of container truck assistant service.



The SMP platform which combined the management systems for the business process and information sharing module to form an integrated platform covering the whole process, all scenarios and entire system of the business.

01

Strengthen environmental management

Continuously enhancing the top level design of the overall strategies and the development of the organisational leadership system.



03

China Merchants Silk Road Hope Village

Jointly promoted by CICT and HIPG. Against the economic crisis and social unrest in Sri Lanka, materials, technology know-how and hope were delivered to the locals.



02

Promotion of clean and low-carbon energy

Expanding the use of clean energy and development of low-carbon technologies, continued to promote innovative energy-saving technologies and products.



04

Human–Elephant Peace Fund

Jointly promoted by HIPG and Sri Lanka Government and was officially launched in June. Aiming to optimize the ecological environment, human environment and business environment of the region.



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Outlook

Uncertainties in global economy and trade will remain, but the global economy and trade is expected to recover with growth momentum in the second half of 2022, which will present opportunities for the growth of ports operation.

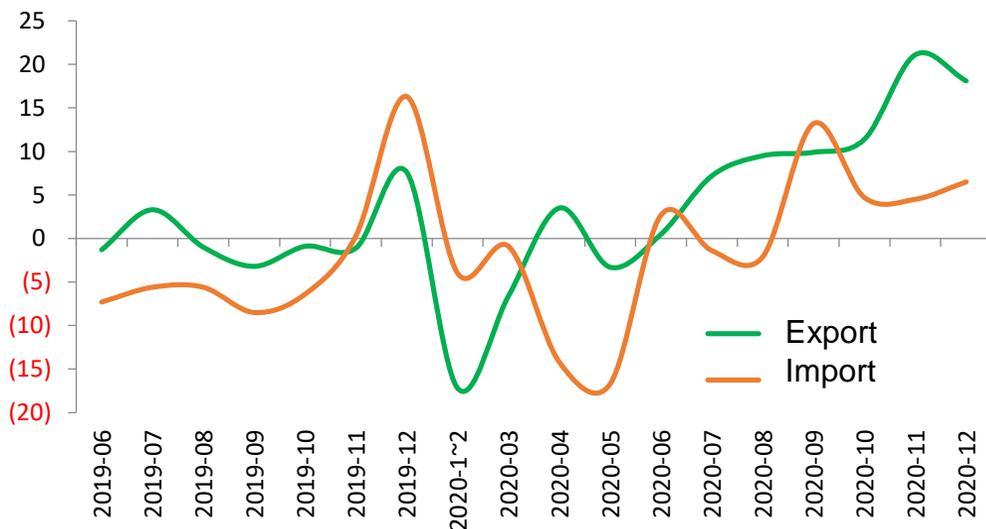
Strategy

Driven by the principles of “endogenous growth” and “innovation and transformation”, the Group will steadily promote the world-class construction projects with high quality and strengthen the comprehensive service capabilities of supply chain.

Goals

Strive to realise its strategic goal of becoming a “world's leading comprehensive port service provider” with high quality to maximise the interests of our shareholders.

- ◆ The COVID-19 pandemic and international environment will tend to be more critical and complex.
- ◆ Global economy and trade is expected to improve but uncertainty remains.
- ◆ China will further accelerate the building of the new development paradigm featuring “dual circulation”.
- ◆ Emerging digitalisation technologies will also pave a new development path for the Group to build world-class ports.



IMF World Economic Outlook (2022 July)

Country/Region	Actual Economic Growth		Forecast Economic Growth		2023 vs 2022 Change
	2021	2022	2023		
Global	6.1	3.2	2.9	-0.3	
Developed Countries	5.2	2.3	1.0	-1.3	
Developing Countries	6.8	3.6	3.9	-0.3	
China	8.1	3.3	4.6	1.3	



Endogenous Growth

Continuously improve the logistics infrastructure and branch network, and build a port comprehensive service system that serves “North-South corresponds” and “East-West connection” .

**Becoming a
“world's leading
comprehensive port
service provider”
with high quality**

Innovation and Transformation

Accelerate towards innovation and transformation, focusing on the main port business, developing comprehensive services, and exploring new high-growth tracks and industries.



Goal – High quality world-class construction

