

2023 Interim Results Press Conference

2023.8

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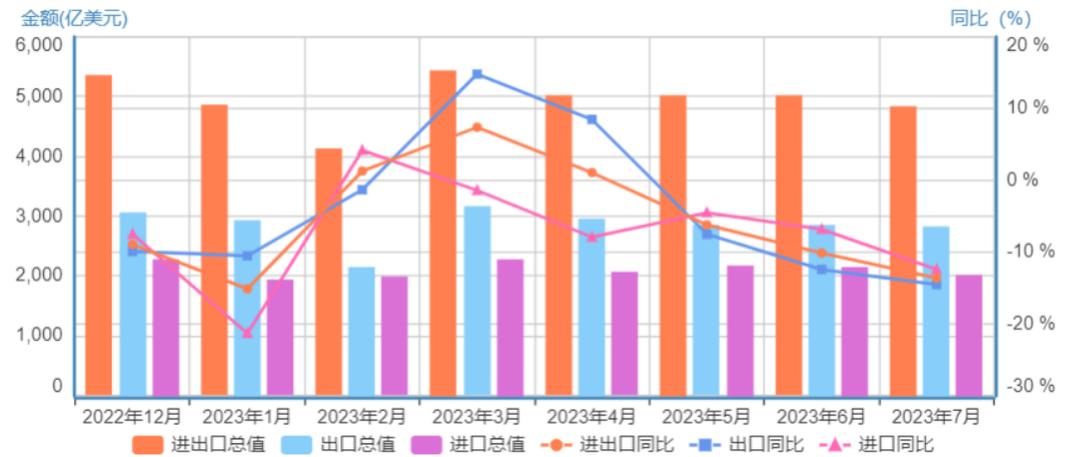
Global Economic Uncertainty Increases

China's Economic Performance Shows Overall Recovery and Positive Momentum

Latest IMF World Economic Outlook Forecast (July 2023)

Country /Region	Estimated Economic Growth Rate	Economic Growth Forecast		2024 vs 2023
	2022	2023	2024	Growth Rate Change
Global	3.5	3.0	3.0	Unchanged
Developed Countries	2.7	1.5	1.4	-0.1
Developing Countries	4.0	4.0	4.1	+0.1
China	3.0	5.2	4.5	-0.7

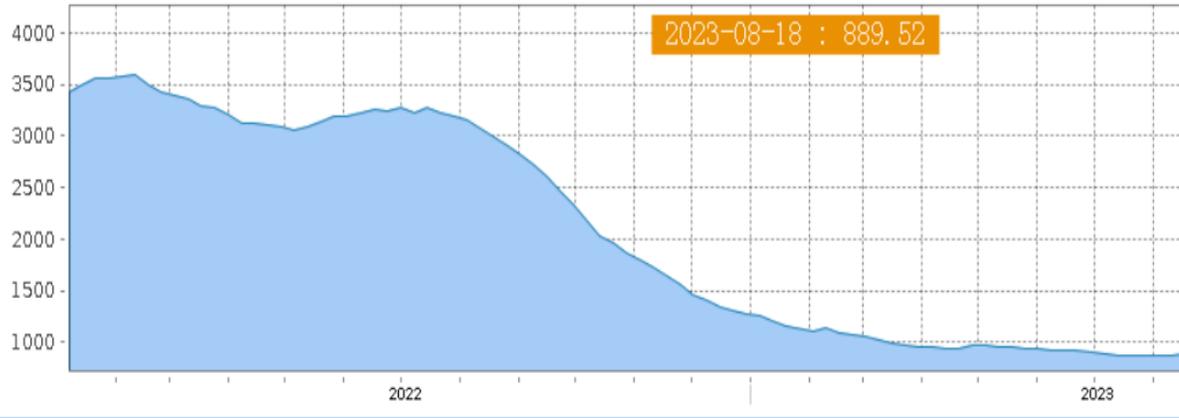
China's Monthly Import and Export Statistics



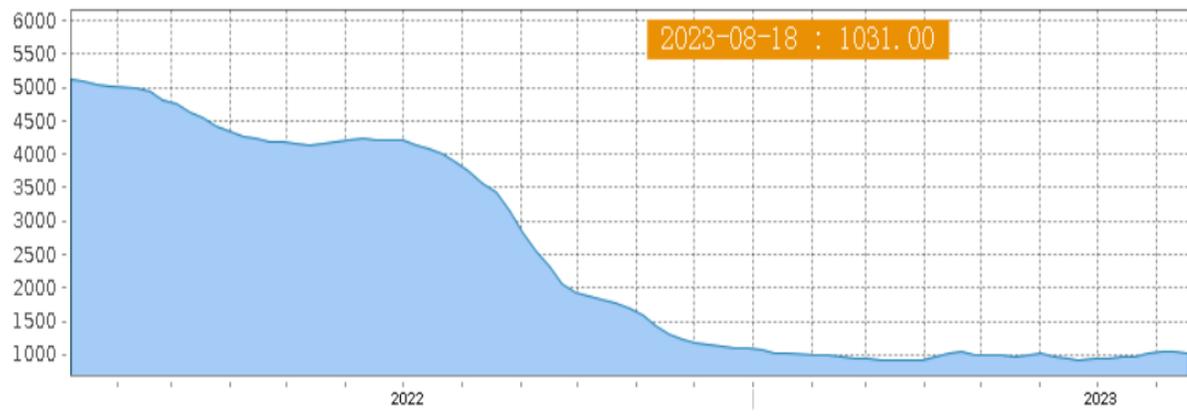
Information Source: Ministry of Commerce

Significant Adjustment in Shipping Routes Overall Growth of the Global Port Industry Slows Down

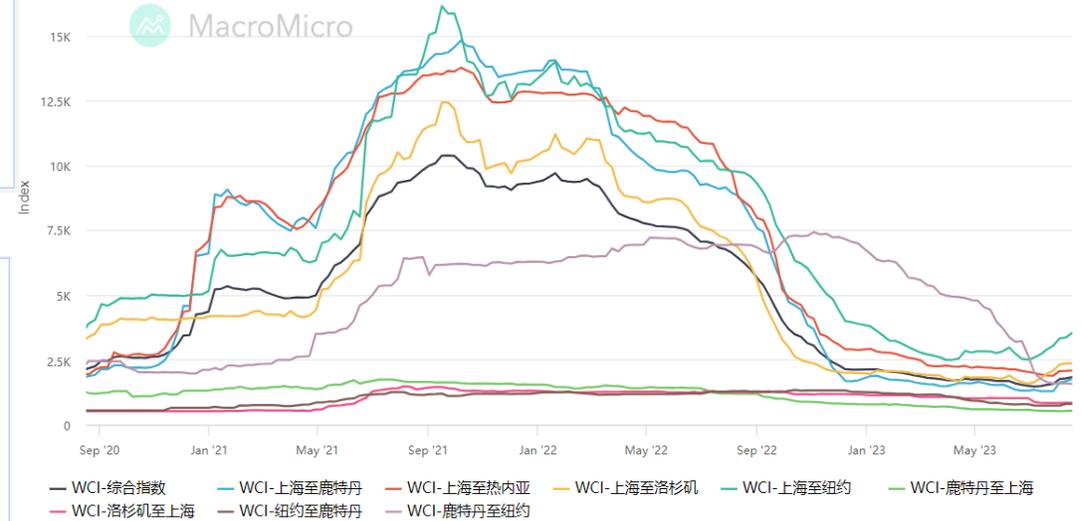
China Export Container Freight Rate Index



Shanghai Export Container Freight Rate Index



Global - Drewry World Container Index [WCI]



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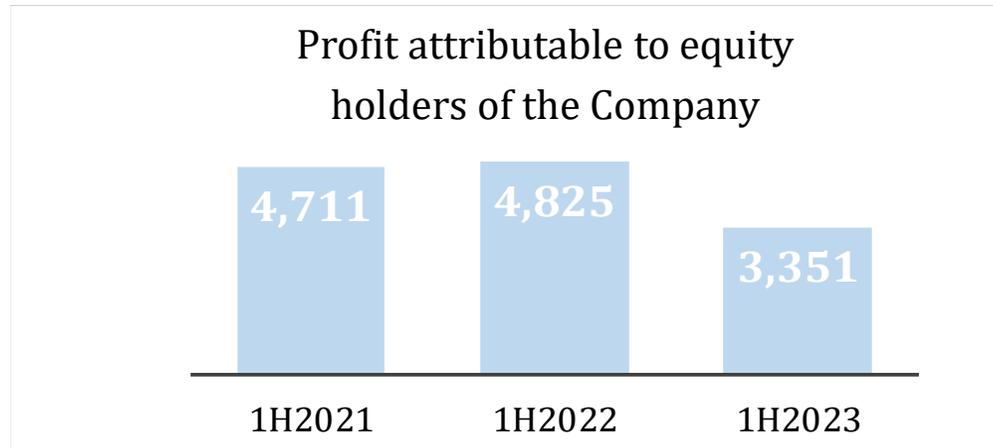
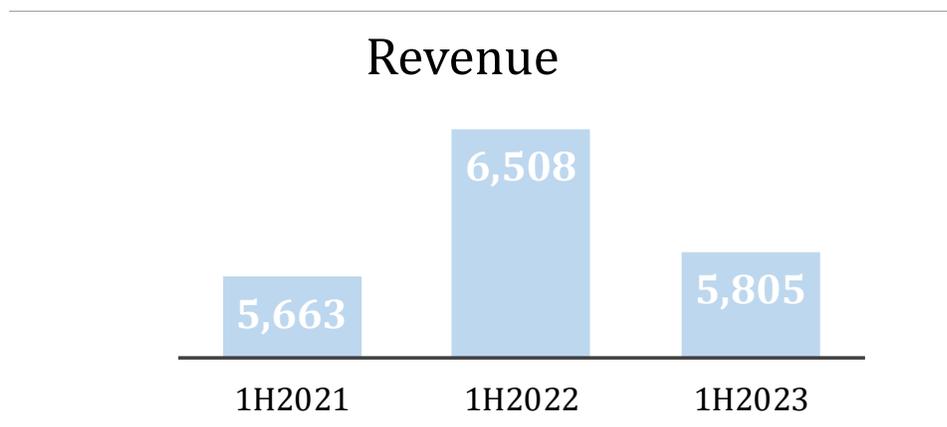
Financial Performance

Under the dual impact of the depreciation of the Renminbi leading to translation effects and the decline in Mainland China's port business volume, both revenue and profits have decreased year-on-year.

Asset position remains sound, and the net gearing ratio maintains a healthy level.

1H 2023 Revenue and Profits Affected by Exchange Rates and Decline in Mainland China Business Volume

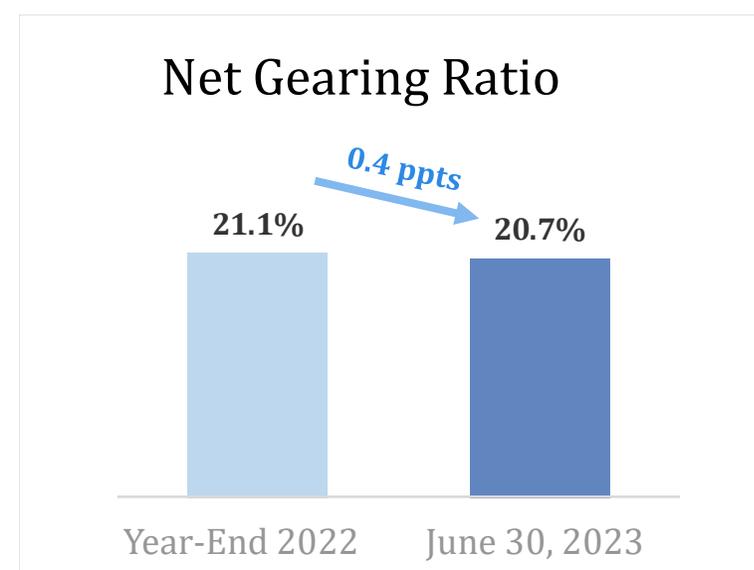
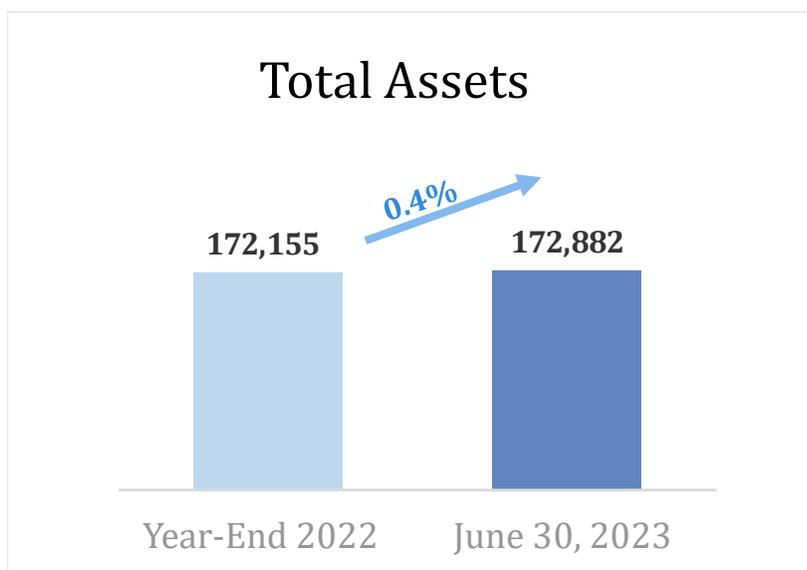
Item	First Half of 2023 (HKD Million)	First Half of 2022 (HKD Million)	Year-on-Year Change
Revenue	5,805	6,508	-10.8%
Profit attributable to equity holders of the Company	3,351	4,825	-30.5%
Recurrent profit ¹	3,325	4,974	-33.2%
Basic earnings per share (HK cents)	83.69	127.48	-34.4%
Interim dividend per ordinary share (HK cents)	22.00	22.00	Unchanged



Note 1: 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 2023, net change in fair value of financial assets at fair value through profit or loss and net change in fair value of investment properties; while for the first half of 2022, net change in fair value of financial assets at fair value through profit or loss, net change in fair value of investment properties and loss on deemed disposal of partial interest in an associate.

Asset Position Remains Sound|Net Gearing Ratio Maintains a Healthy Level

Item	June 30, 2023 (HKD Million)	December 31, 2022 (HKD Million)	Change
Total Assets	172,882	172,155	0.4%
Net Assets Attributable to Equity Holders of Company	96,357	96,969	-0.6%
Interest-Bearing Debts	33,768	35,479	-4.8%
Net Gearing Ratio ²	20.7%	21.1%	-0.4ppts



Note 2 Net interest-bearing debts and lease liabilities divided by total equity.

Operational Performance

Highlight One: Container and bulk Cargo throughput shows steady growth, with further increase in market share for domestic and overseas homebase ports, as well as TCP in Brazil.

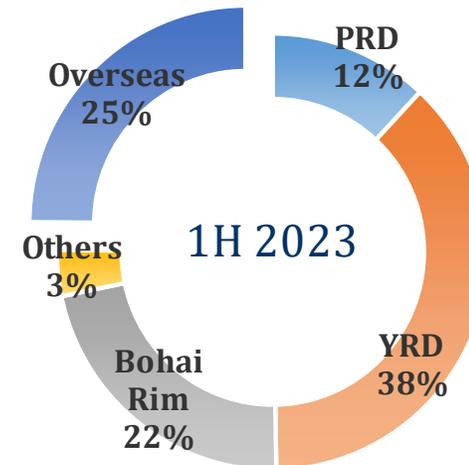
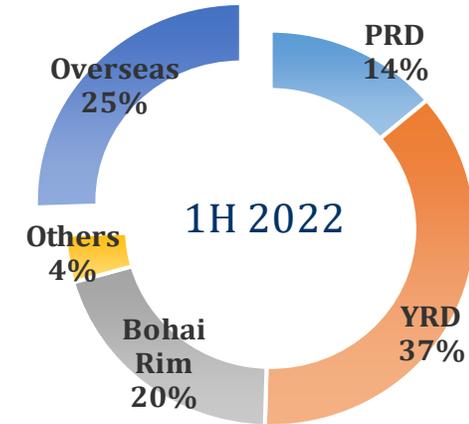
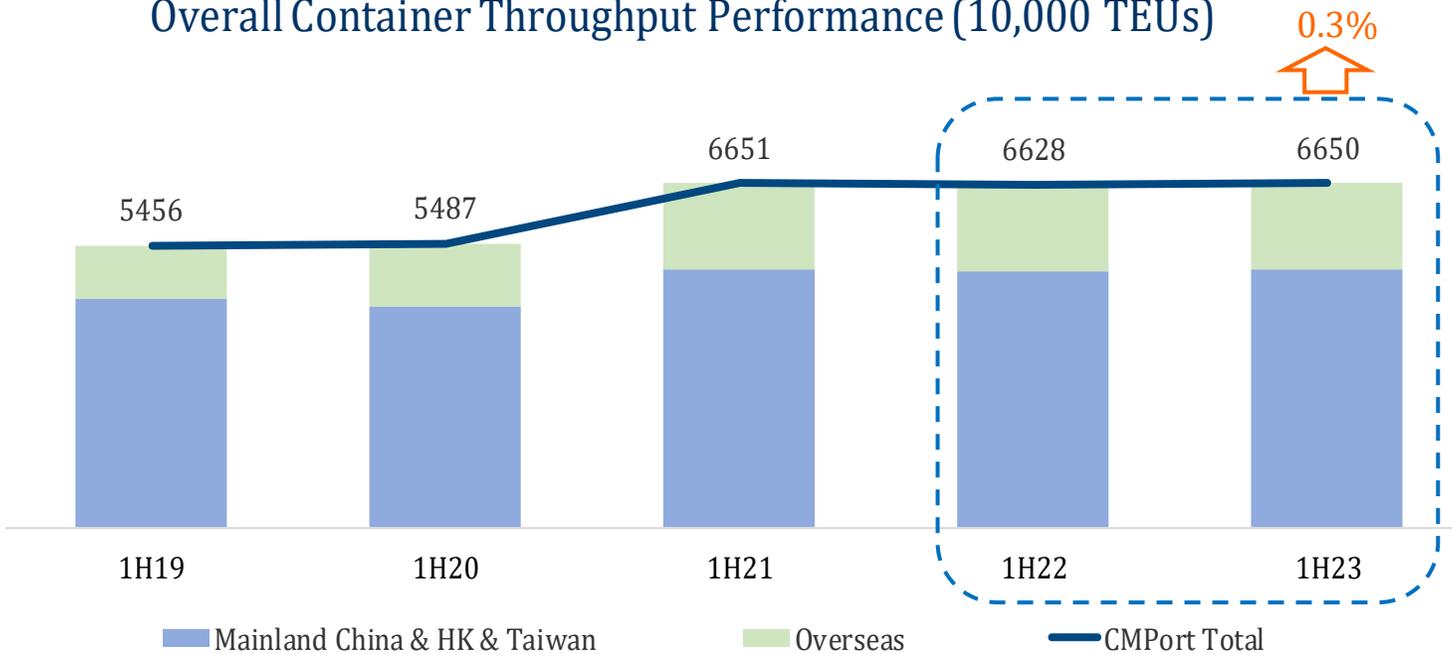
Highlight Two: Increased investment in the development of digital system technology, promoting new benchmarks for smart ports.

Highlight Three: Targeted industry promotion, with a steady increase in the number of contracted enterprises in overseas logistics parks.

Container and Bulk Cargo Throughput Shows Steady Growth|Expanded Market Share in YRD and Bohai Rim regions

- Throughput of containers handled reached 66.50 million TEUs in 1H 2023, up 0.3%.
- Mainland China, HK & Taiwan: 1.2% YOY increase due to YRD and Bohai Rim volume, with expanded market share.
- Overseas regions: 2.1% YOY decrease, mainly affected by Terminal Link's volume decline.

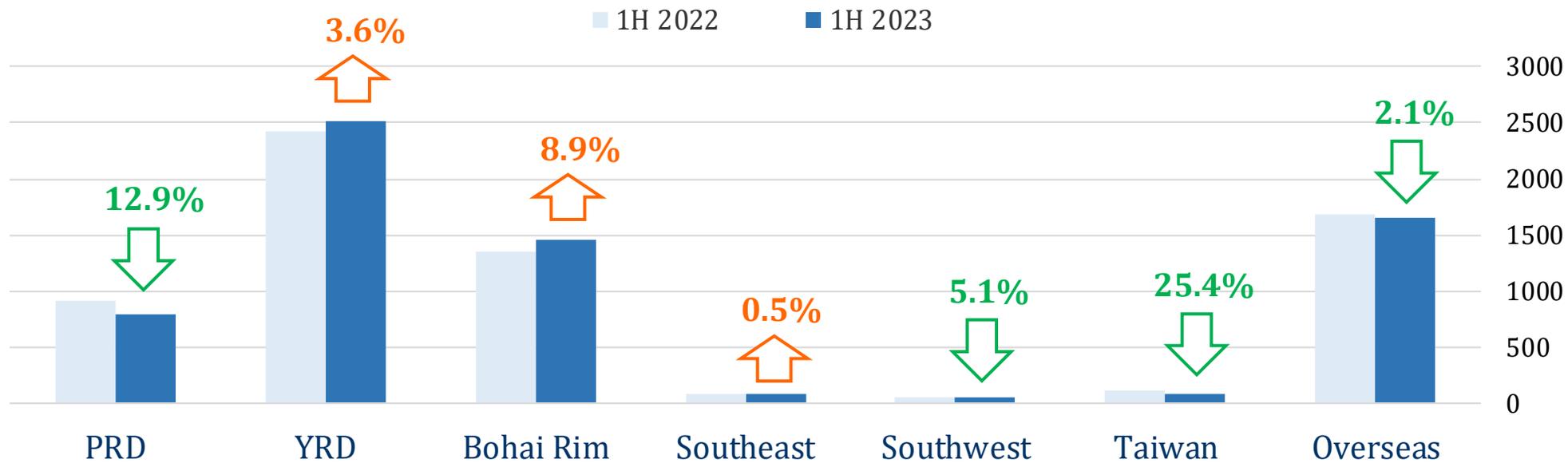
Overall Container Throughput Performance (10,000 TEUs)



Strong Performance in YRD and Bohai Rim|Significant Overseas Growth

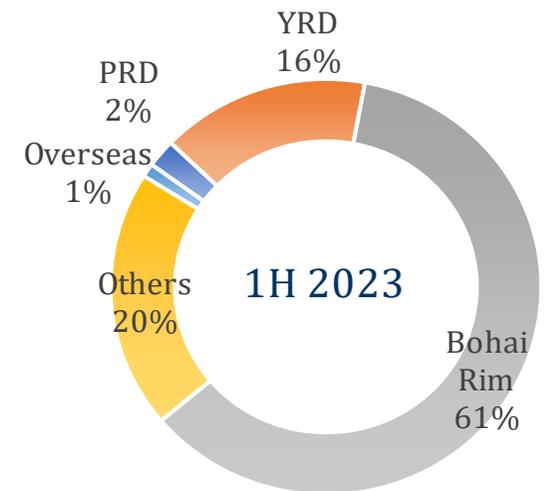
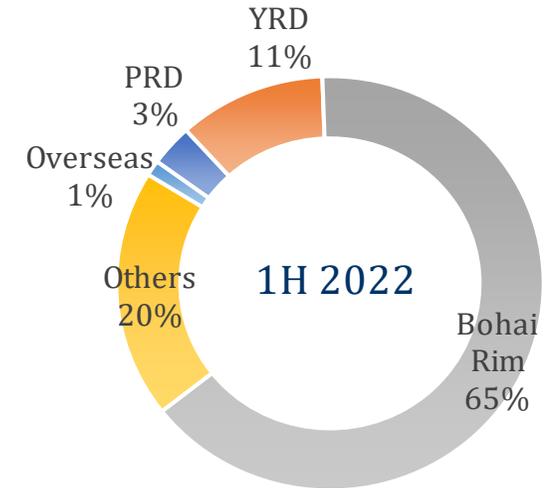
- PRD: Decline in container business due to changes in trade and industry structure.
- YRD: 3.6% increase in container throughput driven by SIPG's volume growth.
- Bohai Rim: Growth due to Liaoning Port Group's restored international shipping routes & QQCTU's new routes.
- Double-digit growth in container throughput at terminals in Djibouti, Togo, and Turkey.

Regional Container Throughput Performance (10,000 TEUs)

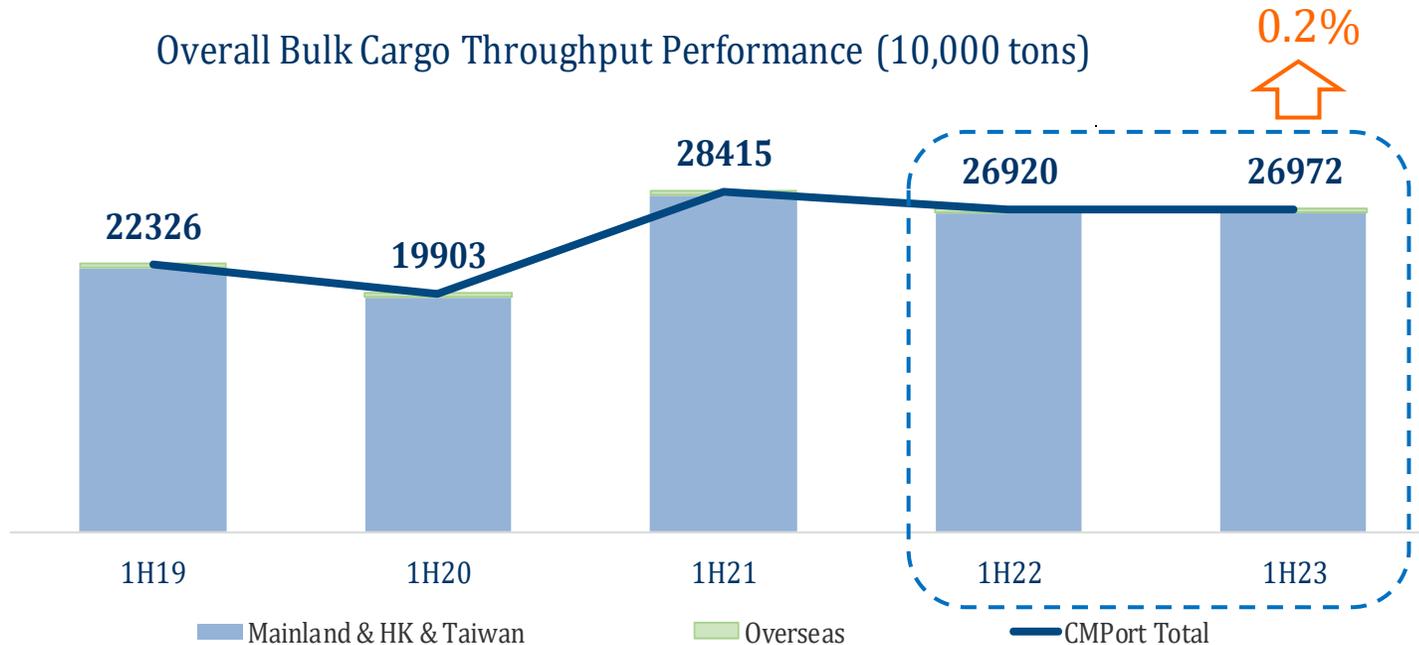


Achieved Bulk Cargo Throughput of 270 Million Tons|YRD Region's Share Expands

- Achieved bulk cargo throughput of 270 million tons in 1H 2023.
- PRD region's share decreased by 1% due to the sale of Shunde's Yide Port.
- YRD region's share increased by 5% due to significant growth from SIPG.
- Substantial overseas growth in HIPG's Ro-Ro, bunkering, and LPG business.

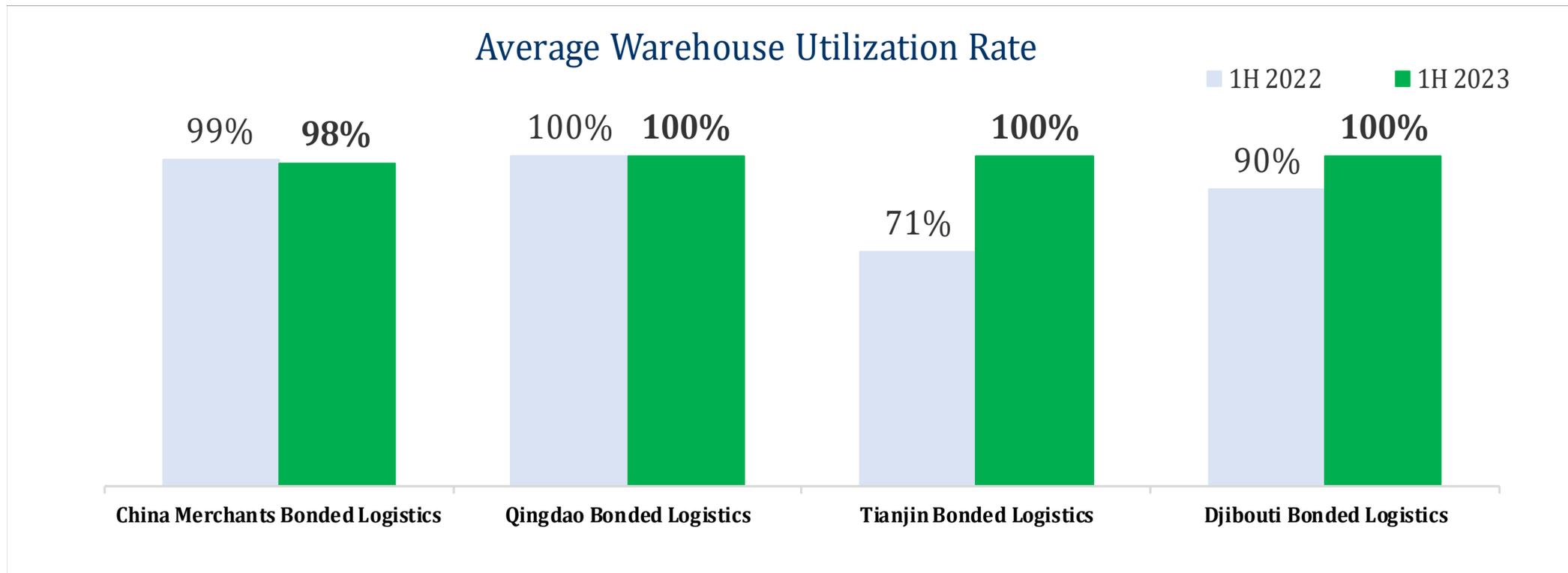


Overall Bulk Cargo Throughput Performance (10,000 tons)



Bonded Logistics Business Performs Well | Warehouse Utilization Approaches Full Capacity

- Overall, the bonded logistics business shows a positive trend, with China Merchants Bonded Logistics in Shenzhen having an average warehouse utilization rate of 98%, Qingdao Bonded Logistics at 100%, Tianjin Bonded Logistics at 100%, and the wholly owned bonded logistics warehouse in Djibouti's DIFTZ at 100%.



380 Contracted Enterprises in Total

DIFTZ (Djibouti)

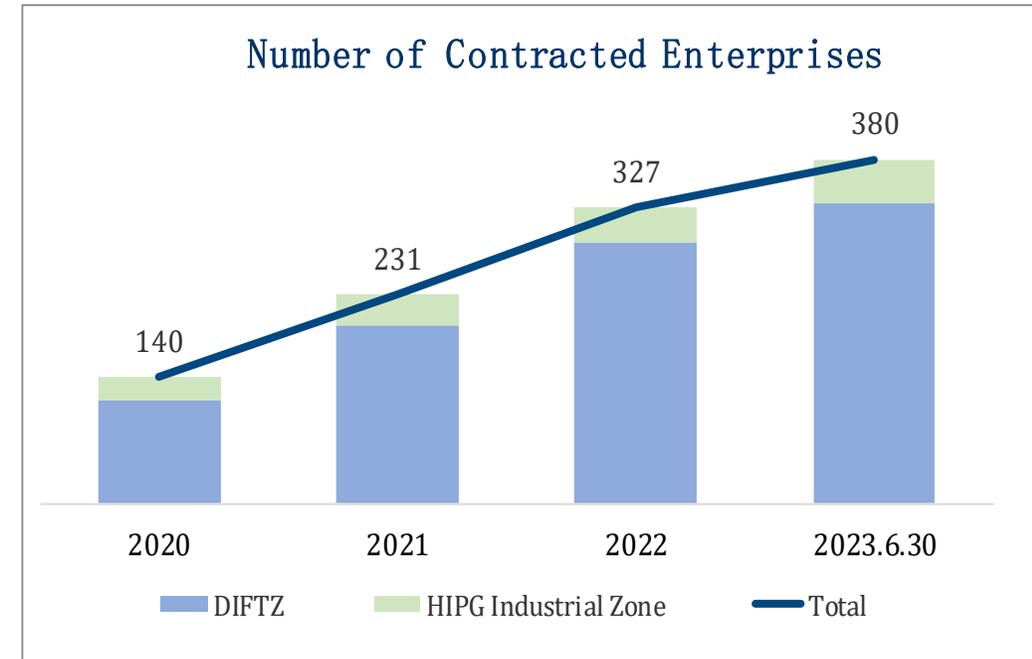


- Up to **332** contracted enterprises
- Leveraging global port and park resources, DIFTZ optimizes the "Made by Liaocheng" exhibition center platform, streamlines commodity flows and extends the value chain.

HIPG Industrial Zone (Sri Lanka)



- Up to **48** contracted enterprises
- Completed the "park-in-park" model & introduced various industries like cement plants, duty-free shops, and petrochemicals; continually diversifying industrial layout and strengthening synergies with ports.



Consolidating Regional Positions of Domestic and Overseas Homebase Ports

Improving West SZ Homebase Port's Regional Position



West Shenzhen homebase port further increased its share of foreign trade market within the Greater Bay Area.

**Building
World-class
Leading Ports**

Steady Advancement of South Asian Commercial & Logistics Hub Project by CICT

CICT signed the South Asian Commercial & Logistics Hub Project with Sri Lanka in 1H 2023, jointly building a modern multi-functional logistics hub in South Asia.



Focused Upgrade of West SZ Homebase Port's Transit Infrastructure



Night operation of 200,000-ton-class vessels in Tonggu Channel, enhancing overall efficiency.

HIPG Achieves Business Growth Through Market Expansion

HIPG proactively mitigated the impact of regional instability, reinforced market outreach, and further solidified its leading position in RoRo operations within the regional market.



Greater Bay Area Coordinated Ports



- Coordinated Port business in Greater Bay Area expanded to all major regions in Guangdong Province. Launched 5 new locations in 1H 2023, totaling 30 locations; Cumulatively handled 400,000 TEUs, serving close to 6,000 import/export companies.

Asset Structure Optimization



- Selling 45% equity interests in Ningbo Daxie for RMB1,845 million to Ningbo Zhoushan Port, thereby better utilizing existing assets, realizing asset value, and optimizing regional layout.

Driving Innovation for Digital and Intelligent Port Transformation

CTOS



Increased R&D investment to execute the Ministry of Transport's key task of upgrading the Container Terminal Operating System architecture, while continually refining mixed autonomous driving solutions.

CMePort 3.0



The comprehensive service platform "CMePort 3.0" is officially operational in select ports and terminals, aiming for future range expansion to continually elevate overall port service levels.

Smart Management Platform



Leveraging SMP to establish a one-stop integrated management platform, which has fundamentally achieved the consolidation and management of asset lifecycle information as well as the standardization of major online business processes.

Propelling Both Enterprises and Society towards Sustainable Development

01 Strengthening Environmental Management

Strengthening measures to address climate risk through the establishment of dual-carbon related indicators, goals, and transformation plans.



02 Advancing Digital Upgrades

Leveraging technology to enhance operational capability, accelerate comprehensive digital construction of ports, and promote high-quality development of regional leading ports.



03 Promoting "C-Blue Global Philanthropic Mission" Brand

Successfully launched the Tenth "C-Blue Training Program," providing a learning & exchange platform for young talents in the global port industry; actively developing the "C-Blue Rural Education" project through growth camps in Weining and Lianping; continuously advancing the "C-Blue Hope Village" project in Sri Lanka.



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Outlook: risks to global economic growth still lean towards the downside, presenting both opportunities and challenges.

Strategy: focusing on “global layout” and “optimized operation” and steadily promoting high-quality, world-class development to enhance integrated supply chain service capabilities.

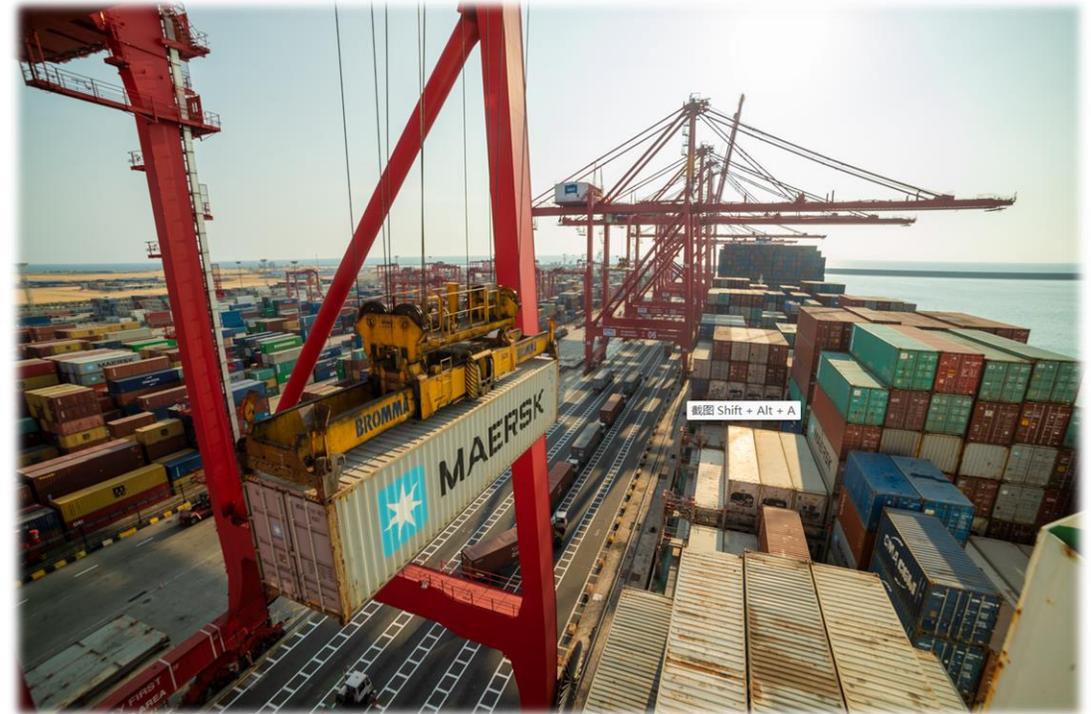
Objective: Striving to achieve the strategic goal of becoming a "world's leading comprehensive port service provider with high quality," thereby creating greater value for shareholders.

Risks to Global Economic Growth Still Lean towards the Downside Presenting Both Opportunities and Challenges

Recovery of global economy and trade still faces risks such as deflation, geopolitical conflicts, international trade friction, supply chain disruption, etc.

The resilience of China's import and export development remains strong, international market demand could exceed expectations, and there may be further potential for growth in consumption.

Global port and inland logistics resources are integrating at an accelerated pace, while facing increasingly stringent green and low-carbon requirements, presenting both opportunities and challenges.



**Focusing on “Global Layout” and “Optimized Operation”
and Steadily Advancing High-quality, World-class Development**

**Expanding
Operational Scale
through Global Layout**

Employing critical analysis and meticulous planning to assess international dynamics, aligning with CMPort’s overall strategic planning, persistently expanding into overseas markets and advancing global layout under commercially viable premises.

**Promoting
High-quality,
World-class
Development**

**Enhancing Management
Efficiency through
Optimized Operation**

Implementing meticulous cost control, focusing on efficiency in project management, and elevating the levels of optimized operation and project management, thereby establishing a competitive edge superior to industry peers.

Steadily Promoting High-quality, World-class Development to Enhance Integrated Supply Chain Service Capabilities

Stepping up efforts to develop coordinated port locations, continuously enhancing market competitiveness for new routes.

Continuously refining various management systems to elevate overall operational management.

Optimizing asset portfolio through asset restructuring to enhance investment returns.

Intensifying efforts to overcome key core technology challenges, using technology to improve core business performance.



Continuing to advance the development of West Shenzhen Homebase Port as a leading port and optimize the intermodal transport system.

Focusing deeply on key overseas regions, seeking new investment opportunities.

Concentrating on business model innovation, fully extending service value.



招商局港口

