



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

PRESS RELEASE

COSCO SHIPPING Ports Announces 2022 First Quarter Results

Improve Quality and Efficiency to Enhance Development

Lean Operations Achieves Results

Hong Kong, 29 April 2022 – COSCO SHIPPING Ports Limited (“COSCO SHIPPING Ports” or “CSP” or the “Company”, SEHK: 1199), the world’s leading ports operator, today announced the first quarter results of the Company and its subsidiaries (the “Group”) for the 3 months ended 31 March 2022.

2022 First Quarter Results Highlight

- Revenue increased by 24.2% YoY to US\$329.7 million
- Gross profit increased by 30.5% YoY to US\$80.9 million
- Share of profits from joint ventures and associates increased by 1.9% YoY to US\$82.5 million
- Profit attributable to equity holders of the Company increased by 2.6% YoY to US\$74.9 million

FINANCIAL REVIEW

COSCO SHIPPING Ports’ 1Q2022 revenue increased by 24.2% YoY to US\$ 329.7 million which was driven by the effective sales and marketing strategy and contribution of subsidiary of Tianjin Container Terminal since December 2021(as an associate of the Company in 1Q2021). Gross Profit increased by 30.5% YoY to US\$80.9 million. Benefitting from lean operation strategy, revenue growth of the Company outpaced cost of sales growth, which boosted gross profit margin increased by 1.1 percentage points YoY to 24.5%. During the period, profit attributable to equity holders of the Company increased by 2.6% YoY to US\$74.9 million.



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OPERATIONAL REVIEW

2022 First Quarter

Total throughput was 30,291,588 TEU, +0.3% YoY

Total equity throughput was 9,859,095 TEU, +6.1% YoY

Total throughput from subsidiaries was 7,487,432 TEU, +39.5% YoY^{Note}

Note: In 2021, the Company completed the acquisition of additional equity interest in Tianjin Port Container Terminal Co., Ltd. ("Tianjin Container Terminal") to make it a subsidiary and completed the disposal of Tianjin Port Euroasia International Container Terminal Co., Ltd. ("Tianjin Euroasia Terminal"). Tianjin Container Terminal has become a terminal in which the Group has controlling stakes since December. Therefore, the throughput of the terminal in 1Q2022 is counted as the throughput from the terminals in which the Group has controlling stakes, while in 1Q2021 the throughput is categorized into the Group's non-controlling terminals. After the disposal of Tianjin Euroasia Terminal in December 2021, the throughput of this terminal is no longer counted as the Group's non-controlling terminals.

Greater China

For the three months ended 31 March 2022, total throughput of the Greater China region decreased by 3.6% YoY to 22,520,167 TEU (1Q2021: 23,228,766 TEU), accounting for 74.3% of the Group's total.

Bohai Rim

For the three months ended 31 March 2022, total throughput of the Bohai Rim region decreased by 4.0% YoY to 9,539,494 TEU (1Q2021: 9,933,430 TEU), accounting for 31.5% of the Group's total. The throughput of Tianjin Container Terminal remained stable and increased slightly by 0.4% YoY to 1,935,578 TEU (1Q2021: 1,927,584 TEU). Impacted by the COVID-19 pandemic, the throughput of Yingkou Container Terminals Company Limited and Yingkou New Century Container Terminal Co., Ltd. decreased by 28.7% YoY to 435,574 TEU (1Q2021: 610,596 TEU).

Yangtze River Delta

For the three months ended 31 March 2022, total throughput of the Yangtze River Delta region decreased by 3.3% YoY to 3,557,167 TEU (1Q2021: 3,679,444 TEU) and made up 11.8% of the Group's total. Shanghai Pudong International Container Terminals Limited actively introduced new shipping routes and its throughput increased by 11.2% YoY to 662,020 TEU (1Q2021: 595,566 TEU). Impacted by the COVID-19 pandemic, throughput of Nantong Tonghai Port Co., Ltd. decreased by 15.4% YoY to 296,842 TEU (1Q2021: 350,707 TEU).



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Southeast Coast and Others

For the three months ended 31 March 2022, total throughput of the Southeast Coast region increased by 16.4% YoY to 1,586,044 TEU (1Q2021: 1,362,382 TEU) and accounted for 5.2% of the Group's total. Xiamen Ocean Gate Container Terminal Co., Ltd. enhanced sales and marketing and proactively introduced new shipping routes, so the total throughput increased by 18.4% YoY to 703,269 TEU (1Q2021: 593,975 TEU).

Pearl River Delta

For the three months ended 31 March 2022, total throughput of the Pearl River Delta region decreased by 8.0% YoY to 6,431,662 TEU (1Q2021: 6,989,609 TEU) and accounted for 21.2% of the Group's total. During the period, total throughput of Guangzhou South China Oceangate Container Terminal Company Limited ("Guangzhou South China Oceangate Terminal") increased by 3.0% YoY to 1,369,507 TEU (1Q2021: 1,329,708 TEU). Throughput of Yantian International Container Terminals Co., Ltd. decreased by 14.6% YoY to 3,132,404 TEU (1Q2021: 3,667,267 TEU), which is mainly due to ports congestion.

Southwest Coast

For the three months ended 31 March 2022, total throughput of the Southwest Coast region increased by 11.2% YoY to 1,405,800 TEU (1Q2021: 1,263,901 TEU) and accounted for 4.6% of the Group's total, which was mainly benefited from the increased trade activities between China and Southeast Asia.

Overseas

For the three months ended 31 March 2022, total throughput of overseas region increased by 11.7% YoY to 7,771,421 TEU (1Q2021: 6,958,978 TEU) and accounted for 25.7% of the Group's total. Due to the continuous congestion of major ports in northwest Europe, CSP Zeebrugge Terminal NV became an important buffer port for the region and, together with the addition of new routes, its throughput increased by 24.4% YoY to 272,344 TEU (1Q2021: 218,936 TEU). As CSP Abu Dhabi Terminal L.L.C. continued to strengthen sales and marketing and enhanced synergy effect with the shipping fleets of parent company, its throughput increased by 27.3% YoY to 201,691 TEU (1Q2021: 158,389 TEU).

Prospects

The situation of Covid-19 pandemic is still severe at the beginning of 2022, which brings uncertainties to the recovery of global economy. Confronted with quite a lot of challenges, COSCO SHIPPING Ports



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continues to strengthen Lean Operations strategy, focus on improving quality and efficiency, control costs and maintain a stable financial situation. The Group will be able to leverage on its ample cash and cash equivalents to maintain a stable financial position and facilitate sustainable development, which will also support its dividend policy in 2022.

The Group remains steadfastly committed to building well-balanced terminal network to meet the needs of shipping alliances. At the same time, it prudently seized development opportunity with an eye on identifying projects with growth potential around the globe to strengthen its global network of terminals. Terminals in which the Group has controlling stake will continue to actively develop terminal extended business and aims to develop a ports supply chain platform that extends to both upstream and downstream industries and provide more value-added services to customers, thereby further enhancing profitability.

The Group will continue to promote the high-quality development of COSCO SHIPPING Ports under the guidance of the "14th Five-Year Plan", actively grasped the strategic development opportunities, enhanced the expansion of the Company's scale and optimised the global terminal network. The Group will accelerate the construction of information technology, seize the opportunity of digital development, continuously improve the management capabilities of the Company's information technology, in order to enhance Lean Operations of the terminals through information technology construction.

The Group will continue to deepen the Lean Operations strategy, strengthen the management and control over terminals, and build the core competitiveness of the Company. In terms of revenue boost, the Group will continue to actively enhance its business marketing capabilities, strengthen market insight and customer value analysis capabilities, focus on customer needs, and upgrade the quality of market development. In terms of cost reduction, terminals in which the Group has controlling stake actively control the cost per TEU, identify the segments and processes for cost optimisation, and strive to enhance the cost competitiveness.

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About COSCO SHIPPING Ports (<https://ports.coscoshipping.com>)

COSCO SHIPPING Ports Limited (Stock Code: 1199.HK) is a leading ports operator in the world; its terminals portfolio covers the five main port regions in Mainland China, Southeast Asia, the Middle East, Europe, South America and the Mediterranean. As at 31 March 2022, CSP operated and managed 367 berths at 37 ports worldwide, of which 220 were for containers, with a combined annual handling capacity of 122 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".



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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 2022 First Quarter Results Announcement.

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