

Stock Code: 001872/201872

Stock Name: CM Port Group/CM Port Group B

Announcement No. 2022-026

# CHINA MERCHANTS PORT GROUP CO., LTD.

## ANNUAL REPORT 2021 (SUMMARY)

### Part I Important Notes

This Summary is based on the full Annual Report of China Merchants Port Group Co., Ltd. (hereinafter referred to as the “Company”). In order for a full understanding of the Company’s operating results, financial position and future development plans, investors should carefully read the aforesaid full text on the media designated by the China Securities Regulatory Commission (the “CSRC”).

This Summary is prepared in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

All the Company’s directors have attended the Board meeting for the review of this Report and its summary.

Independent auditor’s modified opinion:

Applicable  Not applicable

Board-approved final cash and/or stock dividend plan for ordinary shareholders for the Reporting Period:

Applicable  Not applicable

Bonus issue from capital reserves:

Yes  No

The Board has approved a final dividend plan as follows: based on 1,922,365,124 shares, a cash dividend of RMB4.30 (tax inclusive) per 10 shares is to be distributed to shareholders, with no bonus issue from either profit or capital reserves.

Board-approved final cash and/or stock dividend plan for preferred shareholders for the Reporting Period :

Applicable  Not applicable

Please refer to the full Annual Report for the abbreviation mentioned in this summary.

## Part II Key Corporate Information

### 1. Stock Profile

Stock name	CM Port Group/ CM Port Group B	Stock code	001872/ 201872
Stock exchange for stock listing	Shenzhen Stock Exchange		
Contact information	Board Secretary	Securities Representative	
Name	Li Yubin	Hu Jingjing	
Address	24/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang Street, Nanshan, Shenzhen, PRC	24/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang Street, Nanshan, Shenzhen, PRC	
Fax	+86 755 26886666	+86 755 26886666	
Tel.	+86 755 26828888	+86 755 26828888	
Email address	Cmpir@cmhk.com	Cmpir@cmhk.com	

### 2. Main business of the Company during the Reporting Period

#### (1) Main business scope and business models

The Company is principally engaged in the handling, warehousing and transportation of containers and bulk cargoes, as well as the provision of other ancillary services. It principally operates 24 container berths and 18 bulk cargo berths in the ports in West Shenzhen and Dongguan Machong, 6 container berths, 3 bulk cargo berths, and 1 coal-handling specific berth in Shantou Port, 2 container berths and 34 bulk cargo berths in Zhanjiang Port, 4 multi-purpose berths in Shunde New Port, 2 container berths and 6 bulk cargo berths in Zhangzhou Port, 4 container berths in Ningbo Daxie, 4 container berths in CICT, Sri Lanka, 4 multi-purpose berths, 2 oil berths and 4 container berths in HIPG, Sri Lanka, 3 container berths in LCT, Togo, and 4 container berths in TCP, Brazil. Moreover, the Company invests in container hubs in Shanghai and Tianjin and expands its layout to ports in Asia, Africa, Europe, Oceania, South America and North America.

The major business segments of China Merchants Port Group Co., Ltd. are as follows:

Business Segments	Applications
o handling and housing	Container handling and warehousing: the Company provides ship berthing, loading and discharging services to ship companies, offers container storage service to ship companies and cargo

		owners and provides overhead box services to tractor companies. The Company also engages in the businesses of division or merger of cargoes in containers, container leasing and container maintenance; Bulk cargo handling and warehousing: the Company is engaged in bulk cargo handling and transportation in port zones, as well as storage services in yards. The major types of cargoes handled include food, steel, woods and sandstones.
llary ces	port-related	The ancillary port-related services of the Company mainly include tugboat berthing assistance and barge services at the arrival of ships to the ports, tallying in the course of cargo handling, and supply of shore power and freshwater for vessels.
led ations	logistics	The Company provides various services for clients (including logistics companies, trading companies or cargo owners), for example, warehouse/yard leasing, loading and unloading in warehouses/yards, customs clearance and division or merger of cargoes at terminals. It also provides documentation services for tractors arriving or leaving the bonded logistics parks.

**(2) Development stage and cyclical characteristic of the industry in which the Company operates and its industry position during the reporting period**

The port industry is a crucial cornerstone industry for national economic and social development, and is closely linked to global economy and trade. In 2021, the acceleration of global vaccination process promoted the further normalization of global economy. As such, the global economy was under an overall recovery and growth stage. The merchandise trade realized recovery growth, driving the demand for global seaborne freight trade of containers. However, while the export demand kept increasing, the slowdown of repositioning of European and American ports due to impacts of pandemic and shortage of manpower, together with various “black swan events” such as blocking of the Suez Canal and Yantian Port pandemic, led to problems of ship postponement, port congestion and route adjustment from time to time, thereby causing partial unbalance of container distribution, decreasing supply of effective seaborne freight capability, constant high level of seaborne freight price in international market and frequent congestion in supply chain of global seaborne freight logistics. On the other hand, however, new opportunities for industry also appeared continuously. The new trends such as digitalization, carbon neutrality and new infrastructure will add constant new impetus on industry transformation and development.

The Company is the largest port developer, investor and operator in the PRC and the leading comprehensive port service provider in the world, with a well-developed port network at major hub locations along coastal China. It has also successfully established presences in Asia, Africa, Europe,

Mediterranean, Oceania, South America and North America. By its proactive, sound and efficient operating style, the Company capitalizes on its global port portfolio, professional management experience, the self-developed state-of-the-art terminal operation system and integrated logistics management platform for exports and imports, thereby providing its customers with timely and efficient port and maritime logistics services along with comprehensive and modern integrated logistics solutions. In addition, the Company also invests in bonded logistics operation and launches integrated park development business, facilitates the transformation and upgrade of port industry, develops supporting port industry, striving to improve industry efficiency and create greater value through the synergies of the existing terminal network.

### 3. Key Financial Information

#### (1) Key Financial Information of the Past Three Years

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

Yes  No

Reason: Business combination under common control. For details, please refer to the "YoY Changes to the Scope of Consolidated Financial Statements " in Part III of this summary.

Unit: RMB

	31 December 2021	31 December 2020		Change of 31 December 2021 over 31 December 2020 (%)	31 December 2019	
		Original	Restated		Restated	Original
Total assets	175,984,101,168.66	168,543,611,777.21	168,728,326,345.77	4.30%	156,696,917,845.87	156,849,330,783.53
Equity attributable to the listed company's shareholders	39,801,188,662.13	37,117,806,052.18	37,165,277,744.78	7.09%	35,972,804,419.42	36,011,246,088.71
	2021	2020		2021-over-2020 change	2019	
		Original	Restated		Restated	Original
Operating revenue	15,283,808,174.60	12,618,529,996.02	12,756,744,317.91	19.81%	12,123,829,423.74	12,262,451,114.91
Net profit attributable to the listed company's shareholders	2,685,829,204.07	2,065,322,969.66	2,073,844,409.04	29.51%	2,898,192,168.84	2,902,555,697.90
Net profit attributable to the listed company's shareholders before	2,355,700,274.23	1,262,830,563.26	1,271,352,002.64	85.29%	1,037,766,875.23	1,042,130,404.29

exceptional gains and losses						
Net cash generated from/used in operating activities	6,510,326,570.48	5,495,800,917.01	5,551,289,013.01	17.28%	5,501,873,415.94	5,507,450,443.65
Basic earnings per share (RMB/share)	1.40	1.07	1.08	29.63%	1.59	1.60
Diluted earnings per share (RMB/share)	1.40	1.07	1.08	29.63%	1.59	1.60
Weighted average return on equity (%)	6.99%	5.66%	5.67%	1.32%	8.71%	8.71%

## (2) Key Financial Information by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	3,574,128,378.48	3,765,814,483.78	4,047,333,525.94	3,896,531,786.40
Net profit attributable to the listed company's shareholders	532,867,484.84	1,144,167,861.33	756,770,050.94	252,023,806.96
Net profit attributable to the listed company's shareholders before exceptional gains and losses	524,972,071.00	1,119,723,989.97	588,153,132.19	122,851,081.07
Net cash generated from/used in operating activities	880,940,193.44	2,054,020,214.52	1,824,880,606.88	1,750,485,555.64

Indicate by tick mark whether any of the quarterly financial data in the table above or their summations differs materially from what have been disclosed in the Company's quarterly or semiyearly reports.

Yes  No

## 4. Share Capital and Shareholder Information at the Period-End

### (1) Numbers of Ordinary Shareholders and Preferred Shareholders with Resumed Voting Rights as well as Holdings of Top 10 Shareholders

Unit: share

Number of ordinary shareholders at the period-end	31,102 (19,769 A-shareholders and 11,333 B-shareholders)	Number of ordinary shareholders at the month-end prior to the disclosure of this Report	31,367 (19,854 A-shareholders and 11,513 B-shareholders)	Number of preferred shareholders with resumed voting rights at the period-end (if any)	0	Number of preferred shareholders with resumed voting rights at the month-end prior to the disclosure of this Report (if any)	0
5% or greater shareholders or top 10 shareholders							

Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Increase/decrease in the Reporting Period	Restricted shares held	Unrestricted shares held	Shares in pledge or frozen
China Merchants Port Investment Development Company Limited	Foreign legal person	59.75%	1,148,648,648	0	1,148,648,648	0	0
CHINA MERCHANTS GANGTONG DEVELOPMENT (SHENZHEN) CO., LTD.	State-owned legal person	19.29%	370,878,000	0	0	370,878,000	0
SHENZHEN INFRASTRUCTURE INVESTMENT FUND-SHENZHEN INFRASTRUCTURE INVESTMENT FUND PARTNERSHIP (LIMITED PARTNERSHIP)	Fund and wealth management products	3.37%	64,850,182	0	0	64,850,182	0
CHINA-AFRICA DEVELOPMENT FUND	State-owned legal person	3.33%	64,102,564	0	0	64,102,564	0
BROADFORD GLOBAL LIMITED	State-owned legal person	2.88%	55,314,208	0	0	55,314,208	0
HONG KONG SECURITIES CLEARING COMPANY LTD.	Foreign legal person	0.31%	6,045,069	3,337,168	0	6,045,069	Unknown
ZHU HUI	Domestic natural person	0.15%	2,958,003	2,958,003	0	2,958,003	Unknown
CHINA MERCHANTS SECURITIES (HK) CO., LTD.	State-owned legal person	0.13%	2,563,555	-42,800	0	2,563,555	Unknown
JIN XING	Domestic natural person	0.12%	2,245,196	2,245,196	0	2,245,196	Unknown
ARROWSTREET EMERGING MARKET ALPHA EXTENSION TRUST FUND	Foreign legal person	0.11%	2,192,691	1,273,101	0	2,192,691	Unknown
Strategic investors or general legal person becoming top-ten ordinary shareholders due to placing of new shares (if any)	N/A						
Related or acting-in-concert parties among the shareholders above	China Merchants Gangtong Development (Shenzhen) Co., Ltd. is a majority-owned subsidiary of Broadford Global Limited, and Broadford Global Limited is the controlling shareholder of China Merchants Port Investment Development Company Limited. The Company does not know whether the other unrestricted shareholders are related parties or not.						
Above shareholders involved in entrusting/being entrusted and giving up voting rights	None						

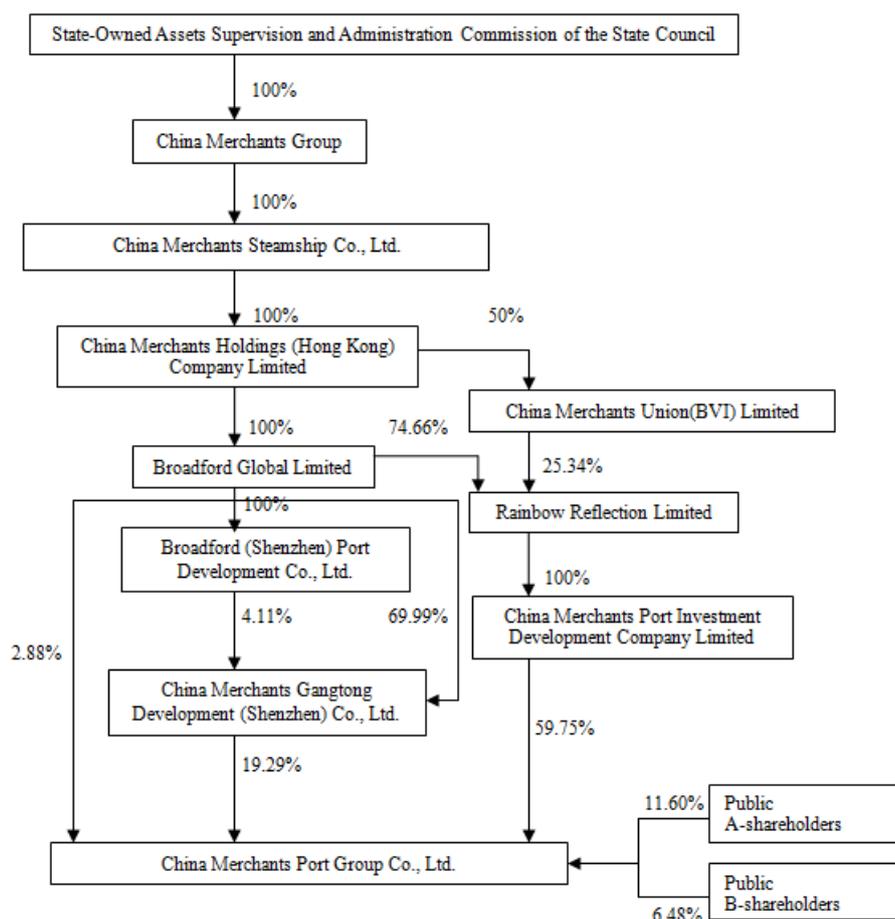
Special account for share repurchases (if any) among the top 10 shareholders (see note 10)	None		
Top 10 unrestricted shareholders			
Name of shareholder	Unrestricted shares held at the period-end	Shares by type	
		Type	Shares
CHINA MERCHANTS GANGTONG DEVELOPMENT (SHENZHEN) CO., LTD.	370,878,000	RMB ordinary share	370,878,000
SHENZHEN INFRASTRUCTURE INVESTMENT FUND-SHENZHEN INFRASTRUCTURE INVESTMENT FUND PARTNERSHIP (LIMITED PARTNERSHIP)	64,850,182	RMB ordinary share	64,850,182
CHINA-AFRICA DEVELOPMENT FUND	64,102,564	RMB ordinary share	64,102,564
BROADFORD GLOBAL LIMITED	55,314,208	Domestically listed foreign share	55,314,208
HONG KONG SECURITIES CLEARING COMPANY LTD.	6,045,069	RMB ordinary share	6,045,069
ZHU HUI	2,958,003	RMB ordinary share	2,958,003
CHINA MERCHANTS SECURITIES (HK) CO., LTD.	2,563,555	Domestically listed foreign share	2,563,555
JIN XING	2,245,196	Domestically listed foreign share	2,245,196
ARROWSTREET EMERGING MARKET ALPHA EXTENSION TRUST FUND	2,192,691	Domestically listed foreign share	2,192,691
MAI SHUQING	2,129,247	RMB ordinary share	2,129,247
Related or acting-in-concert parties among top 10 unrestricted public shareholders, as well as between top 10 unrestricted public shareholders and top 10 shareholders	China Merchants Gangtong Development (Shenzhen) Co., Ltd. is a majority-owned subsidiary of Broadford Global Limited. The Company does not know whether the other unrestricted shareholders are related parties or not.		
Top 10 ordinary shareholders involved in securities margin trading (if any)	N/A		

## (2) Number of Preferred Shareholders and Shareholdings of Top 10 of Them

Applicable  Not applicable

No preferred shareholders in the Reporting Period.

### (3) Ownership and Control Relations between the Actual Controller and the Company



## 5. Outstanding Bonds at the Date when this Report Was Authorized for Issue

### (1) Bond Profile

Bond name	Abbr.	Bond code	Issue date	Maturity	Outstanding balance (RMB', 0,000)	Interest rate	Way of redemption
2020 Public Offering of Corporate Bonds of China Merchants	20 CMPort 01	149170	7 July 2020	8 July 2023	200,000	3.36%	Simple interest is adopted and calculated by year. No compound interest is calculated. Interests are paid once every year and principals paid in lump sum at maturity. In the

Port Group Co., Ltd. (for qualified investors) (Phase I)							last installment, the interests are paid together with principal repayment.
Listing or trading place	Shenzhen Stock Exchange						
Appropriate arrangement of the investors	The Company's bonds are publicly issued to eligible investors who comply with the Measures for Issuance and Trading of Corporate Bonds and have opened an eligible A-share securities account with Shenzhen Branch of China Securities Depository and Clearing Co., Ltd. (CSDC).						
Interest payment during the Reporting Period	During the Reporting Period, interest for the period from 8 July 2020 to 7 July 2021 was paid on 8 July 2021.						
Execution during the Reporting Period of special clauses such as the issuer's or investors' options, or the exchangeable clause (if applicable)	N/A						

## (2) Latest Rating and Rating Change

On 28 May 2021, China Chengxin International Credit Rating Co., Ltd. (CCXI) issued a credit rating notice (XPWHZ [2021] No. G0493). CCXI granted the corporate credit rating of AAA to the Company with a rating outlook of Stable, and the credit rating of AAA to the “2020 Public Offering of Corporate Bonds of China Merchants Port Group Co., Ltd. (for qualified investors) (Phase I)” .

During the Reporting Period, there was no rating difference in the corporate credit ratings of other bonds and debt financing instruments issued by the Company in China.

## (3) The Major Accounting Data and the Financial Indicators of the Recent 2 Years of the Company up the Period-end

Unit: RMB '0,000

Item	2021	2020	Change
Debt/asset ratio	36.91%	37.29%	-0.38%
Net profit before exceptional gains and losses	235,570.03	127,135.20	85.29%
Debt/EBITDA ratio	21.65%	18.74%	2.91%
Interest cover (times)	4.62	3.39	36.28%
Cash-to-interest cover	5.02	4.16	20.67%

(times)			
EBITDA-to-interest cover (times)	7.16	5.85	22.39%
Debt repayment ratio (%)	100.00%	100.00%	-
Interest payment ratio (%)	100.00%	100.00%	-

## Part III Significant Events

### 1. Business Overview of the Reporting Period

#### (1) Overview of port business

In 2021, the Company's ports handled a total container throughput of 136.394 million TEUs, up by 12.0% year-on-year. Bulk cargo volume handled by the Company's ports increased by 35.0% year-on-year to 613 million tons. During the Reporting Period, operating revenue of the Company amounted to RMB15.28 billion, representing a year-on-year increase of 19.8%.

#### 2. Implementation of business plan during the reporting period

During the Reporting Period, the Company grasped the bottom line to safeguard China under the severe and complex situation of pandemic. We maintained a high standard for the daily pandemic prevention and control and overcame the challenges brought by the pandemic so as to achieve a solid start of the 14th Five-Year Plan. By embarking on a new development stage, being committed to a new development philosophy, building a new pattern of development and growing in all businesses, the Company captured the rebound of port industry, beat the general trends and better than peers.

**(1) Business volume recorded high again.** In 2021, the Company's business achieved rapid growth, and the port project completed a total container throughput of 136.394 million TEUs, up by 12.0% year-on-year. Among them, container throughput in Mainland China increased 10.9% year on year, outperforming the overall domestic level. Overseas container throughput increased 16.3% year on year. In the bulk cargo business, its bulk cargo volume of 613 million tons, up by 35% year-on-year. Thanks to Dalian Port Co., Ltd., the joint stock company, was generally changed to Liaoning Port

Co., Ltd due to the merger of Yingkou Port Co., Ltd. by it through conversion and absorption. As such, the Company has been including the business volume of Yingkou Port Co., Ltd. since February 2021. Benefited from the reasons above, bulk cargo volume significant increased to further improve domestic ports presence and enhance the comprehensive competitiveness of the Company.

**(2) Focus on pandemic prevention and control as always.** In 2021, the Company insisted on the principle of “Strengthening the sense of responsibility, guarding the gate for the country, and guarding the first line of defense for foreign defense input” , actively carried out pandemic prevention and control, successfully disposed a number of ships involved in pandemic and tested by various outbreaks. The Company strived to promote the construction of service station in Hong Kong, implemented closed-loop management for the key personnel at frontline and achieved "infection-free" among domestic employees. The safety of overseas employees attached great importance to the Company, vaccinated for them and other measures were actively taken in order to keep them safe. In the meantime, we are sticking to daily prevention and control in the way of scientific and accurate, continuing to improve prevention and control mechanism and well-preparing for anti-epidemic in a long term, which all play important role in safeguarding supply chains in domestic ports.

**(3) A new advance for the development of leading ports.** As market opportunities that “Main Line Ports” were outperformed met under the pandemic, there were 35 Liner Services added in West Shenzhen homebase port during the year. In terms of the domestic regional leading ports, it has showed new advantages on facilities and management. The expansion of 0.3 million tons route and upgrade on 0.4 million tons ironstone wharf in Zhanjiang port as well as the 0.15 million tons general sea berths in Xiashan has completed and production capacity has significant improved. The annual design capacity of Guang’ ao Port Zone was increased from 0.43 million TEUs to 1.90 million TEUs as Phase II of Guang’ ao Port Zone of Shantou Port successfully completed and received acceptance. In terms of the port business overseas, it recorded an up-trend due to pandemic

eased and shipping routes adjustment. The container throughput of TCP in Brazil hit from 1.00 million TEUs to 1.10 million TEUs for the first time, up 12.4% year-on-year. From this, it joined the “million TEUs port Club”. CICT, a homebased port in overseas, took the initiative to adjust the structure of shipping routes to be as qualified TEUs routes in local. Its container throughput first hit 3 million TEUs, up by 4.4% year-on-year. The corporation between HIPG and Ro-Ro shipping companies were further tightened, over 0.5 million vehicles was achieved throughout the year, and the bulk cargo business initially exceeded 1 million tons.

**(4) Great progresses from innovation and development.** According to the requirements and trend of industrial and technology development, the Company continued to revised and improved digitalization plan, promoted the construction of “CMCore” platform, “CM ePort” platform and intelligent management platform SMP to perfect relevant implementation plan and improve level of industrial digitalization; it kept promoting the construction of Mawan Smart Port that completed and received acceptance at the end of June 2021 and putted into operation. Since its operation, comments for such project from media and with industry are all in a good way, and it also won a number of awards, including the Gold of the 4th “Blossom Cup” 5G Application Benchmarking Contest hosted by MIIT (工信部第四届“绽放杯”5G应用大赛标杆赛金奖), 2021 IAPH Sustained Development Award (2021年世界港口协会可持续发展奖) and etc.. The project was also obtained 17 patents, 16 software copyrights and participated in 2 industry standard setting. The operation prosperity of Mawan Smart Port has further enhanced the West Shenzhen homebased port’s competitiveness and influence in regional market and accelerated to be as “World-class leading port”. When in the course of digital transformation, the Company actively explored model innovation and cooperated closely with relevant partners to jointly build an international hydrogen energy industry demonstration port and established a smart port technology innovation laboratory; continued to expand the coordinated ports in the Guangdong-Hong Kong-Macao Greater Bay Area and promoted such model to 10 branch ports of Greater Bay Area such as Shunde, Beijiao and etc. This promotion is enhancing the trade facilitation in Greater Bay Area; CSRC has successfully

integrated and opened, awarded the national "Small Giant" enterprise recognition, and will become an important platform for the Company's innovation-driven development in the future.

**(5) Deepening the comprehensively development.** In 2021, Bonded logistics operation in domestic kept pushing business innovation, introducing new projects, ascending scale, optimizing structure of self-operated business and improving core goods. With respect of overseas logistic parks, the logistic park in Hambantota, Sri Lanka has a total of 35 enterprises with aiming at introducing industrial clients which covered finance, logistics, maritime services, auto support, government one-stop service institutions, etc.; the logistic park in Djibouti has a total of 196 enterprises, serving domestic production capacity and connecting to overseas markets through trade and logistics.

## 2. Operating Division, Product Category, Operating Segment or Distribution Model Contributing over 10% of Operating Revenue or Operating Profit

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating revenue (%)	YoY change in cost of sales (%)	YoY change in gross profit margin (%)
By operating division						
Port operations	14,635,410,073.74	8,570,124,838.35	41.44%	20.10%	14.34%	2.95%
By operating segment						
Mainland China, Hong Kong and Taiwan	11,550,563,244.63	7,337,866,237.73	36.47%	24.79%	3.44%	13.11%
Other countries and regions	3,733,244,929.97	1,708,969,944.76	54.22%	6.65%	96.80%	-20.97%

## 3. YoY Changes to the Scope of Consolidated Financial Statements

On 18 December 2020, the Company signed the *Equity Subscription and Capital Increase Agreement* for CMHIT with the Company's subsidiaries CMPort Holdings and CMHIT, Jifa Logistics, DPCD, and Yingkou Port Group.

According to the *Equity Subscription and Capital Increase Agreement*, Jifa Logistics and DPCD

would increase the capital of CMHIT with 29.40% and 49.63% of their respective shares in DPN, and Yingkou Port Group would increase the capital of CMHIT with 100% of its equity in YPIT. Before and after the merger, CMHIT, DPN and YPIT are all subject to the final control of CMG, the actual controller of the Company, and such control is not temporary.

The above capital increase was completed on 9 February 2021. Upon completion of the capital increase, CMHIT changed its name to CMIT. The Company, CMPort Holdings, Jifa Logistics, DPCD and Yingkou Port Group hold 13.18%, 43.74%, 13.26%, 22.38% and 7.44% equity in CMIT, respectively. CMIT remains a majority-owned subsidiary of the Company. CMIT holds 79.03% equity in DPN and 100% equity in YPIT respectively, and is able to exercise control over the latter two companies. Therefore, since 9 February 2021, the Company will follow the accounting processing method for enterprise merger under the same control and include DPN and YPIT in the consolidated scope of the Company's consolidated financial statements from the beginning of the comparative financial statement period.

China Merchants Port Group Co., Ltd.

Board of Directors

Dated 31 March 2022