



# CHINA MERCHANTS PORT GROUP CO., LTD.

## INTERIM REPORT 2023 (SUMMARY)

### Part I Important Notes

This Summary is based on the full Interim 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 report on the media designated by the China Securities Regulatory Commission (the “CSRC”).

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 interim cash and/or stock dividend plan for ordinary shareholders:

Applicable  Not applicable

The Company has no interim dividend plan, either in the form of cash or stock.

Board-approved interim cash and/or stock dividend plan for preferred shareholders:

Applicable  Not applicable

Note: For the meanings of the abbreviations in this Summary, please refer to the information under the heading “Definitions” in the full Interim Report.

This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.

### 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	
Office address	24/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang	24/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang Street,	

	Street, Nanshan, Shenzhen, PRC	Nanshan, Shenzhen, PRC
Tel.	+86 755 26828888	+86 755 26828888
E-mail address	Cmpir@cmhk.com	Cmpir@cmhk.com

## 2. Key Financial Information

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

Yes  No

Reason for retrospective restatements: Change to accounting policies

The Ministry of Finance issued Interpretation No. 16 for the Accounting Standards for Business Enterprises (C.K. [2022] No. 31) on 30 November 2022, which stipulates that the “accounting treatments for deferred income taxes associated with assets and liabilities arising from a single transaction to which the initial recognition exemption does not apply” shall take effect since 1 January 2023. In accordance with the aforesaid standard and regulations of the Ministry of Finance, the Company has adopted Interpretation No. 16 for the Accounting Standards for Business Enterprises since 1 January 2023.

	H1 2023	H1 2022		Change (%)
		Before	Restated	Restated
Operating revenue (RMB)	7,795,261,570.99	8,150,462,367.19	8,150,462,367.19	-4.36%
Net profit attributable to the listed company's shareholders (RMB)	1,902,334,759.43	1,981,861,324.62	1,988,560,957.83	-4.34%
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	1,801,393,373.15	1,920,549,245.60	1,927,248,878.81	-6.53%
Net cash generated from/used in operating activities (RMB)	2,310,845,305.96	3,221,251,177.09	3,221,251,177.09	-28.26%
Basic earnings per share (RMB/share)	0.76	1.03	1.03	-26.21%
Diluted earnings per share (RMB/share)	0.76	1.03	1.03	-26.21%
Weighted average return on equity (%)	3.43%	4.88%	4.88%	-1.45%

	30 June 2023	31 December 2022		Change (%)
		Before	Restated	Restated
Total assets (RMB)	204,928,889,409.33	197,525,530,887.76	197,587,102,447.31	3.72%
Equity attributable to the listed company's shareholders (RMB)	55,744,255,220.13	54,267,143,304.02	54,291,425,886.65	2.68%

### 3. Shareholders and Their Holdings as at the End of the Reporting Period

Unit: share

Number of ordinary shareholders	29,583 (18,479 A-shareholders and 11,104 B-shareholders)	Number of preferred shareholders with resumed voting rights (if any)	0		
Top 10 shareholders					
Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares	Restricted shares	Shares in pledge or frozen
CHINA MERCHANTS PORT INVESTMENT DEVELOPMENT COMPANY LIMITED	Foreign legal person	45.96%	1,148,648,648	0	0
ZHEJIANG PROVINCIAL SEAPORT INVESTMENT & OPERATION GROUP CO., LTD.	State-owned legal person	23.08%	576,709,537	576,709,537	0
CHINA MERCHANTS GANGTONG DEVELOPMENT (SHENZHEN) CO., LTD.	State-owned legal person	14.84%	370,878,000	0	0
SHENZHEN INFRASTRUCTURE INVESTMENT FUND-SHENZHEN INFRASTRUCTURE INVESTMENT FUND PARTNERSHIP (LIMITED PARTNERSHIP)	Funds, wealth management products, etc.	2.59%	64,850,182	0	0
BROADFORD GLOBAL LIMITED	State-owned legal person	2.21%	55,314,208	0	0
CHINA-AFRICA DEVELOPMENT FUND	State-owned legal person	1.69%	42,190,151	0	Unknown
CHINA CITIC BANK CORPORATION LIMITED-BOCOM SCHRODERS NEW VITALITY DYNAMIC ASSET ALLOCATION MIXED SECURITIES INVESTMENT	Funds, wealth management products, etc.	0.27%	6,774,663	0	Unknown

FUND					
CHINA LIFE INSURANCE COMPANY LIMITED-TRADITION- GENERAL INSURANCE PRODUCTS-005L-CT001 HU	Funds, wealth management products, etc.	0.18%	4,534,022	0	Unknown
HONG KONG SECURITIES CLEARING COMPANY LTD.	Foreign legal person	0.18%	4,400,007	0	Unknown
BANK OF CHINA LIMITED- GF MID-CAP AND SMALL-CAP SELECTED MIXED SECURITIES INVESTMENT FUND	Funds, wealth management products, etc.	0.13%	3,356,800	0	Unknown
Related or acting-in-concert parties among the shareholders above	Broadford Global Limited is the controlling shareholder of China Merchants Port Investment Development Company Limited and China Merchants Gangtong Development (Shenzhen) Co., Ltd. The Company does not know whether the other unrestricted shareholders are related parties or not.				
Shareholders involved in securities margin trading (if any)	N/A				

#### 4. Change of the Controlling Shareholder or the Actual Controller in the Reporting Period

Change of the controlling shareholder in the Reporting Period:

Applicable  Not applicable

The controlling shareholder remained the same in the Reporting Period.

Change of the actual controller in the Reporting Period:

Applicable  Not applicable

The actual controller remained the same in the Reporting Period.

#### 5. Number of Preferred Shareholders and Shareholdings of Top 10 of Them

Applicable  Not applicable

No preferred shareholders in the Reporting Period.

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

Does the Company have any corporate bonds publicly offered on the stock exchange, which were outstanding before the date of this Report's approval or were due but could not be redeemed in full?

√ Yes  No**(1) Bond Profile**

Bond name	Abbr.	Bond code	Issue date	Maturity	Outstanding balance (RMB'0,000)	Coupon rate
2020 Public Offering of Corporate Bonds of China Merchants Port Group Co., Ltd. (for qualified investors) (Phase I)	20 CMPort 01	149170	7 July 2020	8 July 2023	200,000.00	3.36%
2022 Public Offering of Corporate Bonds of China Merchants Port Group Co., Ltd. (for professional investors) (Phase I)	22 CMPort 01	148052	29 August 2022 to 30 August 2022	30 August 2025	300,000.00	2.69%
2022 Public Offering of Corporate Bonds of China Merchants Port Group Co., Ltd. (for professional investors) (Phase II)	22 CMPort 02	148058	5 September 2022 to 6 September 2022	6 September 2024	300,000.00	2.45%

**(2) Relevant Financial Information as at the End of the Reporting Period**

Item	30 June 2023	31 December 2022	Increase/decrease
Current ratio	95.23%	76.93%	23.79%
Debt/asset ratio	36.20%	35.07%	1.13%
Quick ratio	94.39%	76.08%	24.07%
	H1 2023	H1 2022	Increase/decrease
Net profit before exceptional gains and losses (RMB'0,000)	180,139.34	192,054.92	-6.20%
EBITDA/debt ratio	10.07%	11.93%	-1.86%
Interest cover (times)	4.12	4.76	-13.45%
Cash-to-interest cover (times)	3.52	5.20	-32.31%
EBITDA-to-interest cover (times)	6.58	7.15	-7.97%
Loan repayment ratio	100.00%	100.00%	-
Interest payment ratio	100.00%	100.00%	-

## Part III Significant Events

### 1. Business Overview of the Reporting Period

Is the Company subject to any industry-specific disclosure requirements?

The Company is not subject to any industry-specific disclosure requirements.

#### (1) Overview of port business

In the first half of 2023, port businesses coincided with industry mainstream trend which scaled up share of key region market, and the Company's investment on Ningbo Port also increased its business volume. The Company's ports handled a total container throughput of 87.075 million TEUs, up 30.4% year-on-year. Bulk cargo volume handled by the Company's ports increased by 115.3% year-on-year to 630 million tonnes, which was mainly thanks to the business volume of Ningbo Port included in the Company since October 2022, contributing business increment of the Company with container throughput of 19.74 million TEUs and bulk cargo throughput of 333 million TEUs in the first half of the year. For container business, the Company's ports in Mainland China handled a container throughput of 67.747 million TEUs, representing a year-on-year increase of 46.4%, ports in Hong Kong and Taiwan regions contributed a total container throughput of 2.791 million TEUs, representing a year-on-year decrease of 22.4%, and the total container throughput handled by the Company's overseas ports grew by 116.7% year-on-year to 16.537 million TEUs. In terms of bulk cargo business, the Company's ports in Mainland China handled a bulk cargo volume of 627 million tonnes, up 116.7% year-on-year, and overseas ports handled a bulk cargo volume of 2.797 million tonnes, down 12.8% year-on-year.

#### (2) Implementation of business plan during the reporting period

During the Reporting Period, the Company stuck to its fundamental working principle of making advancement while maintaining stable. It proactively coped with the global economic downturn and shrink of demand, continued to focus on endogenous growth and innovation upgrading and captured opportunities under the complex economic and trade situation to fully implement various development measures. In respect of construction of homebase port, technological innovation, market expansion, operation management, deepening reform, comprehensive development, ESG and other aspects, the Company has achieved new accomplishment and made a solid step for high quality development.

① **As for the construction of homebase ports, strengthening regional position and extending value chain.** Under the situation that the overall container throughput in the Guangdong-Hong Kong-Macao Greater Bay Area declines, the West Shenzhen homebase port, by adjusting competitive strategy, consolidated and further enhanced its market share in foreign trade. Meanwhile, it further advanced the upgrade of the hardware of collection and transportation infrastructures of West Shenzhen homebase port, enabling ships of 200,000 tonnes to sail at night in Tonggu channel. For homebase port in Sri Lanka, the Company continued to advance the construction of the international shipping center in South Asia. CICT continued to optimize route layout and steadily improved its market share in Colombo Market, maintaining its dominant position; besides, it steadily advanced the trade and logistics project in South Asia, to cultivate the

competitiveness with comprehensive service features, building up new development momentum of “port + logistics center”. HIPG strengthened market expansion and its transfer business of RO-RO, liquefied petroleum gas, and fuel oil all recorded relatively high growth.

② **In terms of technological innovation, promoting technological innovation and constructing smart port.** CMIT, a subsidiary of the Company, continued to increased investment in R&D of technologies, steadily implemented the critical task to overcome the structural upgrade of the Container Terminal Operation System (CTOS) of Ministry of Transport, continued to optimized the proposal of autonomous driving technology, sped up the R&D and promotion of products of comprehensive service platform of “CM ePort” version 3.0, and constantly promoted the deepening of management of the Smart Management Platform (SMP). In the first half, “5G Mawan Smart Port” was included in the first batch of pioneer application excellent cases and solutions in Shenzhen. On 12 August, China Federation of Logistics & Purchasing announced that the “West Shenzhen Port Import Electronic Order Exchange Platform Project Based on Alliance Chain and Cloud Technology obtained the First Prize of Science and Technology Progress Award.

③ **In terms of market expansion, improving service quality and promoting model innovation.** The Latin American bridgehead, TCP’s market share has further improved, and the leading position of HIPG RoRo in the regional market has been further strengthened. In the Guangdong-Hong Kong-Macao Greater Bay Area, the Company actively facilitated inter-companies synergy in the China Merchants Group, built high-quality routes with “customized port services” and proactively expanded business along the Southeast Asian routes. With continuous progress, the coordinated port business in the Guangdong-Hong Kong-Macao Greater Bay Area has covered every major regions of Guangdong Province. 5 new sites and a total of 30 sites were opened in the first half of 2023, serving nearly 6,000 import and export enterprises and completed more than 0.40 million TEUs in aggregate since operation.

④ **In terms of operation management, construction of an operation management and control system and improving streamline operation capacity.** By leverage of SMP, the Company built a one-stop comprehensive management platform of CMPort, supporting the business analysis of all modules, namely containers, bulk cargos, logistics park, comprehensive development and intelligent technology. SMP takes digital technology as the key force and applies smart tools to drive the transformation of means, modes and concepts of the operation and management of CMPort. At present, the Company has substantially realized the classification and management of information of lifetime of assets, the standardization and onlineization of major business processes. Besides, the Company also optimized the engineering management system and set up an engineering management center to carry out works; optimized its profitability and constantly developed measures to enhance its quality and efficiency; optimized and reshaped its business and financial analysis framework to strictly control the increase of cost and expenses; deepened cost control to form a normalization mechanism of cost reduction and higher efficiency. The streamline operation of the Company has achieved phased results.

⑤ **In terms of deepening reform, strengthening system and mechanism reform, inspiring the vitality of enterprises.** The Company deeply implemented the “Double-Hundred Action” and emphasized on comprehensive industrial system of ports, with an aim to serve the national development strategy, optimize capital layout and improve industrial competitiveness. By focusing on governance mechanism, employment mechanism and incentive mechanism, the Company has made new progress in terms of promoting reform of equity diversification, optimizing overseas legal person governance system, implementing a market-based selection and appointment mechanism, and strengthening the incentive-oriented role of salary, thus further stimulated the deep

vitality of the enterprise. In May 2023, SASAC of the State Council released the special appraisal results of “Double-Hundred Enterprises” of 2022 and the Company received “Excellent” title for its outstanding achievements and remarkable reform results.

⑥ **In terms of comprehensive development, making innovation on commercial mode and conducting promotion to targeted industries.** HIPG Industrial Park was occupied by 48 contracted enterprises and realized the introduction of key industries. It continuously enriches the industrial layout and strengthens the joint development with ports. Djibouti International Free Trade Zone was occupied by 332 contracted enterprises. Under the environment of interest rate hike and unstable surrounding situation, the land sales of the Djibouti park made a new record, and the overall operating results was stable and better than the same period last year. By leverage on domestic and foreign ports and park resources, the Company promoted the construction of the exhibition center platform of “Made in Liaocheng” in the Djibouti Free Trade Zone, to open up a green channel for domestic commodities to enter and exit the port and promote the value chain to extend upstream and downstream.

⑦ **In terms of ESG construction, included in “Pioneer” list and promoting harmonious development.** The Company actively implemented the ESG concept and continued to strengthen the ESG governance by taking initiative to disclose ESG report, aiming to be the world-class green and intelligent comprehensive port service provider. In the first half of the year, the Company obtained many honors from the industry and the capital market for its long-term responsibility management and performance. On 18 May, at the 2023 Green and Safe Port Conference and the 2nd Beibu Gulf Green Port Development Forum held by China Ports & Harbours Association, Chiwan Container Terminal Co., Ltd. and Shenzhen Magang Godown & Wharf Co., Ltd of West Shenzhen homebase port, both obtained a 4-star rating as “China Green Port” awarded by China Ports & Harbours Association; on 13 June, The Company was successfully selected into the "China ESG Listed Companies First 100" list, ranking 68th and third in the transportation industry.

### (3) Year-on-year Changes in Key Financial Data

Unit: RMB

	H1 2023	H1 2022	Change (%)	Main reason for change
Operating revenue	7,795,261,570.99	8,150,462,367.19	-4.36%	-
Operating costs	4,519,943,753.79	4,637,368,881.65	-2.53%	-
Administrative expense	790,916,154.65	812,502,660.55	-2.66%	-
Finance costs	960,449,741.90	1,351,945,047.67	-28.96%	-
Income tax expense	613,219,852.56	619,132,978.15	-0.96%	-
R&D Investments	121,041,310.72	114,833,178.50	5.41%	-
Net cash generated from/used in operating activities	2,310,845,305.96	3,221,251,177.09	-28.26%	-
Net cash generated from/used in investing activities	-1,225,290,440.51	-1,863,650,103.30	34.25%	Effects of changes in structured deposits and project investments
Net cash generated from/used in financing activities	-210,222,809.39	126,775,022.25	-265.82%	Effects of changes in project financings, dividend payout and expenditure on increasing holdings in subsidiaries
Net increase in cash	989,020,982.66	1,396,165,516.30	-29.16%	-

and cash equivalents				
Gains from changes in fair value	143,037,303.68	-38,026,112.58	476.16%	Increased gains from changes in fair value of shares held

## 2. Matters Related to Financial Reporting

### (1) Changes to Accounting Policies, Accounting Estimates or Measurement Methods Compared to the Last Accounting Period

The Ministry of Finance issued Interpretation No. 16 for the Accounting Standards for Business Enterprises (C.K. [2022] No. 31) on 30 November 2022, which stipulates that the “accounting treatments for deferred income taxes associated with assets and liabilities arising from a single transaction to which the initial recognition exemption does not apply” shall take effect since 1 January 2023. In accordance with the aforesaid standard and regulations of the Ministry of Finance, the Company has adopted Interpretation No. 16 for the Accounting Standards for Business Enterprises since 1 January 2023.

### (2) Retrospective Restatements due to the Correction of Material Accounting Errors in the Reporting Period

Applicable     Not applicable

No such cases.

### (3) Changes to the Scope of Consolidated Financial Statements Compared to the Last Accounting Period

During the reporting period, except for the establishment of new subsidiaries, the Company did not have any changes in the scope of consolidation due to other reasons.

China Merchants Port Group Co., Ltd.

Board of Directors

Dated 31 August 2023