



**COSCO SHIPPING Holdings Co., Ltd.**

**2024 Q1 Results**

# **1 Market & Business Review**

# **2 Market & Business Outlook**

Note: Related financial information set out in this presentation mainly in accordance with A-share report



# Market & Business Review

# » Highlights

## Revenues

**6.8** bn \$

2023 Q1: 6.9 bn \$

## EBIT

**1.4** bn \$

2023 Q1: 1.6 bn \$

## Profit before income tax

**1.3** bn \$

2023 Q1: 1.4 bn \$

## Profit for the period

**1.1** bn \$

2023 Q1: 1.3 bn \$

## Net Profit

Attributable to equity holders of the Company

**1.0** bn \$

2023 Q1: 1.0 bn \$

## EBITDA

**2.1** bn \$

2023 Q1: 2.3 bn \$

## Debt to asset ratio

as of March 31, 2024

**45.6%**

As of Dec 31, 2023: 47.4%

## Cash flow from operations

**1.3** bn \$

2023 Q1: 0.9 bn \$

## Total Throughput

**33.3** mn TEUs

2023 Q1: 30.3 mn TEUs

Note: The revenue from routes and major performance indicators above were translated into US\$ at an average exchange rate of RMB7.0963: US\$1 and RMB6.8872: US\$1 in Q1 2024 and Q1 2023; RMB7.095 : US\$1 and RMB6.8717: US\$1 at the end of March 2024 and March 2023 respectively.

# Consolidated income statement

RMB (mn)	2024 Q1	2023 Q1	YoY
Revenue	48,270	47,353	1.9%
Operating costs	38,909	36,790	5.8%
Gross profit margin	19.4%	22.3%	-2.9PPs
Selling expenses	233	15	1436.7%
Administrative expenses	1,694	2,270	-25.4%
Research & development expenses	257	210	22.3%
Finance costs(Loss denoted with “-”)	-909	-840	-
Investment income	1,245	1,095	13.7%
Gains on fair value changes (Loss denoted with “-”)	7	19	-65.7%
Credit impairment losses (Loss denoted with “-”)	-48	-38	-
Impairment losses on assets (Loss denoted with “-”)	-0.6	-0.3	-
Gains on disposal of assets	40	7	478.2%
Operating profit	9,160	9,853	-7.0%
Total profits	9,159	9,857	-7.1%
Less: Income tax expenses	1,477	1,275	15.9%
Net profits for the period	7,682	8,582	-10.5%
Net profits attributable to equity holders of the Company	6,755	7,127	-5.2%
Net profits attributable to equity holders of the Company, net of non-recurring profit or loss	6,724	7,093	-5.2%
Basic earnings per share (RMB/share)	0.42	0.44	-4.6%
Diluted earnings per share (RMB/share)	0.42	0.44	-4.6%

# » Consolidated balance sheet

RMB (mn)	2024-3-31	2023-12-31	YoY
Current assets	196,560	202,481	-2.9%
Non-current assets	262,867	259,948	1.1%
<b>Total assets</b>	<b>459,426</b>	<b>462,429</b>	<b>-0.7%</b>
Current liabilities	124,999	127,349	-1.9%
Non-current liabilities	84,377	91,861	-8.2%
<b>Total liabilities</b>	<b>209,376</b>	<b>219,210</b>	<b>-4.5%</b>
Of which: short-term & long-term borrowings and bonds payable	34,195	42,553	-19.6%
<b>Total equity attributable to shareholders of the Company</b>	<b>202,854</b>	<b>196,115</b>	<b>3.4%</b>
Non-controlling interests	47,197	47,104	0.2%
<b>Total equity</b>	<b>250,051</b>	<b>243,219</b>	<b>2.8%</b>
<b>Debt to asset ratio</b>	<b>45.6%</b>	<b>47.4%</b>	<b>-1.8PPs</b>

# Consolidated cash flow statement

RMB (mn)	2024 Q1	2023 Q1	Change
Net cash generated /(used in) operations	8,865	6,153	2,712
Net cash used in investing activities	-3,917	-10,085	6,168
Net cash used in/(generated from) financing activities	-13,111	-7,276	-5,835
Net cash inflows in the period	-8,163	-11,208	3,045
Exchange (losses)/gains on cash and cash equivalents	101	-2,099	2,200
Net increase/ (decrease) in cash and cash equivalents	-8,062	-13,307	5,245
Add: cash and cash equivalents as at 1 January	181,113	235,614	-54,501
Cash and cash equivalents as at 31 March	173,052	222,307	-49,255

# Quarterly results and segment results\*

RMB(mn)	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Revenues	105,530	105,262	105,763	74,504	47,353	44,489	42,714	40,891	48,270
Net profit attributable to equity holders of the Company	27,628	37,203	32,546	12,326	7,127	9,433	5,510	1,789	6,755
Net profit attributable to equity holders of the Company, net of non-recurring profit and loss	27,481	37,023	32,374	12,259	7,093	9,427	5,464	1,768	6,724
Net cash flows generated from operating activities	62,539	50,033	53,889	30,338	6,153	7,109	7,262	2,088	8,865
RMB(mn)	2022.3.31	2022.6.30	2022.9.30	2022.12.31	2023.3.31	2023.6.30	2023.9.30	2023.12.31	2024.3.31
Total assets	477,030	496,704	550,376	511,930	500,955	482,927	480,145	462,429	459,426
Equity attributable to equity holders of the Company	161,095	187,453	222,344	200,591	206,621	198,680	203,175	196,115	202,854
Debt to asset ratio	55.7%	51.4%	50.0%	50.4%	48.1%	48.6%	47.6%	47.4%	45.6%
RMB(mn)	segment operating revenues**			segment operating costs**			segment gross profit margin**		
	2024 Q1	2023 Q1	YoY	2024 Q1	2023 Q1	YoY	2024 Q1	2023 Q1	YoY
Container shipping and related business	46,533	45,701	1.8%	37,817	35,789	5.7%	18.7%	21.7%	-3.0PPs
Terminal and related business	2,384	2,285	4.4%	1,721	1,624	6.0%	27.8%	28.9%	-1.1PPs

\* Data on this page are based on A-share accounting standards

\*\* EJE excluded.

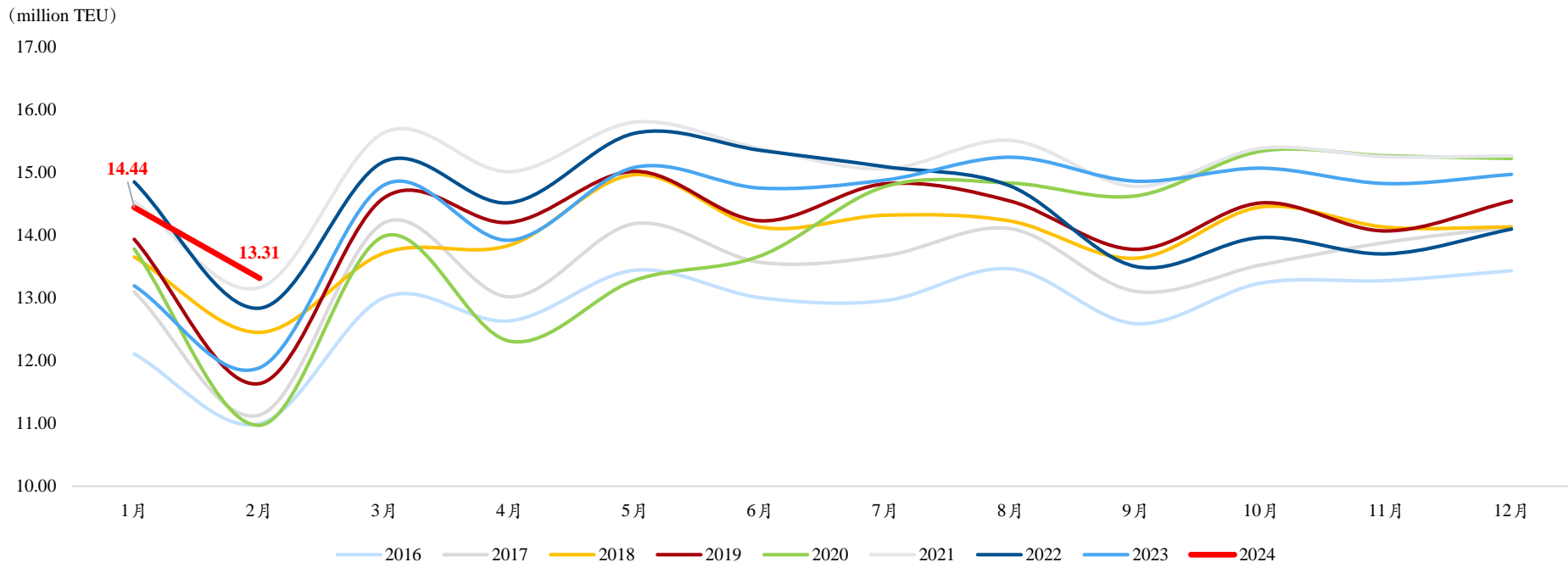


# Quarterly operating data summary

Items	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Cargo volume of the Group(000' TEU)	6,162	6,310	6,063	5,878	5,453	5,942	6,060	6,099	6,027
Revenues of container shipping business (US\$mn)	15,625	14,934	14,450	9,472	6,142	5,558	5,234	4,981	6,083
Unit income of International routes (US\$/TEU)	2,975	2,817	2,835	1,876	1,272	1,055	979	933	1,172
Unit income of COSCO SHIPPING Lines Domestic routes(RMB/TEU)	2,775	2,801	2,716	3,385	2,986	2,797	2,565	2,453	2,404
EBIT of Container shipping business (US\$mn)	6,224	7,981	6,697	3,552	1,349	1,633	896	214	1,151
Total throughput of CSP(000' TEU)	30,292	32,919	34,203	32,693	30,305	34,267	35,603	35,633	33,262
CCFI	3,444	3,157	2,950	1,615	1,087	938	876	854	1,290

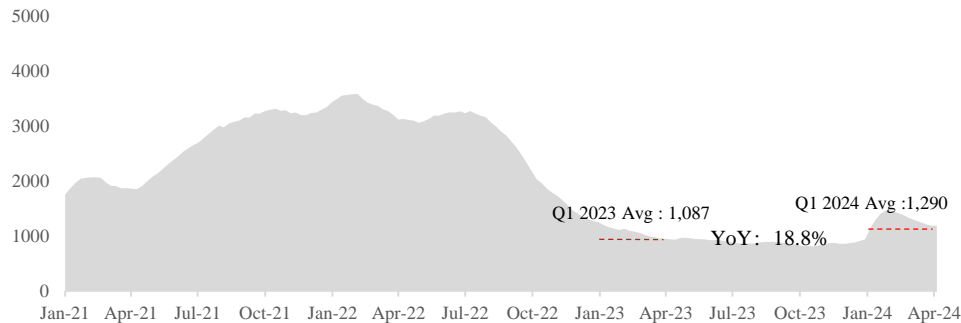
# Global container freight volume

## Monthly changes in global container freight volume



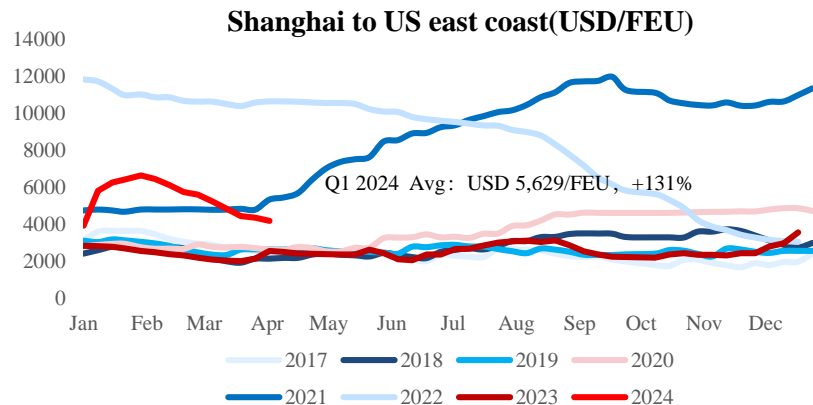
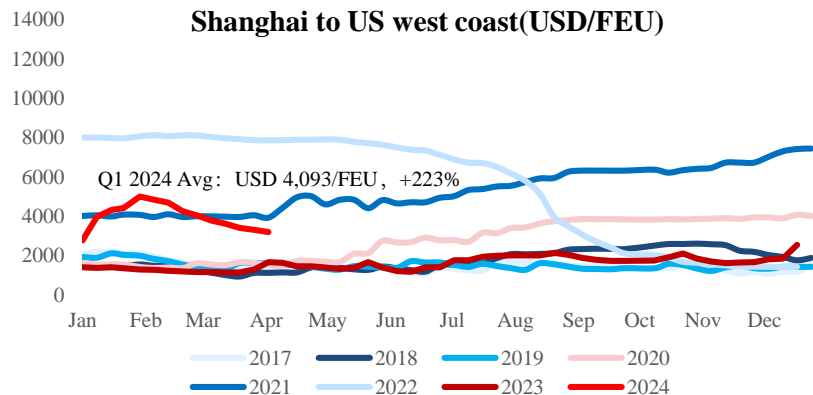
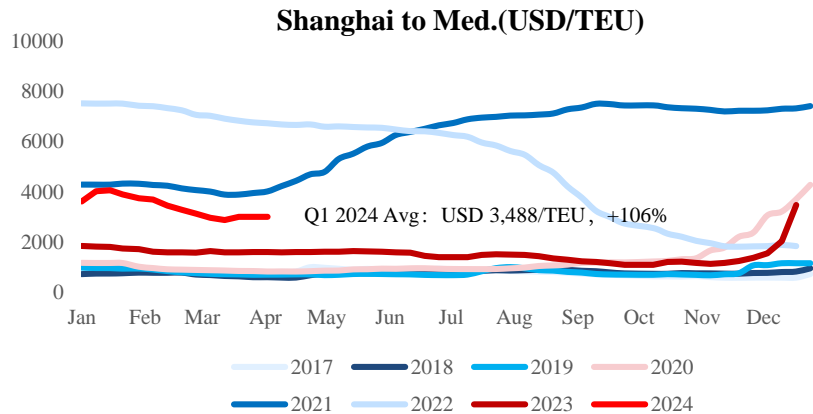
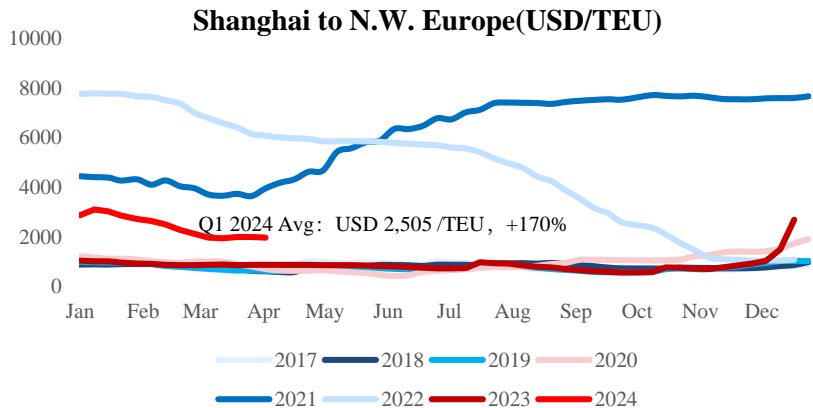
Source: CTS

Q1 2024	Q1 2023	YoY
1,290	1,087	18.8%
Q1 2024	Q4 2023	QoQ
1,290	854	51.2%



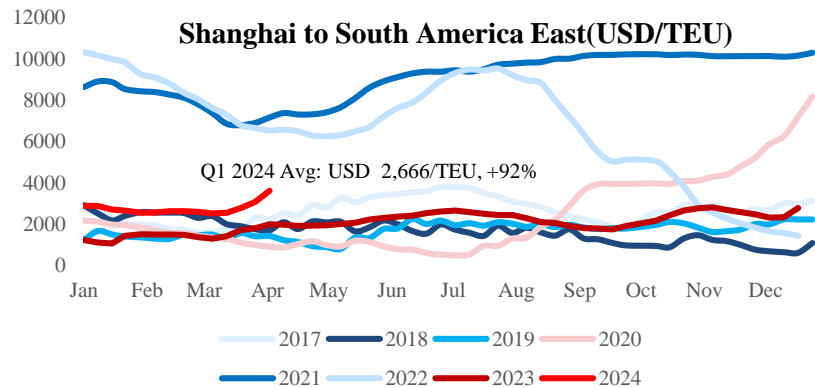
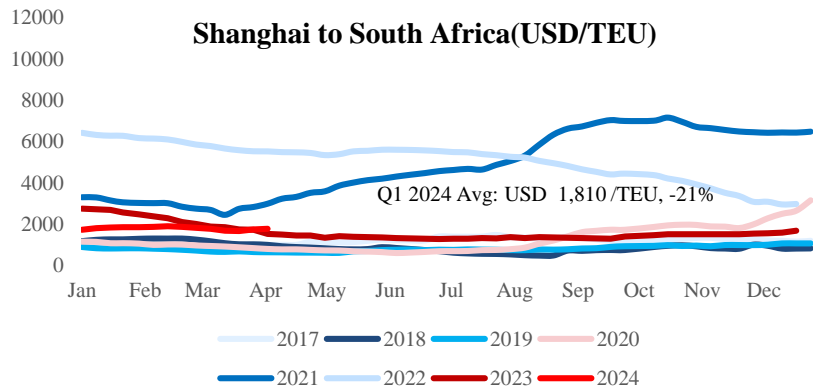
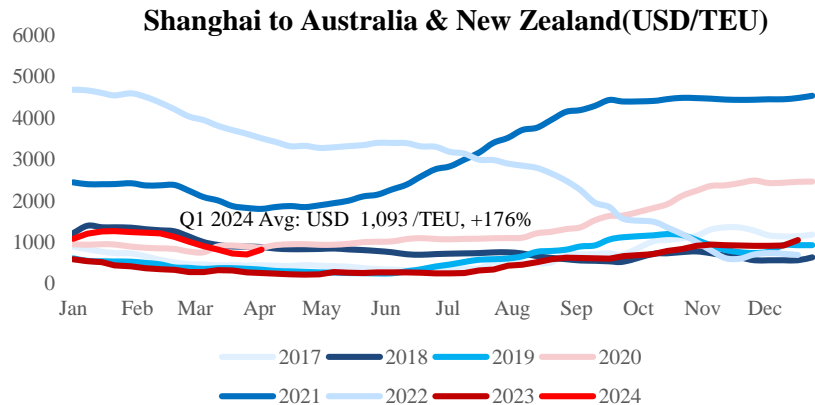
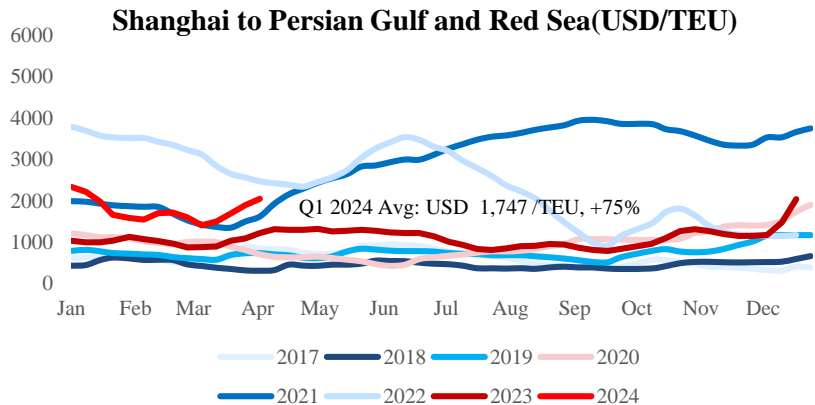
Source: Shanghai Shipping Exchange, as at 12 April 2024

# SCFI: Freight rate of east-west trunk routes



Source: Shanghai Shipping Exchange, as of April 12, 2024








# SCFI: Freight rate of other routes



Source: Shanghai Shipping Exchange, as of April 12, 2024

# » Fleet Capacity of the Group

As at 31 March 2024, fleet capacity of the Group reached: 510 vessels/3,105,927TEUs, up 2.1% compared with the beginning of the year; average fleet age of 13.1 years and average fleet capacity of 6,090TEUs, up 0.5% compared with the beginning of the year.

Capacity(TEU)		Existing Operating			Orderbook	Existing& Orderbook
		Owned & Bareboat charter	Chartered	Total		
 Capacity(TEU)		736,359	0	<b>736,359</b>	634,380	1,370,739
≥15,000	No. of vessels	35	0	<b>35</b>	31	66
 Capacity(TEU)		737,906	115,164	<b>853,070</b>	42,300	895,370
10,000–15,000	No. of vessels	58	9	<b>67</b>	3	70
 Capacity(TEU)		294,678	167,070	<b>461,748</b>		461,748
8,000-10,000	No. of vessels	34	19	<b>53</b>		53
 Capacity(TEU)		0	34,871	<b>34,871</b>		34,871
6,000-8,000	No. of vessels	0	5	<b>5</b>		5
 Capacity(TEU)		530,644	160,949	<b>691,593</b>		691,593
4,000-6,000	No. of vessels	111	34	<b>145</b>		145
 Capacity(TEU)		2,992	126,116	<b>129,108</b>		129,108
2,000-4,000	No. of vessels	1	50	<b>51</b>		51
 Capacity(TEU)		15,942	183,236	<b>199,178</b>		199,178
<2,000	No. of vessels	11	143	<b>154</b>		154
<b>Total</b>	<b>Capacity(TEU)</b>	<b>2,318,521</b>	<b>787,406</b>	<b>3,105,927</b>	<b>676,680</b>	<b>3,782,607</b>
	<b>No. of vessels</b>	<b>250</b>	<b>260</b>	<b>510</b>	<b>34</b>	<b>544</b>

## Ratio of Fleet Owned & Chartered (TEU)



■ Self-owned & bareboat charter ■ Chartered externally

Note: Vessel chartered-out excluded (1 vessel /5,816 TEU)

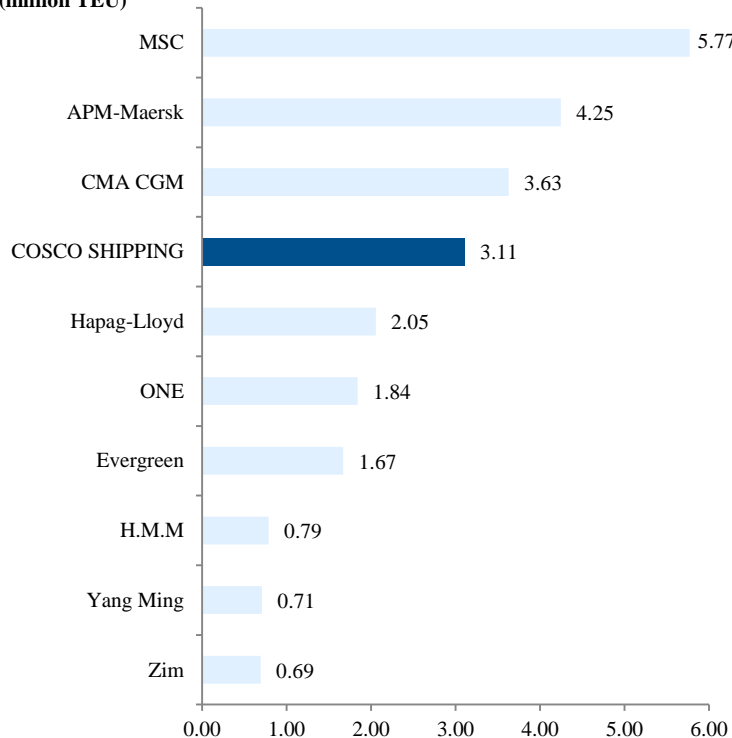
## Operating Capacity Change in Q1 2024

	Vessels	TEUs
Scrapped	0	0
Newbuilding delivery	3	52,388
Changes from the Chartered	5	10,715

# Capacity scale remains in the first echelon of the industry

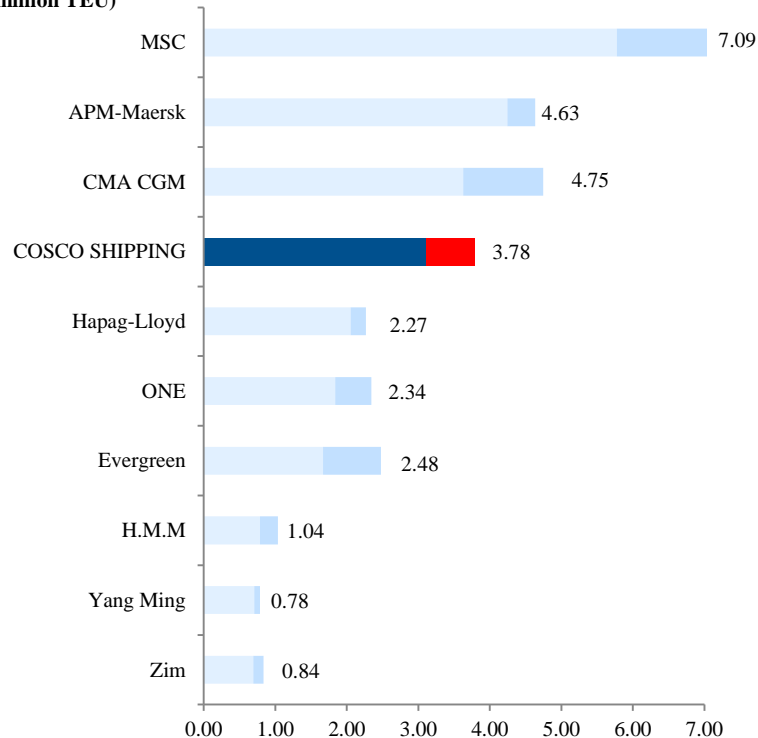
## Top liner companies(existing capacity)

(million TEU)



## Top liner companies(existing capacity & orderbook)

(million TEU)

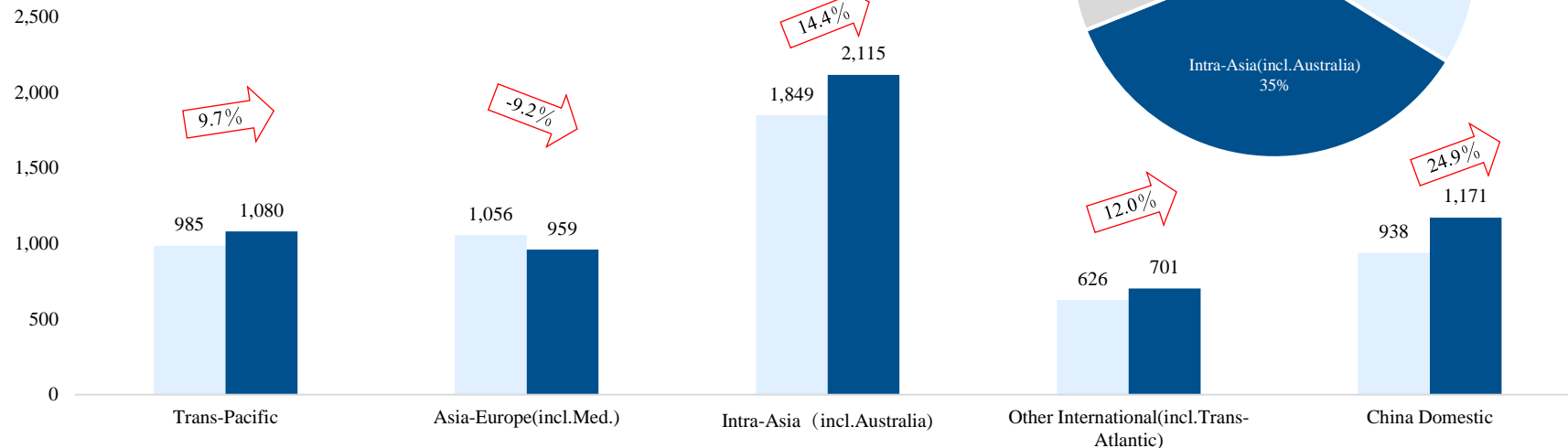


Source: Company data; Alphaliner Monthly, April 2024

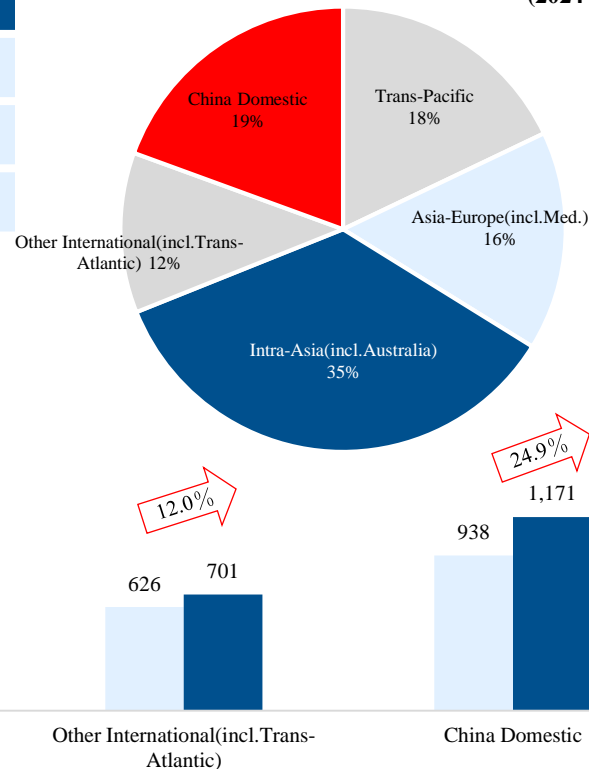
# » Cargo volume of container shipping business

(000*TEU)	2024 Q1	2023 Q1	YoY
Cargo volume of container shipping business	6,027	5,453	10.5%
Of which: Cargo volume of international routes	4,856	4,515	7.6%
OOCL Cargo volume of	1,797	1,738	3.4%

(000\*TEU)



Breakdown of cargo volume by routes (2024 Q1)

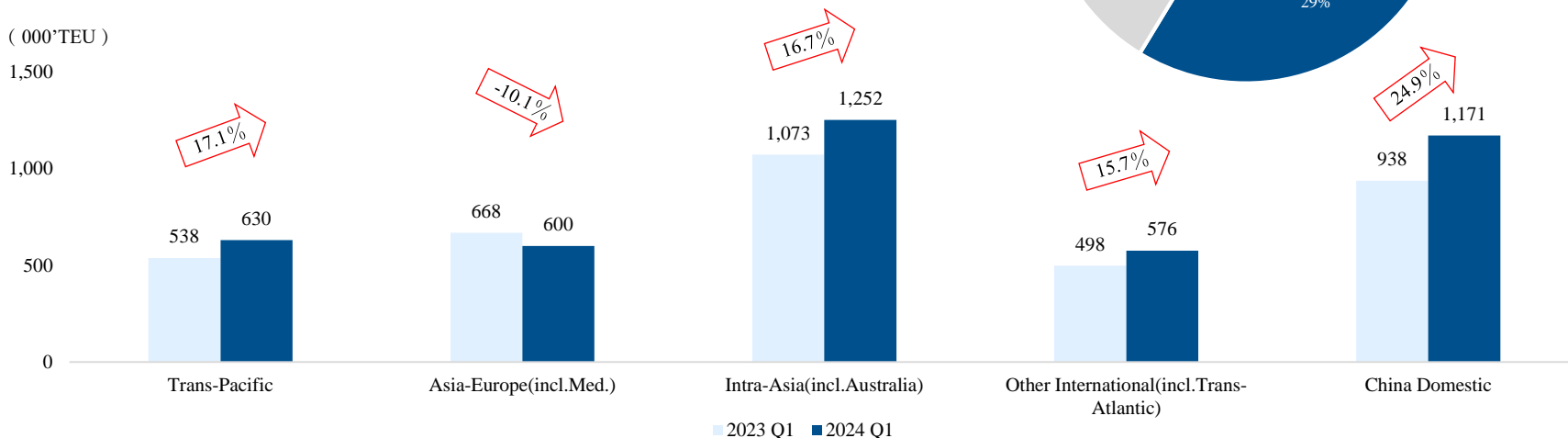
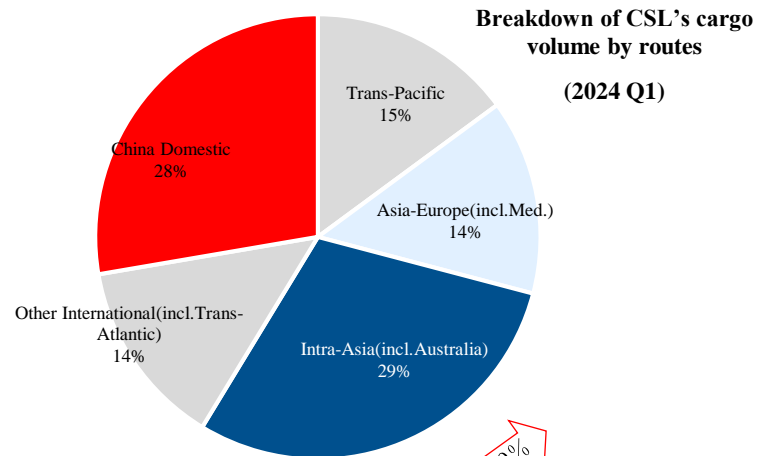


■ 2023 Q1 ■ 2024 Q1



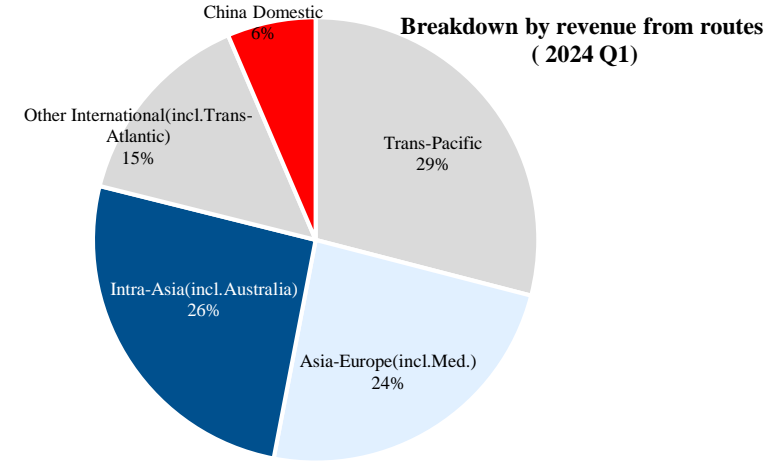
# » Cargo volume of COSCO SHIPPING Lines

(000*TEU)	2024 Q1	2023 Q1	YoY
<b>Cargo Volume</b>	<b>4,230</b>	<b>3,715</b>	<b>13.9%</b>
<b>Of which: Cargo volume of international routes</b>	<b>3,059</b>	<b>2,777</b>	<b>10.1%</b>



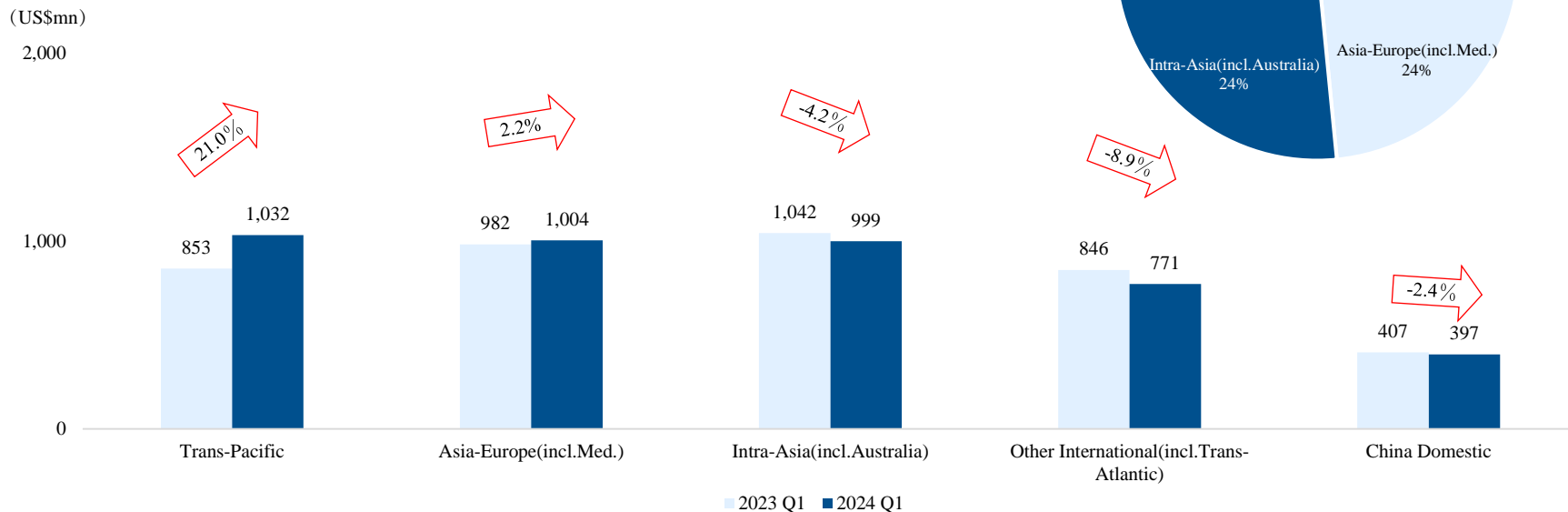
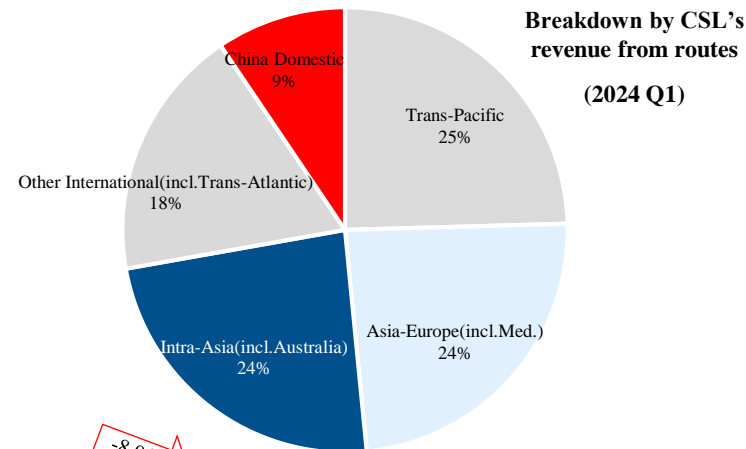
# Routes revenue of container shipping business

(US\$mn)	2024 Q1	2023 Q1	YoY
Routes revenue of container shipping business	6,083	6,142	-1.0%
Of which: Routes revenue of international routes	5,692	5,741	-0.9%
OOCL Routes revenue of	1,980	2,176	-9.0%



# Routes revenue of COSCO SHIPPING Lines

(US\$mn)	2024 Q1	2023 Q1	YoY
<b>Routes revenue</b>	<b>4,203</b>	<b>4,131</b>	<b>1.7%</b>
<b>Of which: Routes revenue of international routes</b>	<b>3,806</b>	<b>3,724</b>	<b>2.2%</b>

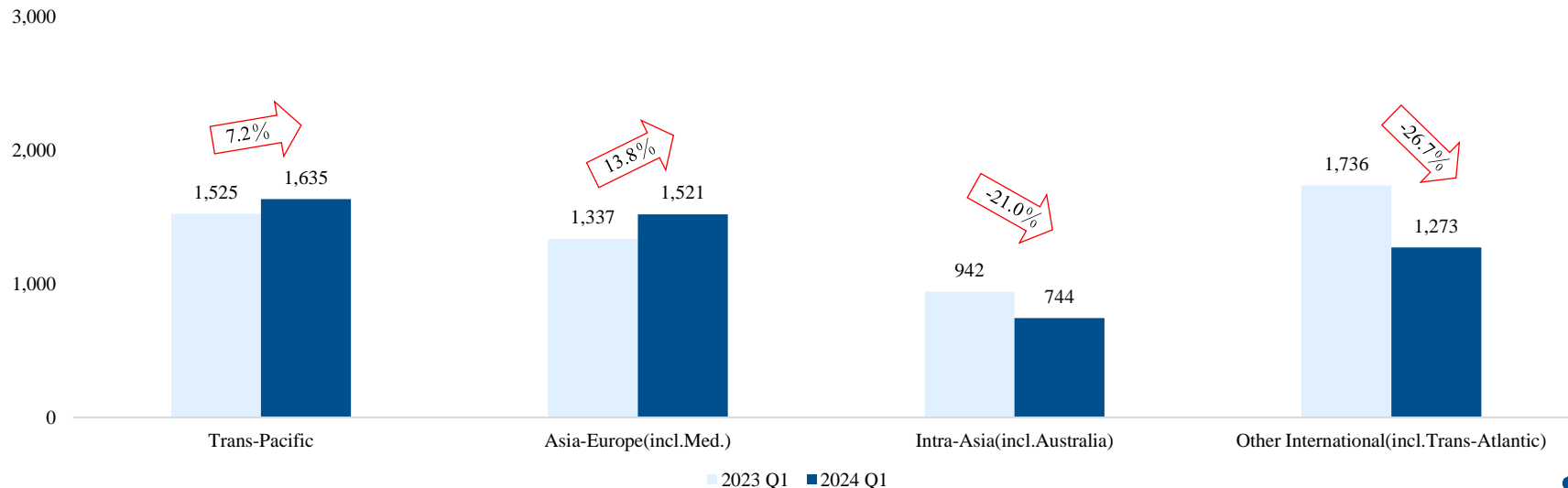


# Unit income of container shipping business

(US\$/TEU)	2024 Q1	2023 Q1	YoY
Unit income of international routes of container shipping business	1,172	1,272	-7.8%
Of which: COSCO SHIPPING Lines	1,244	1,341	-7.2%
OOCL	1,102	1,252	-12.0%
Unit income of COSCO SHIPPING Lines domestic routes (RMB/TEU)	2,404	2,986	-19.5%

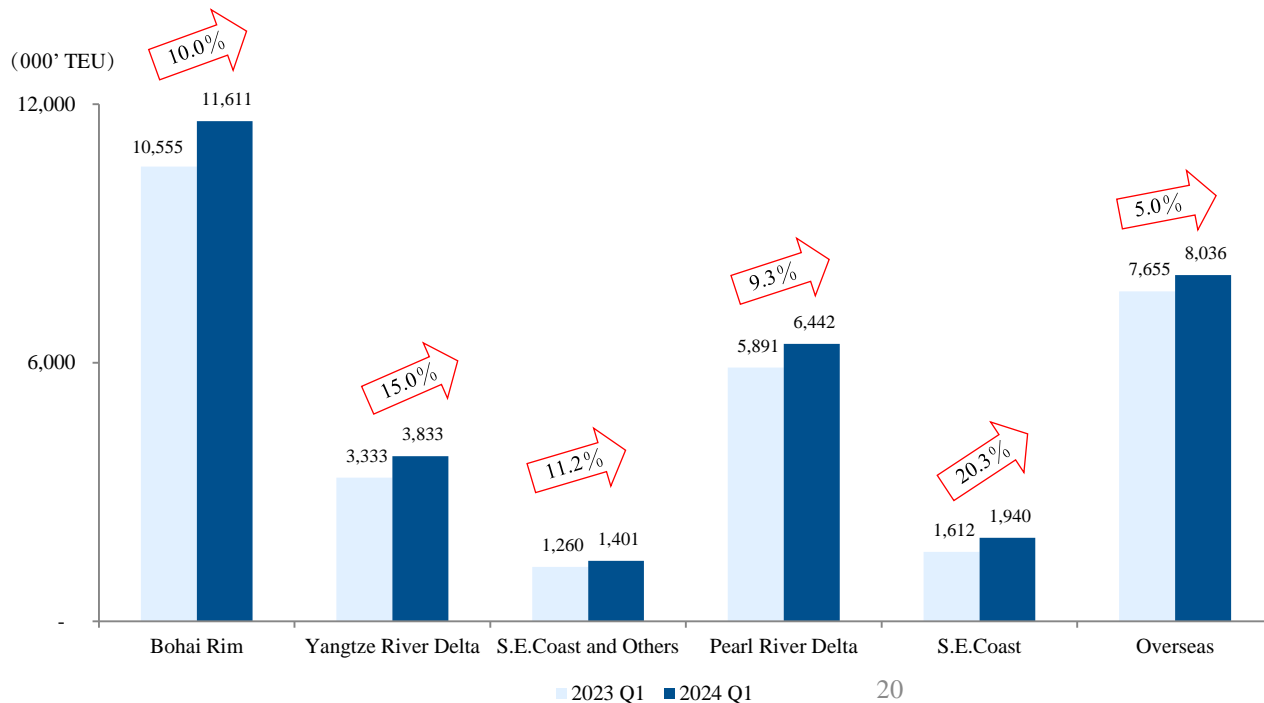
(US\$/TEU)

## Unit Income of International Routes of Container Shipping business

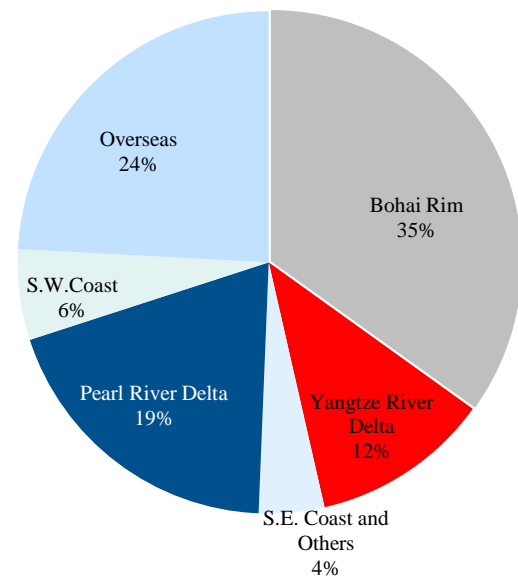


# Terminal business: total throughput of CSP

For the first quarter of 2024, the total throughput of COSCO SHIPPING Ports amounted to 33.26 million TEUs, representing an increase of 9.76% as compared to the same period of last year, of which, the throughput of controlled terminals amounted to 7.42 million TEUs, representing a increase of 11.55% as compared to the same period of last year; the throughput of non-controlled terminals amounted to 25.84 million TEUs, representing an increase of 9.25% as compared to the same period of last year.



Total Throughput Breakdown by Regions (2024 Q1)



# Corporate structure



Note: As of March 31, 2024

# » Progress of A-share and H-share buybacks for cancellation

## Buyback some A-shares

- Purpose: the repurchased shares will be completely cancelled and the registered capital of the Company will be reduced accordingly
- Number of shares: 30 million to 60 million A-shares
- Implementation period: Within 3 months from the approval date of this buyback plan by the Company's board of directors
- Price cap: RMB 12.29 per share (inclusive)
- Source of funds: self-owned cash of the Company

## Buyback some H-shares

- Implement H-share buyback within the general mandate framework approved by the shareholders' meeting
- but it is not intended to trigger the mandatory offer obligation of controlling shareholders under the relevant rules of China Hong Kong stock market. The number and amount of repurchased H-shares should be subject to the implementation announcement

## Progress of share buybacks for cancellation (As of the end of March 2024)

Type of shares	Number of shares repurchased	Price paid (excluding transaction costs)	Cancellation date	Number of shares Cancelled
A	59,999,924	RMB 583 Million	2023.11.29	59,999,924
H	155,000,000	HK\$ 1,202 Million	2023.11.17 2024.02.29	41,467,000 113,533,000
<b>Total</b>	<b>214,999,924</b>			<b>214,999,924</b>

# Orderbook delivery schedule

Delivery Year	2023	2024	2025	2026	2027	2028	Total
No. of ships(Units)	7	12	13	1	7	4	44
Shiptypes (TEU)	1*14,100, 6*24,188	5*14,100, 1*16,000, 6*24,188	9*16,000, 4*16,180	1*24,060	7*24,060	4*24,060	6*14,100, 10*16,000, 4*16,180, 12*24,060, 12*24,188
Capacity (TEU)	159,228	231,628	208,720	24,060	168,420	96,240	888,296
Deliveries YTD	1*14,100, 6*24,188	2*14,100, 3*24,188	/	/	/	/	/

\* As of April 29, 2024

\*\* Actual delivery time and delivery ship types may be adjusted due to factors such as the Company's business operations, market environment, etc.





# Market & Business Outlook

# » Encounter both opportunities and challenges

## Looking ahead to 2024

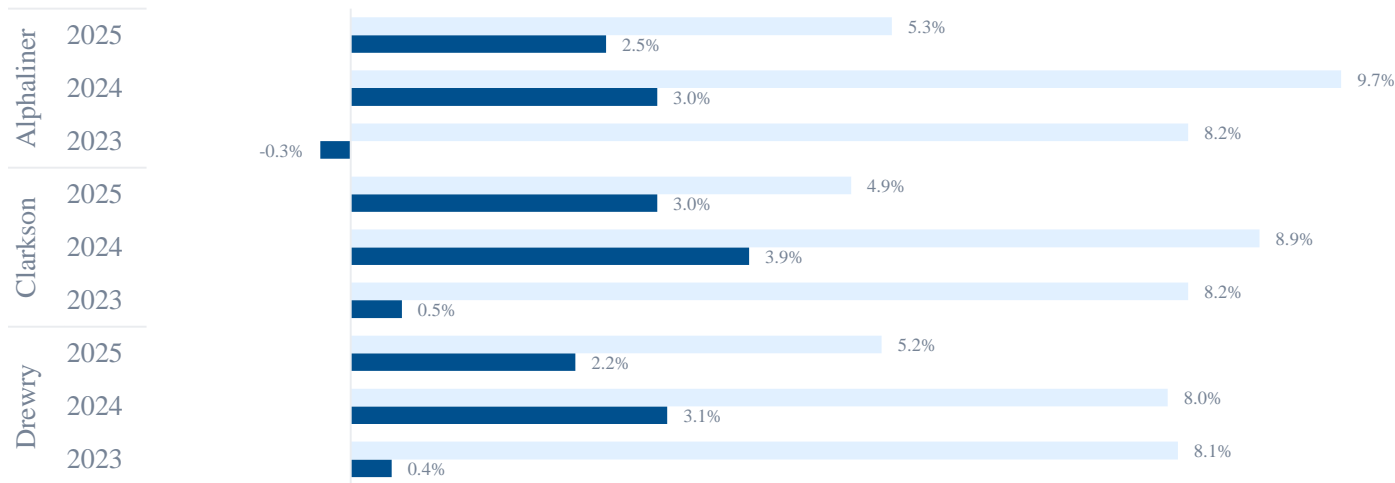
### ➤ Opportunities :

- ① The world economy will experience moderate growth,
- ② The potential demand of emerging markets will be further unleashed,
- ③ China's economy will remain in the uptrend,
- ④ Global commodity trade is expected to gradually recover.

### ➤ Challenges :

- ① Intensifying geopolitical risks,
- ② Faster green transformation,
- ③ Surge in delivery of new vessels,
- ④ Customers' increasing demand for a low-carbon and digital supply chain.

# Supply and demand outlook

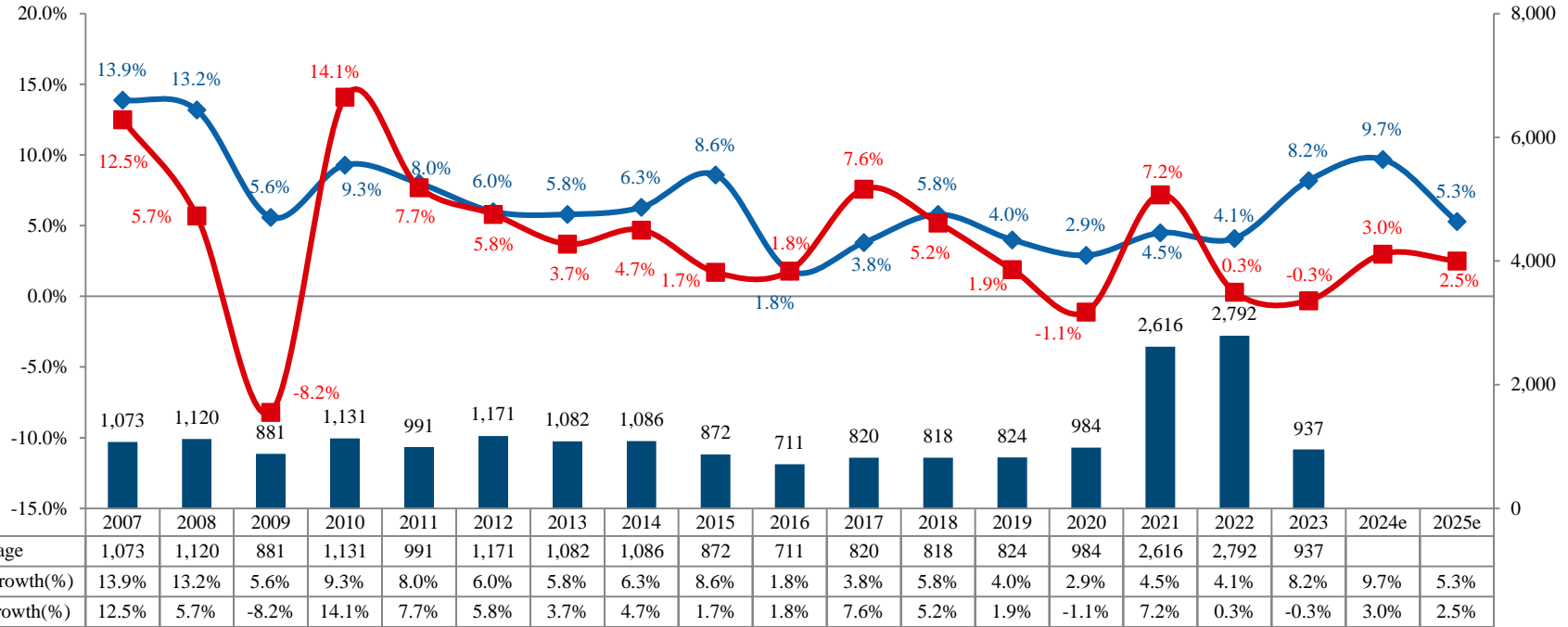


	Drewry			Clarkson			Alhaliner		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
■ Supply	8.1%	8.0%	5.2%	8.2%	8.9%	4.9%	8.2%	9.7%	5.3%
■ Demand	0.4%	3.1%	2.2%	0.5%	3.9%	3.0%	-0.3%	3.0%	2.5%

■ Supply ■ Demand

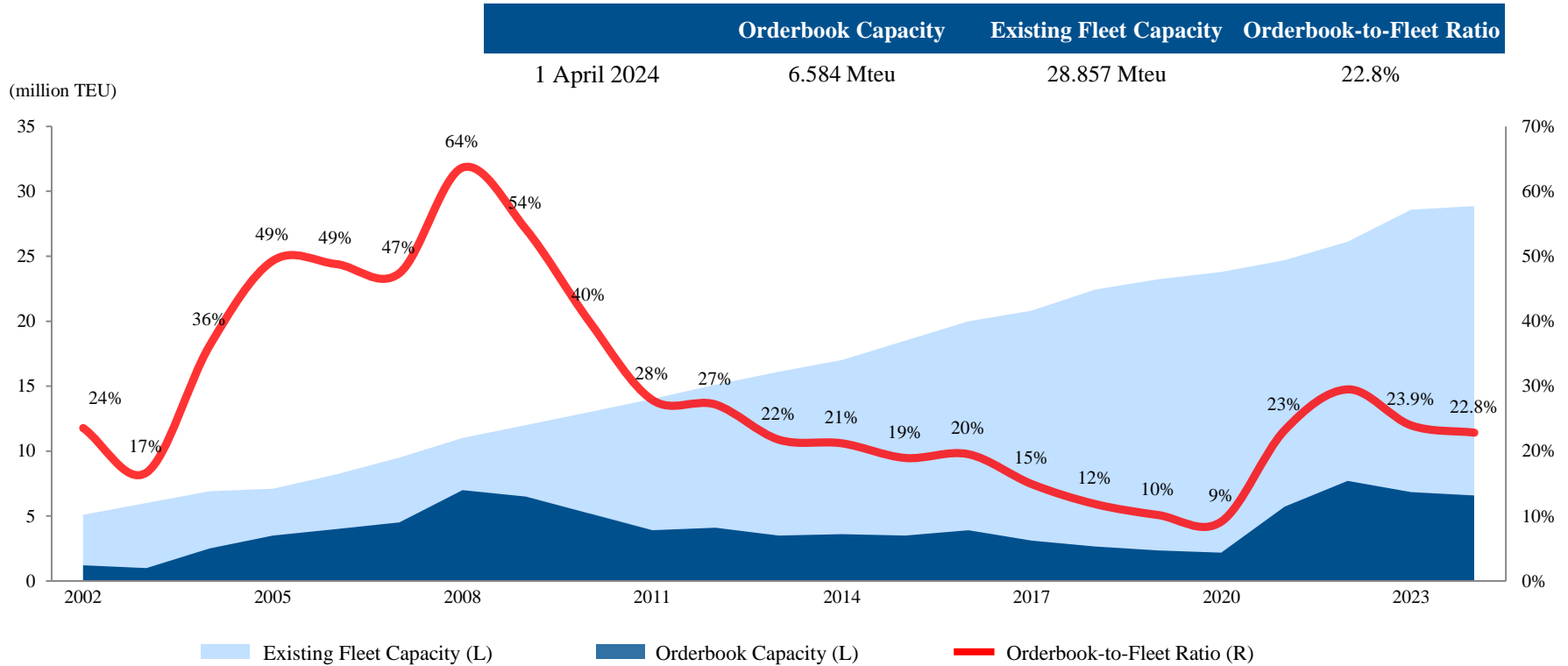
Source: Drewry Container Forecaster, March 2024; Clarksons Container Intelligence, March 2024; Alhaliner Monthly, April 2024

# Supply and demand, CCFI annual average



Source: Alphaliner Monthly, April 2024.

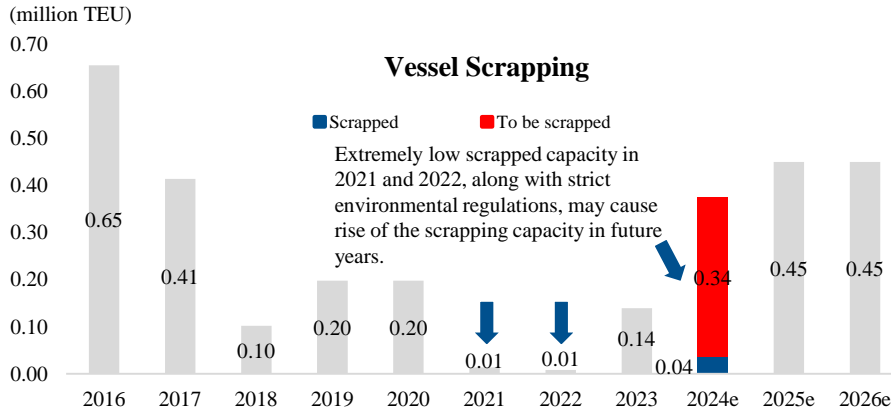
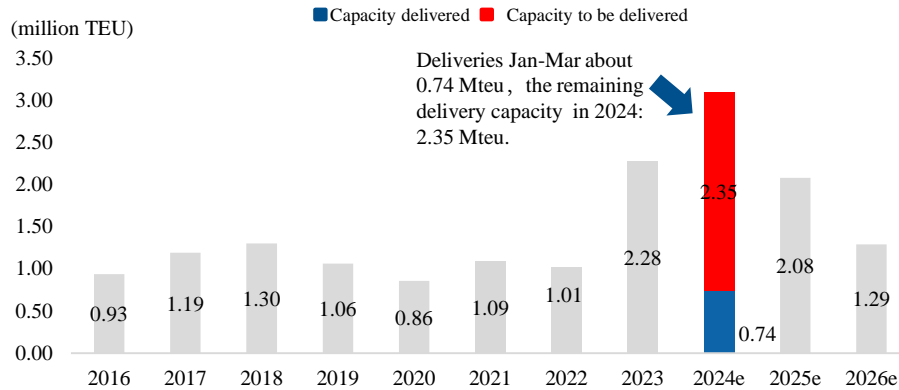
# Orderbook to fleet ratio



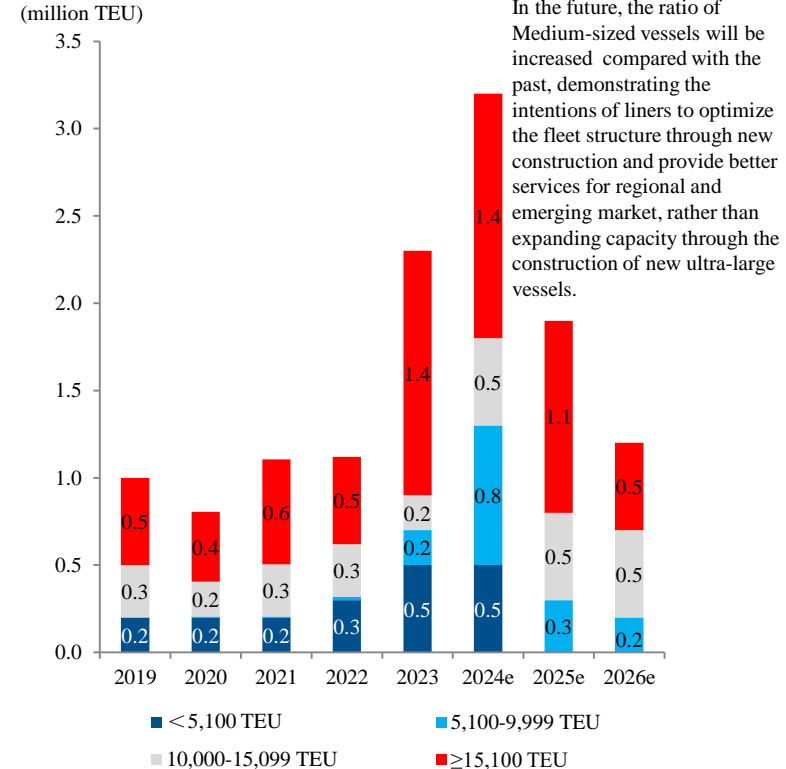
Source: Alphaliner Monthly, April 2024

# Planned newbuilding deliveries & scrapped vessels of the market

## Newbuilding deliveries

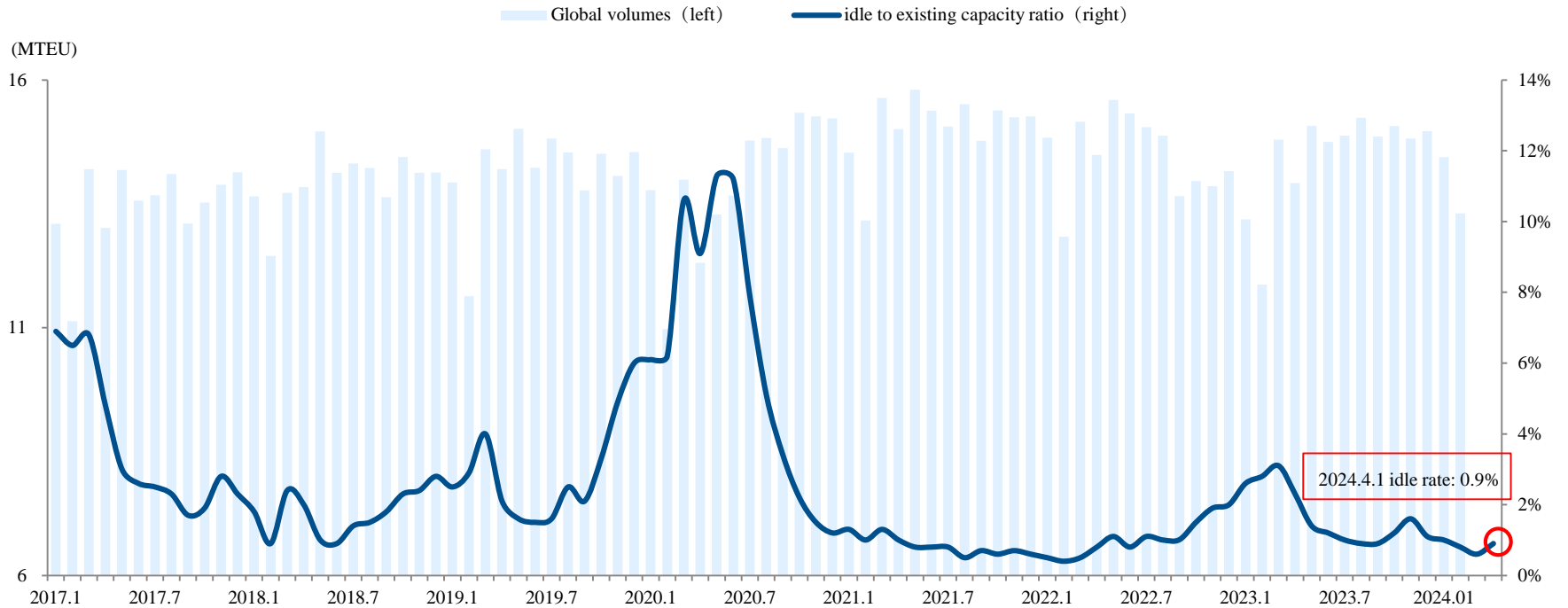


## Delivery breakdown by size range



Source: Alphaliner Monthly, April 2024

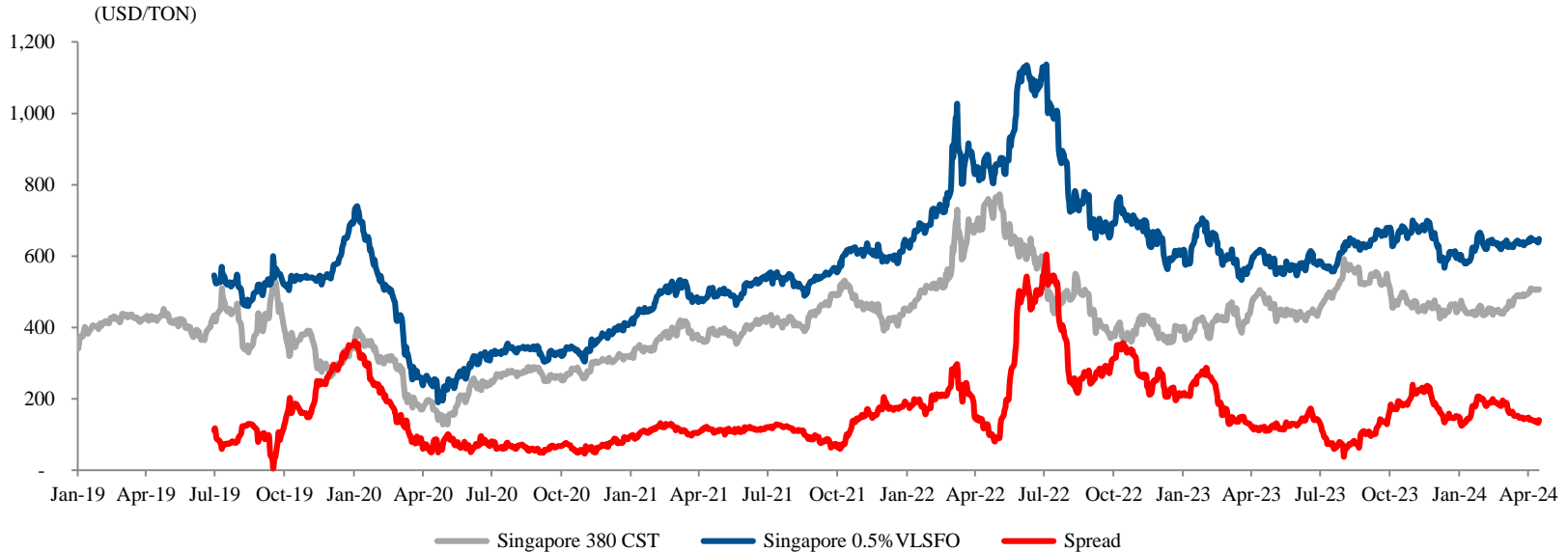
# Global volumes and Idle capacity



Source: CTS, Alphaliner Monthly, April 2024

# Price spread of low sulfur fuel & high sulfur fuel

(USD/TON)	Q1 2024	Q1 2023	April 16, 2024
Singapore 380 CST ①	455	414	507
Singapore 0.5% VLSFO ②	625	611	648
Spread ② - ①	170	197	141

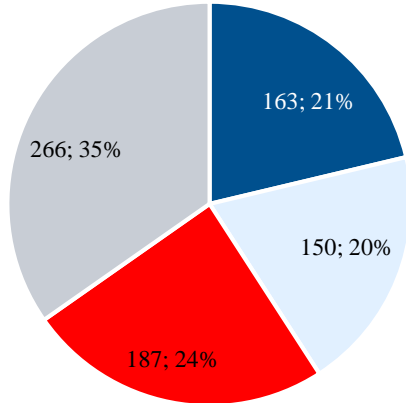


Source: PLATTS, as of April 16, 2024



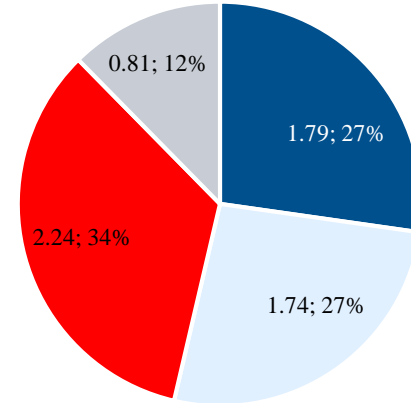
# Breakdown of fuel power type for container ships on order

Units On Order



■ Scrubber fitted ■ Methanol ■ LNG fuel ■ Conventional (Low sulphur)

TEU On Order (mn TEU)



■ Scrubber fitted ■ Methanol ■ LNG fuel ■ Conventional (Low sulphur)

Source: Alphaliner Monthly, April 2024

A photograph of a COSCO SHIPPING container yard. A forklift is lifting a white container with the COSCO SHIPPING logo. The yard is filled with many more stacked containers, also with the logo. The sky is blue with some clouds.

# Thanks!

## Disclaimer

---

- This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of COSCO SHIPPING Holdings and certain plans and prospects of the management of COSCO SHIPPING Holdings.
- Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual result or performance of COSCO SHIPPING Holdings to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward- looking statements are based on numerous assumptions regarding COSCO SHIPPING Holdings' present and future business strategies and the political and economic environment in which COSCO SHIPPING Holdings will operate in the future.
- The representations, analysis and advice made by COSCO SHIPPING Holdings in this presentation shall not be construed as recommendations for buying or selling shares of COSCO SHIPPING Holdings. COSCO SHIPPING Holdings shall not be responsible for any action or non-action made according to the contents of this presentation.