



# CHINA MERCHANTS PORT GROUP CO., LTD.

## INTERIM REPORT 2021 (SUMMARY)

### Part I Important Notes

This Summary is based on the full text of the 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 text 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 text of the 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/	Stock code	001872/
------------	----------------	------------	---------

	CM Port Group B		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 Street, Nanshan, Shenzhen, PRC	24/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang Street, 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: Business combination under common control. For details, please refer to the "Changes to the Scope of Consolidated Financial Statements Compared to the Last Accounting Period" in Part III of this summary.

	H1 2021	H1 2020		Change (%)
		Original	Restated	Restated
Operating revenue (RMB)	7,339,942,862.26	5,922,497,158.48	5,962,497,716.96	23.10%
Net profit attributable to the listed company's shareholders (RMB)	1,677,035,346.17	632,798,585.83	632,292,086.16	165.23%
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	1,644,696,060.97	544,591,914.54	544,085,414.87	202.29%
Net cash generated from/used in operating activities (RMB)	2,934,960,407.96	2,071,426,144.92	2,057,741,203.08	42.63%
Basic earnings per share (RMB/share)	0.87	0.33	0.33	163.64%
Diluted earnings per share (RMB/share)	0.87	0.33	0.33	163.64%
Weighted average return on equity (%)	4.43%	1.77%	1.76%	2.67%
	30 June 2021	31 December 2020		Change (%)
		Original	Restated	Restated
Total assets (RMB)	168,701,333,012.06	168,543,611,777.21	168,728,326,345.77	-0.02%
Equity attributable to the listed company's shareholders (RMB)	38,143,327,362.51	37,117,806,052.18	37,165,277,744.78	2.63%

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

Unit: share

Number of ordinary shareholders	31,810	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	59.75%	1,148,648,648	1,148,648,648	0
CHINA MERCHANTS GANGTONG DEVELOPMENT (SHENZHEN) CO., LTD.	State-owned legal person	19.29%	370,878,000	0	0
SHENZHEN INFRASTRUCTURE INVESTMENT FUND-SHENZHEN INFRASTRUCTURE INVESTMENT FUND PARTNERSHIP (LIMITED PARTNERSHIP)	Funds, wealth management products, etc.	3.37%	64,850,182	0	0
CHINA-AFRICA DEVELOPMENT FUND	State-owned legal person	3.33%	64,102,564	0	0
BROADFORD GLOBAL LIMITED	State-owned legal person	2.88%	55,314,208	0	0
HONG KONG SECURITIES CLEARING COMPANY LTD.	Foreign legal person	0.24%	4,523,430	0	未知
CHINA MERCHANTS SECURITIES (HK) CO., LTD.	State-owned legal person	0.14%	2,693,355	0	未知
ARROWSTREET EMERGING MARKET ALPHA EXTENSION TRUST FUND	Foreign legal person	0.12%	2,247,991	0	未知
MAI SHUQING	Domestic natural person	0.11%	2,129,247	0	未知
ZHU HUI	Domestic natural person	0.09%	1,807,526	0	未知
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.				
Shareholders involved in securities margin trading (if any)	N/A				

Note: China Merchants Port Investment Development Company Limited (CMPID) was renamed from “China Merchants Investment Development Company Limited” (CMID) on 8 July 2020.

#### 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	3.36%

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

Unit: RMB'0,000

Item	30 June 2021	30 June 2020	Increase/decrease
Current ratio	78.89%	83.48%	-4.59%
Debt/asset ratio	35.82%	37.29%	-1.47%
Quick ratio	77.98%	82.56%	-4.58%
	H1 2021	H1 2020	Increase/decrease
Net profit after deducting non-recurring profit or loss	164,469.61	54,408.54	202.29%
Debt/EBITDA ratio	12.09%	7.68%	4.41%
Interest cover (times)	5.24	2.25	132.89%
Cash-to-interest cover (times)	4.90	3.5	40.00%

EBITDA-to-interest cover (times)	7.80	4.70	65.96%
Loan repayment rate	100.00%	100.00%	-
Interest coverage	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 2021, the Company's ports handled a total container throughput of 67.23 million TEUs, up by 21.1% year-on-year. Bulk cargo volume handled by the Company's ports increased by 40.2% year-on-year to 308 million tonnes. With respect to container business, the container throughput handled by the Group's ports in Mainland China reached 46.83 million TEUs, up by 17.5% year-on-year, which is mainly due to stable domestic pandemic situation and economic recovery. The total container throughput handled by the Group's ports in Hong Kong and Taiwan reached 3.77 million TEUs, up by 10.6% year-on-year. The Group's overseas ports handled a total container throughput of 16.63 million TEUs, representing an increase of 35.8% year-on-year, which was mainly benefited from the inclusion of the eight terminals newly acquired by TL in the statistics. With respect to bulk cargo business, total bulk cargo volume handled by the Group's ports in Mainland China increased by 40.6% year-on-year to 305 million tonnes, which is mainly due to the inclusion of Yingkou Port business in the statistics by the Company since February and the overall strong rebound of the bulk cargo business.

#### (2) Implementation of business plan during the Reporting Period

During the Reporting Period, The Company actively grasped the continuous upward trend of the container shipping market, consistently adhered to the business strategy of "giving due

consideration and importance to both pandemic prevention and control and resumption of work and production”, continued to strengthen operations and management, and leveraged the Company's global port network layout to provide strong support for smoothing domestic and foreign trade transportation channels. Various businesses have achieved rapid growth and key projects have made significant progress and fruitful results.

① **Significant growth in business volume.** In the first half of 2021, the Company's ports handled a total container throughput of 67.23 million TEUs, up by 21.1% year-on-year, and a bulk cargo volume of 308 million tonnes, up by 40.2% year-on-year. The Company's business volume has achieved substantial growth, and its performance was better than the overall domestic levels. Among them, terminals in the West Shenzhen Port Zone controlled by the Company handled a container throughput of 6.50 million TEUs, up by 25.7% year-on-year, higher than the overall growth rate of ports in Shenzhen, and its market share increased from 46.7% to 47.2%, representing an increase of 0.5 percentage point.

② **Giving due consideration and importance to both pandemic prevention and control and resumption of work and production.** The Company has always highly concerned with pandemic prevention and control and emphasized that it is important to “attach great attention, high standards, efficient implementation, make constant efforts, consistent preparation, enhance pandemic prevention plans, optimise pandemic prevention processes, refine pandemic prevention measures, ensure compliance and make sure everything is in order” in respect of pandemic prevention and control. The pandemic in Yantian Port in May 2021 disturbed the stability of the South China regional supply chain. Shekou Port, Chiwan Port and Mawan Port areas of the Company's West Shenzhen homebase port strengthened the overall coordination of production and operation and ensured normal port operations while handling the pandemic prevention and control properly, playing an important role in guaranteeing the logistics supply chain in the South China region. These efforts not only demonstrate its responsibility as a central state-owned enterprise, but also reflect the advantages of its strong operation and management ability.

③ **Mawan Smart Port putting into operation.** Mawan Smart Port under the Company was officially put into operation in late June 2021, with the harbour area of 983,600 sq.m., the berths coastline of 1,930 metres, and 5 berths in total, including two newly-built 200,000-ton class specialized container dock berths which are the largest in South China. The mentioned berths are able to moor the world's largest container vessels, with a designed annual cargo handling capacity of 3 million TEUs. As the number one project in the Company's smart terminal construction, Mawan Smart Port, incorporating nine major intelligent elements, namely "CM Chip", "CM ePort", artificial intelligence, 5G network application, Beidou system, automation, intelligent ports, blockchain, and green and low-carbon development, is a model for intelligentisation upgrade of traditional terminals at home and abroad. As compared with the traditional ports, Mawan Smart Port has significantly increased its operation efficiency. Its operational personnel decreased by 80%; comprehensive operational efficiency increased by 30%; potential safety hazards decreased by 50%; carbon emissions reduced by 90%, and the import and export clearance efficiency increased over 30%. Meanwhile, the reconstruction plan reduced the construction cost by 50% compared with that cost of a newly-built fully automatic terminal, achieving considerable economic benefits. Mawan Smart Port is expected to have a positive impact on stabilizing the logistics supply chain in South China, and will further enhance the competitiveness and influence of the West Shenzhen homebase port in the regional market, thereby accelerating the construction of "a world-class leading port".

④ **A new stage for market expansion.** Relying on the substantial improvement of objective conditions such as the commissioning of the new berth at Mawan Smart Port and the all-weather navigation of the 200,000-ton waterway, the Company strengthened its marketing and business promotion for the West Shenzhen Port Zone. In the first half of 2021, it added a number of new routes such as North America line, Asia line and India line, further strengthened its in-depth cooperation with CMA CGM (達飛輪船) and Mediterranean Shipping (地中海航運), and put more efforts to maintain the existing routes and expand new routes, and the market share in South China has increased accordingly. In addition, the Company accelerated the construction of the coordinated

ports in the Guangdong-Hong Kong-Macao Greater Bay Area and officially launched the “Shenzhen Shekou-Shunde Beijiao Combined Port (深圳蛇口-順德北滘組合港)” project in the first half of the year, further expanding the coordinated port sites.

⑤ **Comprehensive development.** The Company actively explores and promotes comprehensive development business, taking Djibouti and HIPG as overseas pilots to promote the comprehensive development model of "Port-Park-City". In the first half of 2021, despite the adverse impact of the continuous spread of the global pandemic, the business and investment solicitation in overseas parks progressed steadily. The number of contracted enterprises in the HIPG Industrial Park reached 27, and the number of contracted enterprises in the Djibouti Free Trade Zone reached 162. Comprehensive development business has made good progress.

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

Unit: RMB

	H1 2021	H1 2020	Change (%)	Main reason for change
Operating revenue	7,339,942,862.26	5,962,497,716.96	23.10%	-
Operating costs	4,198,451,164.27	3,743,190,504.14	12.16%	-
Administrative expense	766,369,973.37	745,721,965.45	2.77%	-
Finance costs	730,109,013.88	841,408,636.18	-13.23%	-
Income tax expense	643,438,595.12	513,167,463.70	25.39%	-
R&D investments	98,344,411.25	71,988,081.92	36.61%	New addition to the consolidation scope
Net cash generated from/used in operating activities	2,934,960,407.96	2,057,741,203.08	42.63%	Increase in business volume
Net cash generated from/used in investing activities	53,828,332.73	-7,869,699,226.91	100.68%	Payment for the Tranche 1 of mandatory convertible bonds of TL, Payment for the Tranche 1 loan of TL and investment in China Merchants Northeast Asia Development and Investment Co., Ltd. in the same period of last year, with no comparable payment in the current period
Net cash generated from/used in financing activities	-5,513,332,001.73	5,356,254,138.54	-202.93%	Increase in repayment of due loans
Net increase in cash and cash equivalents	-2,551,095,256.98	-487,601,731.66	-423.46%	Increase in net cash used in financing activities

## 2. Matters Related to Financial Reporting



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

For further information, please refer to “(III) Changes in Significant Accounting Policies and Accounting Estimates” in “Part X Financial Statements” in Interim Report 2021 for details.

**(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**

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 will 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.

Wang Xiufeng

Legal representative of

China Merchants Port Group Co., Ltd.

Dated 31 August 2021