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中遠海運控股股份有限公司  
**COSCO SHIPPING Holdings Co., Ltd.\***

(a joint stock limited company incorporated in the People's Republic of China with limited liability)  
 (Stock Code: 1919)

**ANNOUNCEMENT OF 2024 INTERIM RESULTS**

**RESULTS HIGHLIGHTS**

	<b>Six months ended 30 June</b>		
	<b>2024</b>	<b>2023</b>	<b>Difference</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenues</b>	<b>101,201,055</b>	91,842,797	<b>9,358,258</b>
<b>Profit attributable to equity holders of the Company</b>	<b><u>16,870,080</u></b>	<u>16,560,637</u>	<b><u>309,443</u></b>
	<b>RMB</b>	<b>RMB</b>	<b>RMB</b>
<b>Basic earnings per share (RMB)</b>	<b><u>1.05</u></b>	<u>1.03</u>	<b><u>0.02</u></b>

The Board is pleased to announce an interim dividend of RMB0.52 per ordinary Share (tax inclusive).

The board of directors (the “**Board**”) of COSCO SHIPPING Holdings Co., Ltd.\* (the “**Company**” or “**COSCO SHIPPING Holdings**”) hereby announces the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2024 (the “**Reporting Period**”). The Group’s interim financial information for the six months ended 30 June 2024 has been reviewed by the Audit Committee, comprising all independent non-executive Directors.

The following financial information, including the Group’s unaudited interim condensed consolidated balance sheet, unaudited interim condensed consolidated income statement, unaudited interim condensed consolidated statement of comprehensive income and explanatory notes 1 to 13 as presented below are extracted from the interim financial information, which has been reviewed by the Company’s independent auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

## FINANCIAL INFORMATION

### INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED) FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Note	Six months ended 30 June	
		2024 RMB'000	2023 RMB'000
Revenues	4	101,201,055	91,842,797
Cost of services		(78,043,130)	(72,061,762)
<b>Gross profit</b>		<b>23,157,925</b>	19,781,035
Other income	5	592,009	2,303,223
Other expenses	5	(40,716)	(49,560)
(Provision for)/reversal of impairment losses on financial assets, net		(82,790)	181,670
Selling, administrative and general expenses		(4,574,968)	(4,086,896)
<b>Operating profit</b>		<b>19,051,460</b>	18,129,472
Finance income	6	3,091,049	4,178,631
Finance costs	6	(1,664,536)	(1,826,653)
Net finance income	6	1,426,513	2,351,978
		20,477,973	20,481,450
Share of profits less losses of			
– joint ventures		294,360	306,241
– associates		2,287,899	2,145,060
Profit before income tax		23,060,232	22,932,751
Income tax expenses	7	(3,804,865)	(3,256,970)
<b>Profit for the period</b>		<b>19,255,367</b>	19,675,781
Profit attributable to:			
– Equity holders of the Company		16,870,080	16,560,637
– Non-controlling interests		2,385,287	3,115,144
		19,255,367	19,675,781
<b>Earnings per share attributable to equity holders of the Company:</b>			
Basic earnings per share (in RMB)	9	1.05	1.03
Diluted earnings per share (in RMB)	9	1.05	1.02

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Profit for the period</b>	<b>19,255,367</b>	<b>19,675,781</b>
<b>Other comprehensive income/(loss)</b>		
<i>Items that may be reclassified to profit or loss</i>		
Share of other comprehensive loss of joint ventures and associates, net	<b>(1,520)</b>	(243,371)
Cash flow hedges, net of tax	<b>(14,371)</b>	(3,631)
Currency translation differences	<b>465,804</b>	3,645,180
<i>Items that will not be reclassified to profit or loss</i>		
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax	<b>(9,739)</b>	42,598
Remeasurements of post-employment benefit obligations	<b>9,618</b>	(6,567)
Share of other comprehensive loss of associates	<b>(25,869)</b>	(10,425)
Currency translation differences	<b>88,839</b>	1,077,621
<b>Other comprehensive income for the period, net of tax</b>	<b>512,762</b>	<b>4,501,405</b>
<b>Total comprehensive income for the period</b>	<b>19,768,129</b>	<b>24,177,186</b>
<b>Total comprehensive income for the period attributable to:</b>		
– Equity holders of the Company	<b>17,305,627</b>	20,075,155
– Non-controlling interests	<b>2,462,502</b>	4,102,031
	<b>19,768,129</b>	<b>24,177,186</b>

**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)  
AS AT 30 JUNE 2024**

	<i>Note</i>	As at 30 June 2024 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		140,038,166	129,793,884
Right-of-use assets		42,304,613	44,643,967
Investment properties		3,215,438	3,254,220
Intangible assets		4,571,349	4,705,737
Goodwill		6,369,499	6,358,223
Investments in joint ventures		8,809,004	8,680,100
Investments in associates		59,063,270	58,203,338
Financial assets at fair value through other comprehensive income		1,897,434	1,918,241
Financial assets at fair value through profit or loss		391,319	380,662
Financial assets at amortized cost		377,057	374,862
Restricted bank deposits		17,322	16,439
Deferred income tax assets		984,647	918,504
Loans to associates		222,204	227,932
Pension and retirement assets		112,575	95,546
Other non-current assets		292,387	392,780
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>268,666,284</b>	<b>259,964,435</b>
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Current assets</b>			
Inventories		6,802,656	6,561,355
Trade and other receivables and contract assets	10	17,898,525	13,392,866
Financial assets at fair value through profit or loss		64,366	95,000
Financial assets at amortized cost		5,783	5,747
Derivative financial assets		–	19,106
Taxes recoverable		95,872	103,298
Restricted bank deposits		1,234,352	1,174,258
Cash and cash equivalents		172,350,141	181,113,316
		<hr/>	<hr/>
<b>Total current assets</b>		<b>198,451,695</b>	<b>202,464,946</b>
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Total assets</b>		<b>467,117,979</b>	<b>462,429,381</b>
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	<i>Note</i>	As at <b>30 June 2024</b> <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>
<b>EQUITY</b>			
<b>Equity attributable to the equity holders of the Company</b>			
Share capital		15,960,606	16,071,058
Reserves		<u>194,521,720</u>	<u>180,044,199</u>
		<b>210,482,326</b>	196,115,257
Non-controlling interests		<u>46,947,971</u>	<u>47,104,215</u>
<b>Total equity</b>		<u><u>257,430,297</u></u>	<u><u>243,219,472</u></u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term borrowings		29,177,632	32,740,761
Lease liabilities		31,002,284	31,841,919
Provisions and other liabilities	12	7,065,793	7,005,654
Put option liability		–	1,742,435
Pension and retirement liabilities		336,652	320,849
Deferred income tax liabilities		<u>18,715,016</u>	<u>18,231,512</u>
<b>Total non-current liabilities</b>		<u><u>86,297,377</u></u>	<u><u>91,883,130</u></u>
<b>Current liabilities</b>			
Trade and other payables and contract liabilities	11	103,880,491	106,040,447
Short-term borrowings		2,406,305	2,417,519
Current portion of long-term borrowings		3,507,945	8,118,638
Current portion of lease liabilities		8,468,412	9,266,647
Current portion of provisions and other liabilities	12	26,925	36,999
Put option liability		1,778,676	–
Taxes payable		<u>3,321,551</u>	<u>1,446,529</u>
<b>Total current liabilities</b>		<u><u>123,390,305</u></u>	<u><u>127,326,779</u></u>
<b>Total liabilities</b>		<u><u>209,687,682</u></u>	<u><u>219,209,909</u></u>
<b>Total equity and liabilities</b>		<u><u>467,117,979</u></u>	<u><u>462,429,381</u></u>
<b>Net current assets</b>		<u><u>75,061,390</u></u>	<u><u>75,138,167</u></u>
<b>Total assets less current liabilities</b>		<u><u>343,727,674</u></u>	<u><u>335,102,602</u></u>

# NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

## 1 General information

The Company was incorporated in the People's Republic of China (the "PRC") on 3 March 2005 as a joint stock company with limited liability under the Company Law of the PRC. The address of its registered office is 2nd Floor, 12 Yuanhang Business Center, Central Boulevard and East Seven Road Junction, Tianjin Pilot Free Trade Zone (Airport Economic Area), Tianjin. The H-Shares and A-Shares of the Company are listed on the Main Board of the Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange respectively.

The businesses of the Company and its subsidiaries (the "Group") mainly include the provisions of a range of container shipping, managing and operating container terminals services on a worldwide basis.

The Interim Financial Information was approved for issue by the Directors on 29 August 2024.

The Interim Financial Information has been reviewed, and not audited.

## 2 Basis of preparation

The Interim Financial Information has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The consolidated financial statements have been prepared on a going concern basis and under the historical cost convention except for certain financial assets and liabilities (including derivative instruments) which have been stated at fair value. The consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except where otherwise indicated.

The Interim Financial Information should be read in conjunction with the annual audited financial statements for the year ended 31 December 2023 (the "2023 Annual Financial Statements") which were prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") issued by the HKICPA.

## 3 Changes in accounting policies

Except as described below and for the estimation of income tax using the tax rate that would be applicable to expected total annual earning, the material accounting policies and methods of computation used in the preparation of the Interim Financial Information are consistent with the 2023 Annual Financial Statements.

### ***(a) New standards, amendments and interpretation to existing standards which are effective in 2024 and adopted by the Group***

HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
HK Int 5 (Revised)	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
HKAS 7 and HKFRS 7 (Amendment)	Supplier Finance Arrangements
HKFRS 16 (Amendment)	Lease Liability in a Sale and Leaseback

The adoption of the above new standards, amendments and interpretation to existing HKFRS does not have a material impact on the consolidated financial statements of the Group.

### ***(b) New standards, amendments, interpretation and improvements to existing standards which have not been adopted***

The HKICPA has issued certain new standards, amendments, interpretation and improvements which are not yet effective for the six months ended 30 June 2024 and have not been early adopted by the Group. The Group will apply these standards, amendments, interpretation and improvements to existing standards as and when they become effective. These new standards, amendments, interpretation and improvements are not expected to have a material impact on the consolidated financial statements of the Group.

## 4 Revenues and segment information

### Operating segments

The chief operating decision-maker has been identified as the executive directors of the Group. The executive directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports and analyzed from a business perspective:

- Container shipping business
- Terminal business
- Corporate and other operations that primarily comprise investment holding, management services and financing.

Segment assets are those operating assets that are employed by a segment in its operating activities. They exclude investments in joint ventures, investments in associates, loans to associates, financial assets at fair value through other comprehensive income ("FVOCI"), financial assets at fair value through profit or loss ("FVPL") and financial assets at amortized cost not related to the segment. Segment liabilities are these operating liabilities that result from the operating activities of a segment.

Addition to non-current assets comprises additions to property, plant and equipment, investment properties, intangible assets and right-of-use assets.

	Six months ended 30 June 2024				
	Container shipping business <i>RMB'000</i>	Terminal business <i>RMB'000</i>	Corporate and other operations <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Income statement</b>					
Total revenues	97,477,271	5,091,135	–	(1,367,351)	101,201,055
Comprising:					
– Inter-segment revenues	40,615	1,326,736	–	(1,367,351)	–
– Revenues (from external customers)	<u>97,436,656</u>	<u>3,764,399</u>	<u>–</u>	<u>–</u>	<u>101,201,055</u>
<b>Revenues from contracts with customers:</b>					
Recognized over time	<u>97,477,271</u>	<u>5,091,135</u>	<u>–</u>	<u>(1,367,351)</u>	<u>101,201,055</u>
<b>Segment profit</b>	18,297,395	827,981	(73,916)	–	19,051,460
Finance income	2,476,878	131,300	482,892	(21)	3,091,049
Finance costs	(1,035,286)	(598,269)	(31,002)	21	(1,664,536)
Share of profits less losses of					
– joint ventures	83,093	211,267	–	–	294,360
– associates	40,123	892,322	1,409,527	(54,073)	<u>2,287,899</u>
Profit before income tax	19,862,203	1,464,601	1,787,501	(54,073)	23,060,232
Income tax expenses	(3,531,664)	(279,574)	6,373	–	<u>(3,804,865)</u>
Profit for the period	16,330,539	1,185,027	1,793,874	(54,073)	<u>19,255,367</u>
Gain on disposals of property, plant and equipment, net	62,267	135	–	–	62,402
Depreciation and amortization	8,450,586	914,353	556	–	9,365,495
Additions to non-current assets	<u>14,922,011</u>	<u>1,791,345</u>	<u>–</u>	<u>–</u>	<u>16,713,356</u>

#### 4 Revenues and segment information (Continued)

##### Operating segments (Continued)

	Six months ended 30 June 2023				
	Container shipping business <i>RMB'000</i>	Terminal business <i>RMB'000</i>	Corporate and other operations <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Income statement</b>					
Total revenues	88,287,136	4,850,964	–	(1,295,303)	91,842,797
Comprising:					
– Inter-segment revenues	43,878	1,251,425	–	(1,295,303)	–
– Revenues (from external customers)	<u>88,243,258</u>	<u>3,599,539</u>	<u>–</u>	<u>–</u>	<u>91,842,797</u>
<b>Revenues from contracts with customers:</b>					
Recognized over time	<u>88,287,136</u>	<u>4,850,964</u>	<u>–</u>	<u>(1,295,303)</u>	<u>91,842,797</u>
<b>Segment profit</b>					
Finance income	17,262,537	932,562	(65,627)	–	18,129,472
Finance costs	3,423,927	12,317	751,907	(9,520)	4,178,631
Share of profits less losses of	(1,088,430)	(566,741)	(181,002)	9,520	(1,826,653)
– joint ventures	84,454	221,787	–	–	306,241
– associates	41,821	848,883	1,335,363	(81,007)	<u>2,145,060</u>
Profit before income tax	19,724,309	1,448,808	1,840,641	(81,007)	22,932,751
Income tax expenses	(2,944,688)	(201,987)	(110,295)	–	<u>(3,256,970)</u>
Profit for the period	16,779,621	1,246,821	1,730,346	(81,007)	<u>19,675,781</u>
Gain/(loss) on disposals of property, plant and equipment, net					
	29,737	(474)	–	–	29,263
Depreciation and amortization	9,019,297	878,617	576	–	9,898,490
Additions to non-current assets	<u>5,945,041</u>	<u>2,506,740</u>	<u>490</u>	<u>–</u>	<u>8,452,271</u>



#### 4 Revenues and segment information (Continued)

##### Operating segments (Continued)

	As at 30 June 2024				
	Container shipping business <i>RMB'000</i>	Terminal business <i>RMB'000</i>	Corporate and other operations <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Balance sheet</b>					
Segment operating assets	327,489,164	51,649,235	101,225,036	(84,075,893)	396,287,542
Investments in joint ventures	1,176,727	7,632,277	–	–	8,809,004
Investments in associates	3,582,733	23,984,324	31,820,133	(323,920)	59,063,270
Loans to associates	–	222,204	–	–	222,204
Financial assets at FVOCI	163,074	989,838	744,522	–	1,897,434
Financial assets at FVPL	64,369	391,316	–	–	455,685
Financial assets at amortized cost	382,840	–	–	–	382,840
Total assets	<u>332,858,907</u>	<u>84,869,194</u>	<u>133,789,691</u>	<u>(84,399,813)</u>	<u>467,117,979</u>
Segment operating liabilities & total liabilities	<u>165,820,430</u>	<u>35,850,146</u>	<u>13,368,461</u>	<u>(5,351,355)</u>	<u>209,687,682</u>
	As at 31 December 2023				
	Container shipping business <i>RMB'000</i>	Terminal business <i>RMB'000</i>	Corporate and other operations <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Balance sheet</b>					
Segment operating assets	308,942,457	51,587,824	109,763,160	(77,749,942)	392,543,499
Investments in joint ventures	1,161,998	7,518,102	–	–	8,680,100
Investments in associates	3,569,890	23,694,446	31,009,518	(70,516)	58,203,338
Loans to associates	–	227,932	–	–	227,932
Financial assets at FVOCI	169,535	984,656	764,050	–	1,918,241
Financial assets at FVPL	95,000	380,662	–	–	475,662
Financial assets at amortized cost	380,609	–	–	–	380,609
Total assets	<u>314,319,489</u>	<u>84,393,622</u>	<u>141,536,728</u>	<u>(77,820,458)</u>	<u>462,429,381</u>
Segment operating liabilities & total liabilities	<u>163,336,827</u>	<u>36,046,395</u>	<u>20,056,894</u>	<u>(230,207)</u>	<u>219,209,909</u>

#### 4 Revenues and segment information (Continued)

##### Geographical information

###### (a) Revenues

The Group's businesses are managed on a worldwide basis. The revenues generated from the world's major trade lanes for container shipping business mainly include Trans-Pacific, Asia-Europe, Intra-Asia, within Mainland China, other international region (including the Atlantic) which are reported as follows:

<b>Geographical</b>	<b>Trade lanes</b>
America	Trans-Pacific
Europe	Asia-Europe (including Mediterranean)
Asia Pacific	Intra-Asia (including Australia)
Mainland China	Within Mainland China
Other international market	Other international region (including the Atlantic)

For the geographical information, freight revenues from container shipping are analyzed based on trade lanes for container shipping operations.

In respect of terminals operations, revenues are based on the geographical locations in which the business operations are located.

	<b>Six months ended 30 June 2024</b>		
	<b>Total revenues RMB'000</b>	<b>Inter-segment revenues RMB'000</b>	<b>External revenues RMB'000</b>
<b>Container shipping business</b>			
– America	27,965,756	–	27,965,756
– Europe	21,448,120	–	21,448,120
– Asia Pacific	23,852,077	–	23,852,077
– Mainland China	10,848,953	(40,615)	10,808,338
– Other international market	13,362,365	–	13,362,365
	<b>97,477,271</b>	<b>(40,615)</b>	<b>97,436,656</b>
<b>Terminal business</b>			
– Europe	2,270,429	(539,384)	1,731,045
– Asia Pacific	258,449	(67,755)	190,694
– Mainland China	2,542,889	(719,597)	1,823,292
– Other international market	19,368	–	19,368
	<b>5,091,135</b>	<b>(1,326,736)</b>	<b>3,764,399</b>
<b>Total</b>	<b>102,568,406</b>	<b>(1,367,351)</b>	<b>101,201,055</b>

#### 4 Revenues and segment information (Continued)

##### Geographical information (Continued)

###### (a) Revenues (Continued)

	Six months ended 30 June 2023		
	Total revenues <i>RMB'000</i>	Inter-segment revenues <i>RMB'000</i>	External revenues <i>RMB'000</i>
<b>Container shipping business</b>			
– America	20,731,694	–	20,731,694
– Europe	19,761,546	–	19,761,546
– Asia Pacific	23,602,837	–	23,602,837
– Mainland China	10,111,897	(43,878)	10,068,019
– Other international market	14,079,162	–	14,079,162
	88,287,136	(43,878)	88,243,258
<b>Terminal business</b>			
– Europe	2,258,669	(630,791)	1,627,878
– Asia Pacific	223,010	–	223,010
– Mainland China	2,351,795	(620,634)	1,731,161
– Other international market	17,490	–	17,490
	4,850,964	(1,251,425)	3,599,539
<b>Total</b>	<b>93,138,100</b>	<b>(1,295,303)</b>	<b>91,842,797</b>

###### (b) Non-current assets

The Group's non-current assets, other than financial instruments and deferred income tax assets ("Geographical Non-Current Assets"), consist of its property, plant and equipment, investment properties, intangible assets, right-of-use assets, investments in joint ventures, investments in associates and other non-current assets.

The container vessels and containers (included in property, plant and equipment and right-of-use assets) are primarily utilized across geographical markets for shipment of cargoes throughout the world. Accordingly, it is impractical to present the locations of the container vessels and containers by geographical areas and thus the container vessels, containers and vessels under construction are presented as unallocated non-current assets.

In respect of the remaining Geographical Non-Current Assets, they are presented based on the geographical locations in which the business operations/assets are located.

	As at <b>30 June</b> <b>2024</b> <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>
<b>Unallocated</b>	<b>138,012,743</b>	136,371,096
<b>Remaining assets</b>		
– Mainland China	<b>87,319,436</b>	86,022,448
– Outside mainland China	<b>39,331,547</b>	33,638,705

## 5 Other income and other expenses

	Six months ended 30 June	
	2024 RMB'000	2023 RMB'000
Dividend income from financial assets at FVOCI	24,961	25,670
Gain on disposal of property, plant and equipment	88,468	33,214
Income from financial assets at FVPL		
– Fair value gain (realized and unrealized)	14,213	32,120
– Distribution	39	949
– Dividend income	6,208	3,944
Interest income from financial assets at amortized cost	9,542	11,028
Exchange gain	259,361	1,914,851
Others	189,217	281,447
<b>Other income</b>	<b>592,009</b>	<b>2,303,223</b>
Loss on disposal of property, plant and equipment	(26,066)	(3,951)
Others	(14,650)	(45,609)
<b>Other expenses</b>	<b>(40,716)</b>	<b>(49,560)</b>

## 6 Finance income and costs

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Finance income</b>		
Interest income from:		
– other financial institutions	2,240,933	2,700,404
– deposits in related parties	805,059	1,278,757
– loans to a joint venture and associates	25,873	18,204
Net exchange gain	19,184	181,266
	<u>3,091,049</u>	<u>4,178,631</u>
<b>Total finance income</b>	<b>3,091,049</b>	<b>4,178,631</b>
<b>Finance costs</b>		
Interest expenses on:		
– loans from third parties	(978,634)	(998,808)
– loans from related parties	(29,623)	(54,132)
– loans from non-controlling shareholders of subsidiaries	(10,663)	(8,362)
– lease liabilities	(855,877)	(908,184)
– notes/bonds	–	(17,145)
Transaction costs arising from borrowings	(69,681)	(58,781)
	<u>(1,944,478)</u>	<u>(2,045,412)</u>
Less: amount capitalized in construction in progress	279,942	218,759
	<u>(1,664,536)</u>	<u>(1,826,653)</u>
<b>Total finance costs</b>	<b>(1,664,536)</b>	<b>(1,826,653)</b>
<b>Net finance income</b>	<b>1,426,513</b>	<b>2,351,978</b>

## 7 Income tax expenses

	Six months ended 30 June	
	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current income tax (note a):		
– PRC enterprise income tax	3,119,158	2,548,689
– Hong Kong profits tax	6,974	19,169
– Overseas taxation	232,814	226,552
Under/(over) provision in prior year	<u>38,330</u>	<u>(63,818)</u>
	<b>3,397,276</b>	2,730,592
Deferred income tax	<u>407,589</u>	<u>526,378</u>
	<b><u>3,804,865</u></b>	<b><u>3,256,970</u></b>

### Note:

#### (a) Current income tax

Taxation has been provided at the appropriate rates of taxation prevailing in the countries in which the Group operates. These rates range from 5% to 39% (six months ended 30 June 2023: 2.5% to 34.2%).

The statutory rate for PRC enterprise income tax is 25% and certain PRC companies enjoy preferential tax treatment with the reduced rates ranging from 5% to 20% (six months ended 30 June 2023: 5% to 20%).

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2023: 16.5%) on the estimated assessable profits derived from or arising in Hong Kong for the period.

#### (b) OECD Pillar Two model rules

The Group is within the scope of the Organisation for Economic Co-operation and Development Pillar Two model rules (“GloBE”), and it applies the HKAS 12 exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Under the legislation, the Group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion Proposal effective tax rate in each jurisdiction and the 15% minimum rate.

For container shipping business, international shipping income and certain qualified ancillary international shipping income are excluded from GloBE. For terminal business, the Group has estimated that the weighted average effective tax rates exceed 15% in jurisdictions in which it operates and have Pillar Two legislation enacted or substantively enacted. Based on the current assessment, income tax exposure is not expected to be material for the relevant jurisdictions.

As the Group operates worldwide and the types of international shipping income and ancillary income covered by the exclusion are subject to complicated rules and restrictions, these bring high complexities in applying the legislation and calculating the income under the rules. As such, the Group is in the process of working together with its parent company continue to assess the full impact of the rules.

## 8 Dividend

On 29 August 2024, the 7th meeting of the seventh session of the Board considered and approved the 2024 interim profit distribution plan of COSCO SHIPPING Holdings: to distribute a cash dividend of RMB0.52 per Share (tax inclusive) to all Shareholders; as calculated based on the Company's total share capital of 15,960,605,965 Shares as at 30 June 2024, the total 2024 interim cash dividend payable shall amount to approximately RMB8.3 billion (tax inclusive), accounting for approximately 49.20% of the net profit attributable to the equity holders of the listed company realized in the first half of 2024. In the event of any change in the number of total share capital of the Company during the period between the beginning of July 2024 and the record date of dividend distribution, the amount of dividend per Share shall remain unchanged, and the total amount of distribution shall be adjusted accordingly based on the total number of Shares registered as at the record date for entitlement to the distribution. According to the relevant authorization for the 2024 interim profit distribution as approved at the 2023 Annual General Meeting of the Company, this profit distribution plan is not required to be submitted to Shareholders' general meeting for consideration.

In respect of the 2023 interim dividend of RMB0.51 per Share (tax inclusive) paid to all Shareholders, the total cash dividend paid amounted to be RMB8.196 billion, which accounts for approximately 49.49% of the Company's net profit attributable to equity holders of the listed company realized in the first half of 2023.

## 9 Earnings per share

### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares during the period.

	Six months ended 30 June	
	2024	2023
Profit attributable to equity holders of the Company (RMB)	<u>16,870,080,000</u>	<u>16,560,637,000</u>
Weighted average number of ordinary shares	<u>16,023,215,797</u>	<u>16,105,939,186</u>
Basic earnings per share (RMB)	<u>1.05</u>	<u>1.03</u>

### (b) Diluted

Diluted earnings per share is calculated based on the profit attributable to equity holders of the Company and the weighted average number of ordinary shares during the period, after adjusting for the number of dilutive potential ordinary shares deemed to be issued at no considerations as if all outstanding dilutive share options granted by the Company had been exercised.

	Six months ended 30 June	
	2024	2023
Profit attributable to equity holders of the Company (RMB)	<u>16,870,080,000</u>	<u>16,560,637,000</u>
Weighted average number of ordinary shares	<u>16,023,215,797</u>	<u>16,105,939,186</u>
Adjustments for assumed issuance of shares on exercise of dilutive share options	<u>6,513,533</u>	<u>70,933,588</u>
	<u>16,029,729,330</u>	<u>16,176,872,774</u>
Diluted earnings per share (RMB)	<u>1.05</u>	<u>1.02</u>

**10 Trade and other receivables and contract assets**

	As at <b>30 June</b> <b>2024</b> <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>
Trade receivables (note a)		
– third parties	<b>9,641,580</b>	6,346,952
– fellow subsidiaries	<b>575,437</b>	176,541
– joint ventures	<b>118,723</b>	18,860
– other related companies	<b>230,596</b>	192,212
	<b>10,566,336</b>	6,734,565
Bills receivables (note a)	<b>202,850</b>	175,916
Contract assets (note a)	<b>265,181</b>	179,386
	<b>11,034,367</b>	7,089,867
Prepayments, deposits and other receivables		
– third parties	<b>5,115,879</b>	4,598,018
– fellow subsidiaries (note b)	<b>287,994</b>	327,920
– joint ventures (note b)	<b>233,592</b>	507,256
– associates (note b)	<b>1,190,508</b>	850,033
– other related companies (note b)	<b>36,185</b>	19,772
	<b>6,864,158</b>	6,302,999
Total	<b>17,898,525</b>	13,392,866



## 10 Trade and other receivables and contract assets (Continued)

Notes:

- (a) Trade receivables with related parties are unsecured and have similar credit period as third party customers. The normal credit period granted to the trade receivables of the Group is generally within 90 days. Trade and bills receivables and contract assets primarily consisted of voyage-related receivables. As at 30 June 2024, the aging analysis of trade and bills receivables and contract assets on the basis of the date of relevant invoice or demand note is as follows:

	As at <b>30 June 2024</b> <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>
Within 1 year	<b>11,265,619</b>	7,231,474
1 to 2 years	<b>50,658</b>	56,877
2 to 3 years	<b>26,399</b>	35,842
Over 3 years	<b>145,637</b>	137,418
	<hr/>	<hr/>
Trade, bills receivables and contract assets, gross	<b>11,488,313</b>	7,461,611
Within 1 year	<b>(232,430)</b>	(156,777)
1 to 2 years	<b>(49,830)</b>	(51,195)
2 to 3 years	<b>(26,054)</b>	(26,354)
Over 3 years	<b>(145,632)</b>	(137,418)
	<hr/>	<hr/>
Total provision for impairment	<b>(453,946)</b>	(371,744)
Trade, bills receivables and contract assets, net	<b>11,034,367</b>	7,089,867
	<hr/> <hr/>	<hr/> <hr/>

- (b) As at 30 June 2024, balance of US\$90,305,000 (equivalent to approximately RMB643,586,000) (31 December 2023: US\$93,209,000 (equivalent to approximately RMB660,171,000)) is unsecured, which bears interest at the aggregate of 2.0% per annum and EURIBOR, and is repayable in 2024. Other amounts due from related companies are unsecured, interest free and have no fixed terms of repayment.

## 11 Trade and other payables and contract liabilities

	As at 30 June 2024 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>
Trade and bills payables (note)		
– third parties	19,252,090	17,527,658
– fellow subsidiaries	1,601,984	497,933
– joint ventures	176,669	170,187
– associates	49,996	84,147
– other related companies	170,544	218,020
	<u>21,251,283</u>	<u>18,497,945</u>
Accrued expenses	68,155,636	73,004,716
Other payables		
– third parties	13,122,344	12,867,421
– fellow subsidiaries	29,308	75,773
– joint ventures	170,583	368,590
– associates	1,387	30,869
– other related companies	558,302	518,646
	<u>13,881,924</u>	<u>13,861,299</u>
Contract liabilities	591,648	676,487
Total	<u><u>103,880,491</u></u>	<u><u>106,040,447</u></u>

### Note:

As at 30 June 2024, the aging analysis of trade and bills payables on the basis of the date of relevant invoice or demand note is as follows:

	As at 30 June 2024 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>
Within 1 year	21,127,964	18,378,636
1 to 2 years	59,533	55,260
2 to 3 years	34,540	34,526
Over 3 years	29,246	29,523
	<u><u>21,251,283</u></u>	<u><u>18,497,945</u></u>

## 12 Provisions and other liabilities

	As at 30 June 2024			As at 31 December 2023		
	Current <i>RMB'000</i>	Non- current <i>RMB'000</i>	Total <i>RMB'000</i>	Current <i>RMB'000</i>	Non- current <i>RMB'000</i>	Total <i>RMB'000</i>
Provision for one-off housing subsidies	–	40,078	40,078	–	40,078	40,078
Provision for onerous contracts (note)	–	6,533,459	6,533,459	–	6,493,030	6,493,030
Deferred income and others	26,925	492,256	519,181	36,999	472,546	509,545
Total	<u>26,925</u>	<u>7,065,793</u>	<u>7,092,718</u>	<u>36,999</u>	<u>7,005,654</u>	<u>7,042,653</u>

### Note:

Orient Overseas (International) Limited (“OOIL”), a subsidiary of the Company, entered into the Terminal Service Agreement (“TSA”) in October 2019 to which OOIL committed to place, or procure the placement of an annual minimum number of vessel lifts in Long Beach Container Terminal (“LBCT”) for 20 years. Failure to meet the committed volume for each contract year would require certain level of deficiency payment as stipulated in the TSA.

As at 30 June 2024, OOIL reassessed the expected number of vessel lifts in LBCT for each of the remaining contract years with reference to future prospects of the market and its expected load factor. The overall economic environment in the USA is still highly uncertain, and it is expected that high inflation and interest rate environment would slow down the USA economy growth and would have some negative impact to the demand/import of the USA in the near future. As at 30 June 2024, with these uncertainties over such a long-term contract period, management reassessed that the projected vessel lifts in LBCT would result in a shortfall on minimum volume commitment over the remaining contract period. OOIL estimated an onerous contract provision of US\$916.7 million (equivalent to approximately RMB6,533.5 million) as at 30 June 2024 (31 December 2023: US\$916.7 million (equivalent to approximately RMB6,493.0 million)).

## 13 Subsequent events

The board of directors proposed an interim dividend of RMB0.52 per ordinary share (tax inclusive) on 29 August 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

### RESULTS FOR THE REPORTING PERIOD PREPARED IN ACCORDANCE WITH THE HONG KONG FINANCIAL REPORTING STANDARDS

	<b>Period from 1 January to 30 June 2024</b>	<b>Period from 1 January to 30 June 2023</b>	<b>Difference</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenues	<b>101,201,055</b>	91,842,797	9,358,258
Operating profit	<b>19,051,460</b>	18,129,472	921,988
Profit before income tax	<b>23,060,232</b>	22,932,751	127,481
Profit after income tax	<b>19,255,367</b>	19,675,781	(420,414)
Profit attributable to equity holders of the Company	<b>16,870,080</b>	16,560,637	309,443
Basic earnings per Share (RMB)	<b>1.05</b>	1.03	0.02

#### (I) Discussion and Analysis of the Board on the Operation of the Group during the Reporting Period

In the first half of 2024, global container shipping market was intertwined with tight effective capacity supply, increase in demand and constrained supply chain due to multiple factors, including the inventory replenishment by Europe and the North America in advance, the growth of cargo volume in emerging markets and continuing Red Sea situation. Facing the complex and volatile global economic and trade situation, the Group focused on coping with the uncertainties of external environment by stabilizing its own development and continued to enhance precise market evaluation and foresight. While actively enhancing the stability and efficiency of traditional business, it drove expansion and innovation through digital intelligence and green low-carbon development to bolster the resilience of its global supply chain, thereby strengthening its core competitiveness, and vigorously promoting service and brand upgrade. The Group elevated the quality and efficiency in tandem with progress in transformation and outstanding operating results.

During the Reporting Period, the shipping volume the Group's container shipping business reached 12.4595 million TEUs, representing 9.34% growth as compared to that for the same period of last year; the total throughput of the terminal business amounted to 69.8585 million TEUs, representing 8.19% growth as compared to that for the same period of last year. The Group generated revenue of RMB101.201 billion, representing 10.19% growth as compared to that for the same period of last year; the Group recorded net profits attributable to equity holders of the Company of RMB16.87 billion, representing an increase of RMB0.309 billion as compared to that for the same period of last year.

As of the end of the Reporting Period, the gearing ratio decreased by approximately 2.5 percentage points to 44.9% as compared to the beginning of the Reporting Period. The balance of cash and cash equivalents was RMB172.35 billion, and the net cash inflow from operating activities during the Reporting Period was RMB22.638 billion. While promoting its high-quality development, the Group further enhanced its ability to create value for the Shareholders. The Board of Directors approved the 2024 interim profit distribution plan of COSCO SHIPPING Holdings and decided the payment of an interim cash dividend of RMB0.52 per ordinary Share (tax inclusive) for 2024 to all Shareholders. Based on the Company's total share capital of 15,960,605,965 Shares as at 30 June 2024, the total interim cash dividends of approximately RMB8.3 billion (tax inclusive) for 2024 shall be distributed, representing approximately 49.20% of the net profit attributable to equity of the Company in the first half year of 2024. During the Reporting Period, the Company was included in the FTSE China A50 Index, reflecting its brand value and investment value were highly recognized by the capital market. During the Reporting Period, the Group not only effectively mitigated the impact of cyclical fluctuations in the market, but also achieved remarkable results in high-quality development.

**Firstly, the Group accelerated the upgrading of global layout.** During the Reporting Period, the Group accelerated the optimization of its fleet structure by taking delivery of five 24,188 TEU energy-saving vessels and three 14,100 TEU Latin American supramax vessels. They were deployed in the Asia-Europe services and South America services in the emerging markets respectively. As at the end of the Reporting Period, the capacity of the Group's self-operated container fleet amounted to 3.24 million TEUs, representing an increase of 6.5% from the beginning of the Reporting Period. The Group's total fleet capacity remained in the top-tier of the container shipping industry. On this basis, we actively leveraged our economies of scale and continued to develop a balanced global layout of shipping routes. At the same time, we successfully extended the cooperation period with OCEAN Alliance to 2032 and launched the new DAY 8 services in March to further consolidate our advantages in traditional markets. Besides, we successively launched East Coast of North America to West Coast of South America services, Yangpu to Abu Dhabi direct call service, upgraded China to Vietnam services and Far East to East Africa services, and successfully rolled out Tianjin to East Coast of South America and Dalian to Mexico direct call services, thus achieving a number of breakthroughs in the development of emerging markets and laying a solid foundation for more effective reduction of logistics costs for our global customers and the establishment of a safer, more stable and more efficient supply chain system.

**Secondly, the upgrading of full-chain services saw leapfrog development.** The Group spared no effort in building a global digital supply chain service ecosystem integrating “container shipping + port + related logistics services”. As for resource capacity building, we accelerated the establishment of investment and operation platforms in different areas such as North America, Europe, Southeast Asia, South America, Japan, Africa, Australia, etc. We also implemented a number of key supply chain projects in an orderly manner to address the logistics and warehousing needs of our customers. At the same time, we developed supporting resources of Piraeus Port, Abu Dhabi Port, TCT Terminal at Tianjin Port and other terminals to continuously improve the geographical coverage of regional services. As for the expansion of sea-rail intermodal transportation routes, during the Report Period, we launched the Lázaro Cárdenas-Mexico City chartered train transportation service, thus realizing the seamless connection between the Mexican rail freight route and global shipping routes. In addition, the Company opened the Wuhan-Xiamen-Europe sea-rail transportation channel, providing a new and convenient shipping route for the central region to connect with global trade. At present, the Company launched more than 550 sea-rail intermodal transportation routes for domestic and foreign trade. As for product capacity building, during the Reporting Period, we iteratively launched a series of full-chain packaged products, including the dynamic packaging product “Customer-Defined Services”, the third-country series product “Global Talent Pegasus” and full-chain combination products “Talent Thomas”. Up to now, a total of 30 combination products have been launched, covering over 90 countries and regions around the world. The scope and content of our services was thus expanded, which effectively enriched the number and features of our global supply chain products. During the Reporting Period, revenue from the Group’s supply chain revenue other than ocean shipping amounted to RMB19.893 billion, representing 17.28% growth as compared to that for the same period of last year.

**Thirdly, the integration of digital technology and traditional business is leading the way for new quality development.** The Group sped up the upgrading of “shipping services” to “digital supply chain products” through the in-depth integration of digitalization and modernization of industrial system. During the Reporting Period, more than 130,000 blockchain bills of lading were issued, which maintain a leading position among similar platforms. Cargo Release was adopted at more terminals. The blockchain-based certificate with core information for the transportation of dangerous goods was launched. All new building containers of the Dual-brands were equipped with IBOX devices. The application of MRO intelligent system saved 16.8% on repositioning costs compared to before the system was launched. The coverage of MY REEFER platform Smart PTI was extended to Australia and Southeast Asia. The intelligent management of full-chain resources such as shipping, terminals, trailers, warehouses and customs clearance and their visual management provided customers in lithium battery, photovoltaic and cross-border e-commerce with standardized to customized whole-process solutions. During the Reporting Period, the shipping volume of lithium battery, photovoltaic and cross-border e-commerce continued to grow at relatively brisk rates of 22.8%, 27.6% and 61.3% year-on-year respectively. In addition, While the global supply chain remained tight, the Company provided whole-process online services to customers, especially small and medium-sized ones, creating a stable, highly efficient and diversified protection matrix for supply chain service. In addition, facing the ongoing tension in the global supply chain, the Group provides wholeprocess online services for a wide range of customers, especially small and medium-sized enterprises, and has meticulously constructed a stable, efficient, and diversified supply chain service matrix.

**Fourthly, low-carbon transformation gained increasing momentum to drive green transition.** Riding on the new trend of green, low-carbon and intelligent shipping development, the Group continued to promote green and low-carbon transformation for its container fleet, ports and terminals. Since the beginning of 2024, the Group has paid close attention to the requirements of the IMO Convention and the new EU environmental protection regulations. Relentless efforts were made to ensure our compliance with relevant requirements and pursue energy saving and emission reduction of our container fleet. While steadily advancing the construction of twelve 24,000 TEU methanol dualfuel powered vessels, the Group signed the contracts in the first half of 2024 for retrofitting 8 vessels with methanol dual-fuel powered equipment. In addition to proceeding with technical transformation of the fleet for compliance with relevant regulatory requirements, the Group actively promoted the use of biofuels and the construction of green fuel supply chain. As for port business, the applications of distributed solar energy, wind energy and green intelligent lighting were vigorously promoted. The Group also actively promotes the transformation and normal use of shore power. From January to June, the total usage of shore power generation increased by 170% as compared to that for the same period of last year. Besides, in order to meet customers' needs for climate-friendly transportation, the Group issued the first Hi-Eco green shipping certificate for the customer based on the GSBN blockchain platform, which set an industry example for green and low-carbon transformation.

Looking ahead to the second half of 2024, the Company is cautiously optimistic about the outlook for the container shipping industry amid muted global economic recovery. Various challenges lie ahead, including complex geopolitical situations, profound adjustments of the global economic and trade landscape, centralized delivery of newly constructed vessels and increasing costs arising from green low-carbon transformation to comply with regulatory requirements. On the other hand, opportunities arise from the gradual recovery in traditional markets such as Europe and North America, faster growth of trades in emerging markets, and steady increase in shipping demand along with enhanced collaboration in the industrial chain. In this regard, COSCO SHIPPING Holdings will continue to adhere to its mission to “accelerate the development of the Company into a world-class shipping technology enterprise”, and stick to its positioning as “a global digital supply chain operation and investment platform with a primary focus on container shipping”, actively promote innovations in the ecosystems for supply chain, intelligent interconnection and green low-carbon development. Robust efforts will be dedicated to advancing the creation of new development models and new growth momentum, and new quality productive forces will be leveraged to better enable high-quality development, thereby providing better quality services to customers, and creating greater value for shareholders.



## (II) Major Profit or Loss Items and Cashflow Analysis

In the first half of 2024, the Group generated revenues of RMB101,201,055,000, representing an increase of RMB9,358,258,000 or 10.19% as compared to that for the same period of last year. For the first half of 2024, profit attributable to equity holders of the Group was RMB16,870,080,000, representing an increase of RMB309,443,000 or 1.87% as compared to that for the same period of last year.

### 1. Table of analysis for related items in the consolidated income statement and consolidated cash flow statement

Items	Period from 1 January to 30 June 2024 <i>RMB'000</i>	Period from 1 January to 30 June 2023 <i>RMB'000</i>	Difference <i>RMB'000</i>	Percentage change (%)
Revenues	<b>101,201,055</b>	91,842,797	9,358,258	10.19%
Cost of services	<b>(78,043,130)</b>	(72,061,762)	(5,981,368)	8.30%
Other income and expenses, net	<b>551,293</b>	2,253,663	(1,702,370)	-75.54%
– Other income	<b>592,009</b>	2,303,223	(1,711,214)	-74.30%
– Other expenses	<b>(40,716)</b>	(49,560)	8,844	-17.85%
(Provision for)/reversal of impairment losses on financial assets, net	<b>(82,790)</b>	181,670	(264,460)	-145.57%
Selling, administrative and general expenses	<b>(4,574,968)</b>	(4,086,896)	(488,072)	11.94%
Finance income	<b>3,091,049</b>	4,178,631	(1,087,582)	-26.03%
Finance costs	<b>(1,664,536)</b>	(1,826,653)	162,117	-8.88%
Share of profits less losses of				
– joint ventures	<b>294,360</b>	306,241	(11,881)	-3.88%
– associates	<b>2,287,899</b>	2,145,060	142,839	6.66%
Income tax expenses	<b>(3,804,865)</b>	(3,256,970)	(547,895)	16.82%
Net cash flows generated from operating activities	<b>22,638,496</b>	13,261,606	9,376,890	70.71%
Net cash flows used in investing activities	<b>(10,356,232)</b>	(12,273,283)	1,917,051	-15.62%
Net cash flows used in financing activities	<b>(21,498,052)</b>	(41,196,977)	19,698,925	-47.82%



## 2. Revenues

Management discussion and analysis and descriptions below contain amounts and figures, which are in RMB unless otherwise specified.

### *Overview*

In the first half of 2024, the revenue of the Group amounted to RMB101,201,055,000 representing an increase of RMB9,358,258,000 or 10.19% as compared to that for the same period of last year.

### *Revenue from container shipping business*

In the first half of 2024, the revenue from container shipping business amounted to RMB97,477,271,000, representing an increase of RMB9,190,135,000 or 10.41% as compared to that for the same period of last year, of which COSCO SHIPPING Lines generated revenues of RMB67,435,833,000 from container shipping business, representing an increase of RMB7,565,441,000 or 12.64% as compared to that for the same period of last year.

### *Revenue from terminal business*

In the first half of 2024, revenue generated from the terminal business amounted to RMB5,091,135,000, representing an increase of RMB240,171,000 or 4.95% as compared to that for the same period of last year.

### *Major customers*

Total sales to the top five customers during the first half of 2024 amounted to RMB3,937,646,000, accounting for 3.89% of the total sales during the Reporting Period.

### 3. Costs

#### *Table of cost analysis*

Components of Cost	Period from 1 January to 30 June 2024 <i>RMB'000</i>	Period from 1 January to 30 June 2023 <i>RMB'000</i>	Difference <i>RMB'000</i>	Percentage change (%)
Equipment and cargo transportation costs	<b>35,167,509</b>	28,651,506	6,516,003	22.74%
Voyage costs	<b>18,392,112</b>	18,574,010	(181,898)	-0.98%
Vessel costs	<b>15,008,821</b>	16,807,147	(1,798,326)	-10.70%
Other related business costs	<b>6,629,496</b>	5,285,591	1,343,905	25.43%
Tax and surcharges	<b>543,687</b>	560,710	(17,023)	-3.04%
<b>Sub-total-container shipping operating costs</b>	<b>75,741,625</b>	69,878,964	5,862,661	8.39%
Container terminal and related business costs	<b>3,594,982</b>	3,411,408	183,574	5.38%
Tax and surcharges	<b>36,191</b>	28,052	8,139	29.01%
<b>Sub-total-container terminal operating costs</b>	<b>3,631,173</b>	3,439,460	191,713	5.57%
Elimination between different businesses	<b>(1,329,668)</b>	(1,256,662)	(73,006)	5.81%
<b>Total operating cost</b>	<b>78,043,130</b>	72,061,762	5,981,368	8.30%

#### *Overview*

In the first half of 2024, the operating cost of the Group amounted to RMB78,043,130,000, representing an increase of RMB5,981,368,000 or 8.30% as compared to that for the same period of last year.

#### *Container shipping business cost*

In the first half of 2024, the container shipping business cost amounted to RMB75,741,625,000, representing an increase of RMB5,862,661,000 or 8.39% as compared to that for the same period of last year, of which, in the first half of 2024, the container shipping business cost incurred by COSCO SHIPPING Lines amounted to RMB52,061,741,000, representing an increase of RMB4,460,420,000 or 9.37% as compared to that for the same period of last year.

#### *Terminal business cost*

In the first half of 2024, the terminal business cost amounted to RMB3,631,173,000, representing an increase of RMB191,713,000 or 5.57% as compared to that for the same period of last year.

#### **4. Other profit or loss items**

##### ***Other income and expenses, net***

In the first half of 2024, other income and expenses, net was RMB551,293,000, representing a decrease of RMB1,702,370,000 as compared to that for the same period of last year. Of which, the exchange gains, net, amounted to RMB259,361,000, representing a decrease of RMB1,655,490,000. This is mainly because the appreciation of USD against RMB in the first half of 2024 was less than that in the same period of last year.

##### ***Selling, administrative and general expenses***

In the first half of 2024, the selling, administrative and general expenses of the Group amounted to RMB4,574,968,000, representing an increase of RMB488,072,000 or 11.94% as compared to that for the same period of last year.

##### ***Finance income***

In the first half of 2024, the finance income of the Group amounted to RMB3,091,049,000, representing a decrease of RMB1,087,582,000 or 26.03% as compared to that for the same period of last year. Amongst which, the interest income amounted to RMB3,071,865,000, representing a decrease of RMB925,500,000 as compared to that for the same period of last year, mainly due to a decrease in the average balance of monetary funds as compared to that for the same period of last year.

##### ***Finance costs***

In the first half of 2024, the finance costs of the Group amounted to RMB1,664,536,000, representing a decrease of RMB162,117,000 or 8.88% as compared to that for the same period of last year, mainly due to the decrease in interest expenses as the scale of indebtedness has been decreasing continuously.

##### ***Share of profits of joint ventures and associated companies***

In the first half of 2024, the Group's share of profits of joint ventures and associated companies in aggregate amounted to RMB2,582,259,000, representing an increase of RMB130,958,000 as compared to that for the same period of last year. During the Reporting Period, the Company's investment income from Shanghai International Port (Group) Co., Ltd. and the investment income of COSCO SHIPPING Ports (a subsidiary of the Group) from its non-controlled terminals both increased as compared with the same period last year.

### ***Income tax expenses***

In the first half of 2024, the income tax expenses of the Group amounted to RMB3,804,865,000, representing an increase of RMB547,895,000 or 16.82% as compared to that for the same period of last year.

### ***Major suppliers***

Total purchases from the top five suppliers of the Group in the first half of 2024 amounted to RMB13,944,220,000, accounting for 18.00% of the total purchases during the Reporting Period.

## **5. Cash flow**

As at 30 June 2024, the cash and cash equivalents amounted to RMB172,350,141,000, representing a decrease of RMB8,763,175,000 or 4.84% from the end of last year. The cash and cash equivalents of the Group were principally denominated in RMB and US\$, and the rest were denominated in EUR, HK\$ and other currencies.

### ***(1) Net cash from operating activities***

In the first half of 2024, the net cash inflow from operating activities amounted to RMB22,638,496,000, representing an increase of RMB9,376,890,000 or 70.71%. This was mainly due to payment of income tax for the previous quarter by the Group's domestic entities in the current quarter. Significant decrease in the performance of container shipping business was recorded in the fourth quarter of 2023 as compared with that in the fourth quarter of 2022, resulting in a significant decrease in corporate income tax paid for the first quarter of 2024 as compared to that for the same period of last year.

### ***(2) Net cash from investing activities***

In the first half of 2024, the net cash outflow from investing activities amounted to RMB10,356,232,000, representing a decrease of RMB1,917,051,000 in net cash outflow. During the Reporting Period, there was a decrease in the cash paid for external equity investments of the Group as compared to that for the same period of last year, a increase in cash dividends received from associates and joint ventures as compared to that for the same period of last year, and a increase in cash paid for building vessels, construction of containers and construction of terminals as compared to that for the same period of last year.

### ***(3) Net cash from financing activities***

In the first half of 2024, the net cash outflow from financing activities amounted to RMB21,498,052,000, representing a decrease of RMB19,698,925,000 in net cash outflow as compared to that for the same period of last year. During the Reporting Period, cash paid for repayment of borrowings of the Group increased as compared to that for the same period of last year, while cash paid for dividend distribution decreased as compared to that for the same period of last year.

### ***(4) Impact of changes in exchange rate on cash and cash equivalents***

The balance of cash and cash equivalents increased by RMB452,613,000 as at 30 June 2024, which was primarily due to an increase in exchange rate of US\$ against RMB during the Reporting Period.

### (III) Working Capital, Financial Resources and Capital Structure

#### *Overview*

As at 30 June 2024, the total assets of the Group amounted to RMB467,117,979,000, representing an increase of RMB4,688,598,000 or 1.01% as compared to the end of last year. The total liabilities amounted to RMB209,687,682,000, representing a decrease of RMB9,522,227,000 or 4.34% as compared to the end of last year.

As at 30 June 2024, the total outstanding borrowings of the Group were RMB35,091,882,000. The cash and cash equivalents, net of the total outstanding borrowings and total lease liabilities, amounted to net cash of RMB97,787,563,000, representing an increase of RMB1,059,731,000 as compared to the end of last year. As at 30 June 2024, the Group's net current assets were RMB75,061,390,000, representing a decrease of RMB76,777,000 or 0.10% as compared to the end of last year. As at 30 June 2024, the net cash (debt) to equity ratio was 37.99%, representing a decrease of 1.78 percentage points as compared to the end of last year. The formula for calculating the net cash (debt) to equity ratio is as follows: net cash (debt) to equity ratio = (cash and cash equivalents – total borrowings – total lease liabilities)/owners' equity.

The working capital and capital resources of the Group have been and will continue to be generated from the cash flows of operating activities, the proceeds from new share issuance and the debt financing from financial institutions. The cash of the Group has been and is expected to continue to be utilized for various purposes such as payment of operating costs, construction of container vessels, purchase of containers, investments in terminals and repayment of loans.

#### *Debt analysis*

<b>Categories</b>	<b>As at 30 June 2024 RMB'000</b>	<b>As at 31 December 2023 RMB'000</b>
Short-term borrowings	<b>2,406,305</b>	2,417,519
Long-term borrowings	<b>32,685,577</b>	40,859,399
Total of long-term and short-term borrowings	<b>35,091,882</b>	43,276,918
Among which:		
Interest payable – Short-term borrowings	<b>3,507</b>	1,052
– Long-term borrowings	<b>282,044</b>	287,147
The repayment terms of long-term borrowings are as follows:		
Less than one year	<b>3,507,945</b>	8,118,638
One to two years	<b>2,006,048</b>	6,593,829
Three to five years	<b>13,420,944</b>	13,260,597
Over five years	<b>13,750,640</b>	12,886,335
Total	<b>32,685,577</b>	40,859,399

### *Borrowings by categories*

As at 30 June 2024, the Group had bank borrowings of RMB31,883,510,000 and other borrowings of RMB2,922,821,000, representing 91.60% and 8.40% of the total borrowings, respectively. Of the bank borrowings, secured borrowings amounted to RMB18,743,778,000 and unsecured borrowings amounted to RMB13,139,732,000, representing 53.85% and 37.75% of the total borrowings, respectively. Most of the borrowings of the Group bear interest at floating rate.

### *Borrowings by currency*

As at 30 June 2024, the borrowings of the Group denominated in US\$ were equivalent to RMB22,858,667,000, borrowings denominated in RMB amounted to RMB7,075,895,000, borrowings denominated in EUR were equivalent to RMB4,232,893,000, and borrowings denominated in HK\$ were equivalent to RMB638,876,000, representing 65.67%, 20.33%, 12.16% and 1.84% of the total borrowings, respectively.

### *Secured borrowings*

As at 30 June 2024, the secured borrowings of the Group totalled RMB18,743,778,000, including guaranteed borrowings, mortgaged borrowings and borrowings secured by both guarantees and asset pledges.

### *Company's guarantees*

As at 30 June 2024, the guarantees provided among the Group's consolidated entities amounted to RMB9,378,472,000 (as at 31 December 2023: RMB10,152,129,000) and guarantees provided to an associated company amounted to RMB341,712,000 (as at 31 December 2023: RMB265,241,000).

### *Contingent liabilities*

The Group was involved in a number of claims and litigations, including but not limited to claims and litigations on disputes arising from vessels damage, loss of cargoes, delivery delay, vessels collision during transportation, early termination of vessel lease contracts and pledge supervision business.

Based on the advice of legal counsel and/or the information available to the Group, the Directors are of the view that the amount of the claims should have no material impact on the Group's consolidated financial statements for the six months ended 30 June 2024.

### *Foreign exchange risk*

The Group operates internationally and is exposed to various foreign exchange risks arising from non-functional currencies. Foreign exchange risks are derived from future business transactions and recognized assets and liabilities. The actual foreign exchange risks faced by the Group are therefore primarily with respect to bank balances, receivable and payable balances and bank borrowings denominated in non-functional currencies. The management monitors the exposure to foreign exchange risks and will consider hedging foreign exchange risks with derivative financial instruments in a timely manner.

### *Capital commitments*

As at 30 June 2024, the Group had a total of 29 container vessels under construction, the capital commitments for future construction of container vessels amounted to RMB28,682,434,000.

As at 30 June 2024, the Group's capital commitments for investment in terminals amounted to RMB3,710,048,000 in aggregate, of which the commitments for purchasing fixed assets amounted to RMB3,571,966,000 and the equity investment commitment of terminals amounted to RMB138,082,000.

### *Facilities*

As at 30 June 2024, the unutilized bank loan facilities of the Group were RMB17,286,473,000. The Group continued to strengthen the monitoring of the size of liabilities and gearing ratio of its subsidiaries and has repaid bank loans in full as scheduled.

### *Financing plans*

The Group will consider factors including repayment of maturing debts, loan replacement and material future capital expenditures, in order to make financing arrangements in advance, enhance funding and debts management, optimize the funding utilization and control the scale of debts effectively.

## (IV) Investment Analysis

### 1. Analysis of external equity investments

As at 30 June 2024, the balance of the Group's investments in associated companies and joint ventures was RMB67,872,274,000, representing an increase of RMB988,836,000 as compared to the end of last year.

#### (1) Significant equity investment

Not applicable.

#### (2) Significant non-equity investment

Not applicable.

#### (3) Financial assets at fair value

	RMB'000							
Type of assets	Amount at the beginning of the period	Gain or loss on fair value change in current period	Cumulative fair value changes recorded in equity	Impairment provision for current period	Amount purchased in current period	Amount sold/redeemed in current period	Other changes	Amount at the end of the period
Shares, bonds and fund portfolio investments	95,000	-4,761	-	-	5,781	32,145	491	64,366
Ocean Hotel Shanghai Co., Ltd.	108,749	-	133	-	-	-	-	108,882
Guangzhou Port Co., Ltd.	1,535,854	-	-39,256	-	-	-	-	1,496,598
Yantai Port Co., Ltd.	141,023	-	-	-	-	-	-	141,023
Qinhuangdao Port Co., Ltd.	53,791	-	24,547	-	-	-	498	78,836
Convertible corporate bonds	380,662	10,657	-	-	-	-	-	391,319
Interest rate swaps	19,106	-	-19,106	-	-	-	-	-
Other	78,825	-	-6,596	-	-	-	-134	72,095
<b>Total</b>	<b>2,413,010</b>	<b>5,896</b>	<b>-40,278</b>	<b>-</b>	<b>5,781</b>	<b>32,145</b>	<b>855</b>	<b>2,353,119</b>



**Investments in securities**

RMB '000

Type of securities	Stock code	Stock abbreviation	Initial investment cost	Source of funds	Carrying amount at the beginning of the period	Gain or loss on fair value change in current period	Cumulative fair value changes recorded in equity	Amount purchased in current period	Amount sold in current period	Investment gain or loss for current period	Carrying amount at the end of the period	Accounting classification item
Stock	601228	Guangzhou Port	1,276,924	Self-owned funds	1,535,854	-	-39,256	-	-	21,100	1,496,598	Financial assets at fair value through other comprehensive income
Stock	3369.HK	QHD Port	212,194	Self-owned funds	53,791	-	24,547	-	-	3,673	78,836	Financial assets at fair value through other comprehensive income
Stock	000597	Northeast Pharm	200	Self-owned funds	1,481	-	-410	-	-	-	1,071	Financial assets at fair value through other comprehensive income
Stock	600821	NYOCOR	99	Self-owned funds	515	-	-82	-	-	15	432	Financial assets at fair value through other comprehensive income
Stock	600837	Haitong Securities	7,017	Self-owned funds	45,629	-	-3,944	-	-	-	41,685	Financial assets at fair value through other comprehensive income
Trust products	87001	Hui Xian Trust (匯賢信託)	97,178	Self-owned funds	26,959	-7,550	-	-	-	39	19,552	Financial assets at fair value through profit or loss
Convertible bonds	127039	Beigang convertible bond	321,492	Self-owned funds	380,662	10,657	-	-	-	3,215	391,319	Financial assets at fair value through profit or loss
Bonds	Multiple stock codes	Bond investment	378,978	Self-owned funds	380,610	-	-	-	-	9,542	382,840	Financial assets at amortized cost
Stock	Multiple stock codes	Stock investment	180,448	Self-owned funds	68,040	2,789	-	5,781	32,145	14,525	44,815	Financial assets at fair value through profit or loss
<b>Total</b>	/	/	2,474,530	/	2,493,541	5,896	-19,145	5,781	32,145	52,109	2,457,148	/

## (V) Industry Operation Information

### Container shipping business

#### (1) Shipping volume

Shipping volume of the Group (TEU)

<b>Routes</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Percentage of change (%)</b>
Trans-Pacific	2,285,145	2,106,765	8.47
Asia and Europe (including the Mediterranean)	1,874,775	2,202,295	-14.87
Asia Region (including Australia)	4,272,529	3,784,423	12.90
Other international regions (including the Atlantic)	1,409,782	1,292,017	9.11
Mainland China	2,617,312	2,009,828	30.23
<b>Total</b>	<b>12,459,543</b>	<b>11,395,328</b>	<b>9.34</b>

Shipping volume of COSCO SHIPPING Lines (a subsidiary of the Group) (TEU)

<b>Routes</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Percentage of change (%)</b>
Trans-Pacific	1,312,001	1,175,796	11.58
Asia and Europe (including the Mediterranean)	1,164,821	1,390,641	-16.24
Asia Region (including Australia)	2,527,175	2,183,511	15.74
Other international regions (including the Atlantic)	1,161,589	1,035,336	12.19
Mainland China	2,617,312	2,009,828	30.23
<b>Total</b>	<b>8,782,898</b>	<b>7,795,112</b>	<b>12.67</b>

(2) *Revenue from routes*

Revenue from routes by the Group (RMB'000)

<b>Routes</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Percentage of change (%)</b>
Trans-Pacific	27,731,163	20,307,433	36.56
Asia and Europe (including the Mediterranean)	20,299,731	18,469,693	9.91
Asia Region (including Australia)	23,327,346	22,964,799	1.58
Other international regions (including the Atlantic)	13,291,789	14,075,354	-5.57
Mainland China	5,739,137	5,719,036	0.35
<b>Total</b>	<b>90,389,166</b>	<b>81,536,315</b>	<b>10.86</b>

Of which revenue from routes by COSCO SHIPPING Lines (a subsidiary of the Group) (RMB'000)

<b>Routes</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Percentage of change (%)</b>
Trans-Pacific	15,970,518	11,269,952	41.71
Asia and Europe (including the Mediterranean)	13,596,493	12,738,943	6.73
Asia Region (including Australia)	14,667,857	13,768,973	6.53
Other international regions (including the Atlantic)	11,534,075	11,137,540	3.56
Mainland China	5,818,640	5,799,518	0.33
<b>Total</b>	<b>61,587,583</b>	<b>54,714,926</b>	<b>12.56</b>

Revenue from routes by the Group (equivalent to US\$'000)

<b>Routes</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Percentage of change (%)</b>
Trans-Pacific	3,903,653	2,914,134	33.96
Asia and Europe (including the Mediterranean)	2,857,547	2,650,417	7.81
Asia Region (including Australia)	3,283,738	3,295,468	-0.36
Other international regions (including the Atlantic)	1,871,055	2,019,825	-7.37
Mainland China	807,886	820,686	-1.56
<b>Total</b>	<b>12,723,879</b>	<b>11,700,530</b>	<b>8.75</b>

Of which revenue from routes by COSCO SHIPPING Lines (a subsidiary of the Group)  
(equivalent to US\$'000)

<b>Routes</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Percentage of change (%)</b>
Trans-Pacific	2,248,134	1,617,248	39.01
Asia and Europe (including the Mediterranean)	1,913,948	1,828,049	4.70
Asia Region (including Australia)	2,064,761	1,975,859	4.50
Other international regions (including the Atlantic)	1,623,626	1,598,246	1.59
Mainland China	819,076	832,236	-1.58
<b>Total</b>	<b>8,669,545</b>	<b>7,851,638</b>	<b>10.42</b>

**(3) Major performance indicators**

Major performance indicators of the container shipping business of the Group  
(RMB'000)

<b>Items</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Difference</b>
Revenue from container shipping business	97,477,271	88,287,136	9,190,135
Including: Supply chain revenue other than shipping fee	19,893,247	16,962,176	2,931,071
EBIT	20,851,364	20,775,332	76,032
			Decreased by 2.14 percentage points
EBIT margin	21.39%	23.53%	
Net profit	16,330,539	16,779,621	-449,082

Among which: major performance indicators of the container shipping business of COSCO SHIPPING Lines (a subsidiary of the Group) (RMB'000)

<b>Items</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Difference</b>
Revenue from container shipping business	67,435,833	59,870,392	7,565,441
Including: Supply chain revenue other than shipping fee	13,205,841	10,464,607	2,741,234
EBIT	14,535,839	12,764,453	1,771,386
			Increased by 0.24 percentage points
EBIT margin	21.56%	21.32%	
Net profit	10,174,796	8,861,445	1,313,351

Major performance indicators of the container shipping business of the Group (equivalent to US\$'000)

<b>Items</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Difference</b>
Revenue from container shipping business	13,721,656	12,669,279	1,052,377
Including: Supply chain revenue other than shipping fee	2,800,328	2,434,087	366,241
Revenue per TEU from international routes (USD/TEU)	1,210.70	1,159.22	51.48
EBIT	2,935,200	2,981,278	-46,078
Net profit	2,298,813	2,407,890	-109,077

Among which: major performance indicators of the container shipping business of COSCO SHIPPING Lines (a subsidiary of the Group) (equivalent to US\$'000)

<b>Items</b>	<b>Current period</b>	<b>Same period of last year</b>	<b>Difference</b>
Revenue from container shipping business	9,492,790	8,591,452	901,338
Including: Supply chain revenue other than shipping fee	1,858,957	1,501,680	357,277
Revenue per TEU from international routes (US\$/TEU)	1,273.27	1,213.32	59.95
EBIT	2,046,177	1,831,710	214,467
Net profit	1,432,283	1,271,625	160,658

Notes:

“Supply chain revenue other than shipping fee” refers to container shipping related supply chain revenue excluding dual-brand shipping fee revenue, which includes non-shipping fee revenue as set out in the terms of dual-brand bills of lading. To fully reflect the data for these indicators, during the Reporting Period, the Group has further optimized and adjusted the calculation by separating the revenue from non-shipping supply chain under the through rate contracts (全程包乾合約) that were previously recognized as shipping fee revenue on a rational basis, and adjusted the figures for the corresponding period of last year accordingly.

The revenue from routes and major performance indicators above were translated into US\$ at an average exchange rate of RMB7.1039:US\$1 in the first half of 2024 and RMB6.9686:US\$1 in the first half of 2023.

## ***Terminal business***

In the first half of 2024, the total throughput of COSCO SHIPPING Ports amounted to 69.8585 million TEUs, representing an increase of 8.19% as compared to the same period of last year, of which the throughput of controlled terminals amounted to 15.9142 million TEUs, representing an increase of 8.03% as compared to the same period of last year; the throughput of non-controlled terminals amounted to 53.9443 million TEUs, representing an increase of 8.23% as compared to the same period of last year.

### ***The total throughput of the container terminal business of COSCO SHIPPING Ports (a subsidiary of the Group)***

<b>Location of terminal</b>	<b>Current period (TEU)</b>	<b>Same period of last year (TEU)</b>	<b>Percentage of change (%)</b>
Bohai Rim Region	24,360,269	22,515,008	8.20
Yangtze River Delta Region	8,054,930	7,059,244	14.10
Southeast Coast and others	2,930,560	2,777,699	5.50
Pearl River Delta Region	13,669,963	12,744,315	7.26
Southwest Coast	4,320,100	3,607,500	19.75
Overseas	16,522,679	15,869,106	4.12
<b>Total</b>	<b>69,858,501</b>	<b>64,572,872</b>	<b>8.19</b>
Of which: Controlled terminals	15,914,213	14,731,490	8.03
Non-controlled terminals	53,944,288	49,841,382	8.23

## **SIGNIFICANT EVENTS**

On 28 March 2024, the Board considered and approved the proposed reduction of registered share capital of the Company and the amendments to the Articles of Association and its appendixes, i.e. the Rules of Procedures of Shareholders' General Meeting and the Rules of Procedures of the Board of Directors. The above proposals and amendments were approved at the 2023 Annual General Meeting and the Class Meetings of the Company held on 29 May 2024. For further details, please refer to the announcement of the Company dated 28 March 2024, circular of the Company dated 9 May 2024 and announcement of the Company dated 29 May 2024.

## **SUBSEQUENT EVENTS**

On 18 July 2024, upon the completion of registration with the relevant market entity registration authority, the above proposed reduction of registered share capital of the Company and the amended Articles of Association became effective, and the appendixes to the amended Articles of Association, i.e. the Rules of Procedures of Shareholders' General Meeting and the Rules of Procedures of the Board of Directors, took effect at the same time. For further details, please refer to the Company's overseas regulatory announcement dated 18 July 2024.

Save as set out above and as disclosed in Note 13 to the Unaudited Interim Condensed Consolidated Financial Information, there is no other material subsequent event.

## **AUDIT COMMITTEE**

The Company has established the Audit Committee in compliance with Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review the financial reporting process and the systems of internal controls of the Group (including the adequacy of resources, staff qualifications and experience, effectiveness of internal audit, corporate governance and control, and the training programs and budget of the Company's accounting and financial reporting function), the completeness and accuracy of its accounts and to liaise on behalf of the Directors with external auditors. The Audit Committee consists of three independent non-executive Directors, namely Prof. MA Si-hang Frederick (chairman of the Audit Committee), Mr. SHEN Dou and Ms. HAI Chi-yuet, who meet regularly with the management of the Company and the Company's external auditors, and review external auditors' review and audit reports (as applicable) and the interim and annual financial statements, as the case may be. The Audit Committee has reviewed the unaudited interim financial information for the six months ended 30 June 2024, and recommended its adoption by the Board.

## **CORPORATE GOVERNANCE**

The Company is committed to maintaining high standards of corporate governance by the Group. The Board considers that effective corporate governance is essential and makes important contribution to the corporate success and to enhancing Shareholders' value.

The Company adopted the Company's corporate governance code (the "**Code**") which incorporates all the code provisions in the Corporate Governance Code and a majority of the recommended best practices therein. Having made specific enquiries, the Directors were not aware of any information which reasonably showed that the Company had not complied with the Corporate Governance Code or any applicable code provisions therein at any time during the six months ended 30 June 2024.

## **EMPLOYEES AND REMUNERATION POLICIES**

During the Reporting Period, in order to enhance the quality and capability of the Company's human resources as well as team spirit and fully cope with the business development of the Company, the Company organized many professional and comprehensive training programmes. The remuneration policies of the Company (including with respect to emolument payable to the Directors) are reviewed on a regular basis, taking into account the Company's results and market conditions, in order to formulate better incentives and appraisal measures.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

Since the listing of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") in 2005, the Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code for securities transactions by the Directors and Supervisors. After making specific enquiries with all Directors and Supervisors, each of them has confirmed that they had complied with the required standard set out in the Model Code during the six months ended 30 June 2024.

## REPURCHASE, SALE OR REDEMPTION OF LISTED SHARES

On 25 May 2023, the Annual General Meeting, the A Share Class Meeting and the H Share Class Meeting of the Company considered and approved the grant of the general mandate to the Board to repurchase A Shares and H Shares of no more than 10% of the number of A Shares in issue and the number of H Shares in issue as at the date of the Annual General Meeting, the A Share Class Meeting and the H Share Class Meeting. On 29 August 2023, the 27th meeting of the sixth session of the Board considered and approved the Resolution on the Share Repurchase Plan of COSCO SHIPPING Holdings (《關於中遠海控回購公司股份方案的議案》) to implement the share repurchase plan for the purpose of safeguarding the Company's value and Shareholders' rights and interests and to carry out the share repurchase in accordance with the law under the framework of the general repurchase mandate approved at the general meeting, and that all repurchased Shares shall be cancelled and the registered share capital shall be reduced accordingly.

On 31 August 2023, the Company commenced the repurchase of A Shares and H Shares. As at 30 June 2024, the Company had repurchased a total of 59,999,924 A Shares, and the total amount paid was approximately RMB583,328,594 (excluding transaction fees); and had repurchased a total of 155,000,000 H Shares, and the total amount paid was approximately HK\$1,201,957,510 (excluding transaction fees). The monthly report on share repurchase during the Reporting Period is as follows:

### Repurchase of H Shares

Month of repurchase	Number of Shares repurchased	Purchase price per Share		Total price (HK\$)
		Highest (HK\$/Share)	Lowest (HK\$/Share)	
2024				
January	34,032,000	8.44	7.60	271,275,105.00
February	23,019,000	8.80	7.71	190,659,075.00
	<u>57,051,000</u>			<u>461,934,180.00</u>

The Company cancelled 41,467,000 repurchased H Shares, 59,999,924 repurchased A Shares and 113,533,000 repurchased H Shares on 17 November 2023, 29 November 2023 and 29 February 2024, respectively. Accordingly, as at 30 June 2024, the Company had cancelled all of the aforesaid 59,999,924 repurchased A Shares and 155,000,000 repurchased H Shares.

Save as disclosed above, neither the Company nor any of its subsidiaries had repurchased or sold any listed securities of the Company during the Reporting Period. The Company had not redeemed the Company's securities during the Reporting Period.



## **PAYMENT OF INTERIM DIVIDEND**

On 29 August 2024, the 7th meeting of the seventh session of the Board considered and approved the 2024 interim profit distribution plan of COSCO SHIPPING Holdings: to distribute a cash dividend of RMB0.52 per Share (tax inclusive) to all Shareholders; as calculated based on the Company's total share capital of 15,960,605,965 Shares as at 30 June 2024, the total 2024 interim cash dividend payable shall amount to approximately RMB8.3 billion (tax inclusive), accounting for approximately 49.20% of the net profit attributable to the equity holders of the listed company realized in the first half of 2024. In the event of any change in the number of total share capital of the Company during the period between the beginning of July 2024 and the record date of dividend distribution, the amount of dividend per Share shall remain unchanged, and the total amount of distribution shall be adjusted accordingly based on the total number of Shares registered as at the record date for entitlement to the distribution. According to the relevant authorization for the 2024 interim profit distribution as approved at the 2023 Annual General Meeting of the Company, this profit distribution plan is not required to be submitted to Shareholders' general meeting for consideration. For further details of the aforementioned Board authorization, please refer to the circular of the Company dated 9 May 2024 and the announcement of the Company dated 29 May 2024.

In respect of the 2023 interim dividend of RMB0.51 per Share (tax inclusive) paid to all Shareholders, the total cash dividend paid amounted to RMB8.196 billion, which accounts for approximately 49.49% of the Company's net profit attributable to equity holders of the listed company realized in the first half of 2023.

The interim dividend will be paid to A Shareholders and domestic investors investing in H Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect in RMB and to H Shareholders in HK\$. The actual amount of the interim dividend to be distributed and paid to H Shareholders in HK\$ is calculated in accordance with the average middle exchange rate of RMB1 to HK\$1.094477 as quoted by the People's Bank of China for the period of one week before 29 August 2024. Accordingly, the amount of the interim dividend payable per H Share is HK\$0.569128 (tax inclusive). The ex-dividend date is expected to be 8 October 2024 and the interim dividend in respect of the H Shares will be distributed and paid on 25 October 2024.

The interim dividend will be paid by the receiving agent of the Company in Hong Kong and relevant cheques will be despatched by Computershare Hong Kong Investor Services Limited, the H Share registrar of the Company, to the H Shareholders who are entitled to receive the interim dividend, by ordinary post at their own risk on 25 October 2024.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the H Shareholders' entitlement to the 2024 interim dividend, the register of members of the Company will be closed from 10 October 2024 to 15 October 2024 (both days inclusive) and no transfer of H Shares of the Company will be registered during the period. The H Shareholders whose names appear on the register of members of the Company on 10 October 2024 are entitled to receive the 2024 interim dividend. In order to qualify for the 2024 interim dividend, the H Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare Hong Kong Investor Services Limited, the H Share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 9 October 2024.

## INFORMATION RELATING TO WITHHOLDING TAX

### 1. Enterprise Income Tax

According to the revised Law on Enterprise Income Tax of the PRC and the relevant implementation rules which came into effect on 29 December 2018 and the Notice of the State Administration of Taxation on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H-share Holders Which Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), the Company is required to withhold corporate income tax at the rate of 10% before distributing the 2024 interim dividend to non-resident enterprise shareholders as appearing on the register of members. Any Shares not registered in the name of an individual person, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise shareholders and will therefore be subject to the withholding of the corporate income tax. After receiving the interim dividend, non-resident enterprise shareholders may apply, personally or by proxy, to provide materials to the competent taxation authorities proving their eligibility to be the actual beneficiaries under the taxation agreements (arrangement) to enjoy tax refunds.

### 2. Individual Income Tax

Pursuant to the requirements of Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax (Cai Shui Zi [1994] No. 020) (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)), individual foreigners are exempted from individual income tax on dividends and bonus received from foreign-invested enterprises in the PRC. As the Company is a foreign-invested joint stock limited company, individual foreign H Shareholders whose names appeared on the register of members are not required to pay the individual income tax of the PRC.

For dividends received by mainland individual investors from investing in H shares of the Company, the Company will withhold and pay individual income tax payable by such mainland individual investors at the rate of 20% on their behalf.

### 3. Profit Distribution for Domestic Investors Investing in H Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect

#### *Shanghai-Hong Kong Stock Connect*

For domestic investors (including enterprises and individuals) investing in the H Shares through the Shanghai Stock Exchange, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the H Shareholders through Shanghai-Hong Kong Stock Connect, will receive the interim dividend paid by the Company and further distribute the interim dividend to the relevant investors of H Shares through Shanghai-Hong Kong Stock Connect through its depository and clearing system.

The interim dividend will be paid to investors investing in H Shares through Shanghai-Hong Kong Stock Connect in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Caishui [2014] No. 81) issued by the Ministry of Finance of the PRC, the State Administration of Taxation and the China Securities Regulatory Commission:

- (i) for dividends received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the relevant H share listed company shall withhold and pay individual income tax payable by such mainland individual investors at the rate of 20% on their behalf;
- (ii) for dividends received by mainland securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, individual income tax payable by such mainland securities investment funds shall be withheld and paid by the relevant H share listed company in the same manner as stated in paragraph (i) above; and
- (iii) for dividends received by mainland enterprise investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the relevant H share listed company shall not withhold or pay the income tax of dividends for mainland enterprise investors and those enterprise investors shall report and pay the income tax themselves.

### ***Shenzhen-Hong Kong Stock Connect***

For domestic investors (including enterprises and individuals) investing in the H Shares through the Shenzhen Stock Exchange, the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the H Shareholders through Shenzhen-Hong Kong Stock Connect, will receive the interim dividend paid by the Company and further distribute the interim dividend to the relevant investors of H Shares through Shenzhen-Hong Kong Stock Connect through its depository and clearing system. The interim dividend will be paid to investors investing in H Shares through Shenzhen-Hong Kong Stock Connect in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)):

- (i) for dividends received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the relevant H share listed company shall withhold and pay individual income tax payable by such mainland individual investors at the rate of 20% on their behalf;

- (ii) for dividends received by mainland securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, individual income tax payable by such mainland securities investment funds shall be withheld and paid by the relevant H share listed company in the same manner as stated in paragraph (i) above; and
- (iii) for dividends received by mainland enterprise investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the relevant H share listed company shall not withhold or pay the income tax of dividends for mainland enterprise investors and those enterprise investors shall report and pay the income tax themselves.

The record date, the date of distribution and other arrangements in relation to the payment of the interim dividend to domestic investors investing in the H Shares through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect will be the same as those for the H Shareholders.

## **PAST PERFORMANCE AND FORWARD-LOOKING STATEMENTS**

The performance and the results of operations of the Group contained within this interim results announcement are historical in nature, and past performance does not guarantee the future results of the Group. Any forward-looking statements and opinions contained within this interim results announcement are based on current plans, estimates and projections, and therefore involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in this interim results announcement; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialize or turn out to be incorrect.

## **DISCLOSURE OF INFORMATION ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

The electronic version of this announcement has been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://hold.coscoshipping.com>). An interim report for the six months ended 30 June 2024 containing all the relevant information required by Appendix D2 to the Listing Rules will be despatched to the Shareholders and published on the same websites in due course. In addition, the Company has published the A Share interim report prepared under the Enterprise Accounting Standards on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) for investors' reference.

### **DEFINITIONS**

Unless the context requires otherwise, the following expressions shall have the following meanings in this announcement:

“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of the Company
“Company” or “COSCO SHIPPING Holdings”	COSCO SHIPPING Holdings Co., Ltd.* (中遠海運控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (Stock Code: 1919) and the A Shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601919)
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“COSCO SHIPPING Group”	China COSCO SHIPPING Corporation Limited* (中國遠洋海運集團有限公司), a PRC state-owned enterprise and an indirect controlling Shareholder of the Company
“COSCO SHIPPING Lines”	COSCO SHIPPING Lines Co., Ltd.* (中遠海運集裝箱運輸有限公司), a company incorporated in the PRC and a subsidiary of the Company
“COSCO SHIPPING Ports”	COSCO SHIPPING Ports Limited* (中遠海運港口有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1199), and a non-wholly owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Enterprise Accounting Standards”	The Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC
“Group”	the Company and its subsidiaries
“HKAS”	the Hong Kong Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants

“HKFRS”	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Model Code”	the Model Code for the Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“PRC” or “China”	the People’s Republic of China
“Reporting Period”	the six months ended 30 June 2024
“TEU”	a standard 20-foot container that complies with the standards adopted by the International Organization for Standardization
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) (including A Share(s) and H Share(s) of the Company) of RMB1.00 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By Order of the Board  
**COSCO SHIPPING Holdings Co., Ltd.**  
**Xiao Junguang**  
*Company Secretary*

Shanghai, the People’s Republic of China  
29 August 2024

*As at the date of this announcement, the Directors of the Company are Mr. WAN Min<sup>1</sup> (Chairman), Mr. CHEN Yangfan<sup>1</sup> (Vice Chairman), Mr. TAO Weidong<sup>1</sup>, Mr. ZHANG Feng<sup>1</sup>, Mr. YU De<sup>2</sup>, Prof. MA Si-hang Frederick<sup>3</sup>, Mr. SHEN Dou<sup>3</sup> and Ms. HAI Chi-yuet<sup>3</sup>.*

<sup>1</sup> *Executive Director*

<sup>2</sup> *Non-executive Director*

<sup>3</sup> *Independent non-executive Director*

\* *For identification purpose only*