

Hutchison Port Holdings Trust

2021 Financial Results Presentation

for the Period Ended 30 June 2021

Disclaimer

This presentation should be read in conjunction with, and figures herein are based on, the results of Hutchison Port Holdings Trust (“HPH Trust”) for the period ended 30 June 2021 in the SGXNET announcement.

This presentation may contain forward-looking statements that involve risks and uncertainties. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. As these statements and financial information reflect our current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Hutchison Port Holdings Management Pte. Limited (incorporated in the Republic of Singapore with limited liability), a trustee-manager of HPH Trust, of future events.

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1 Key Highlights

Key Highlights

- YTD June 2021 throughput of HPH Trust's ports was 13% above last year. YICT's throughput was 21% above last year. Combined throughput^(N1) of HIT, COSCO-HIT and ACT (collectively "HPHT Kwai Tsing") was 4% above last year
- Outbound cargoes to the US and EU grew in the first six months of 2021 by 33% and 28%, respectively when compared to last year. YICT's throughput increase was mainly attributed to the increase in US, EU and transshipment cargoes. The growth in HPHT Kwai Tsing's throughput^(N1) was mainly due to higher transshipment cargoes
- YTD June 2021 NPAT was HK\$1,633.7 million, HK\$954.7 million or 141% above last year. NPAT attributable to unitholders was HK\$768.3 million, HK\$555.9 million or 262% above last year
- 2021 interim Distribution Per Unit is 6.50 HK cents

N1 Represents the allocated throughput from Hong Kong Seaport Joint Operating Alliance with effect from 1 April 2019

2 Outlook and Prospects

Outlook and Prospects

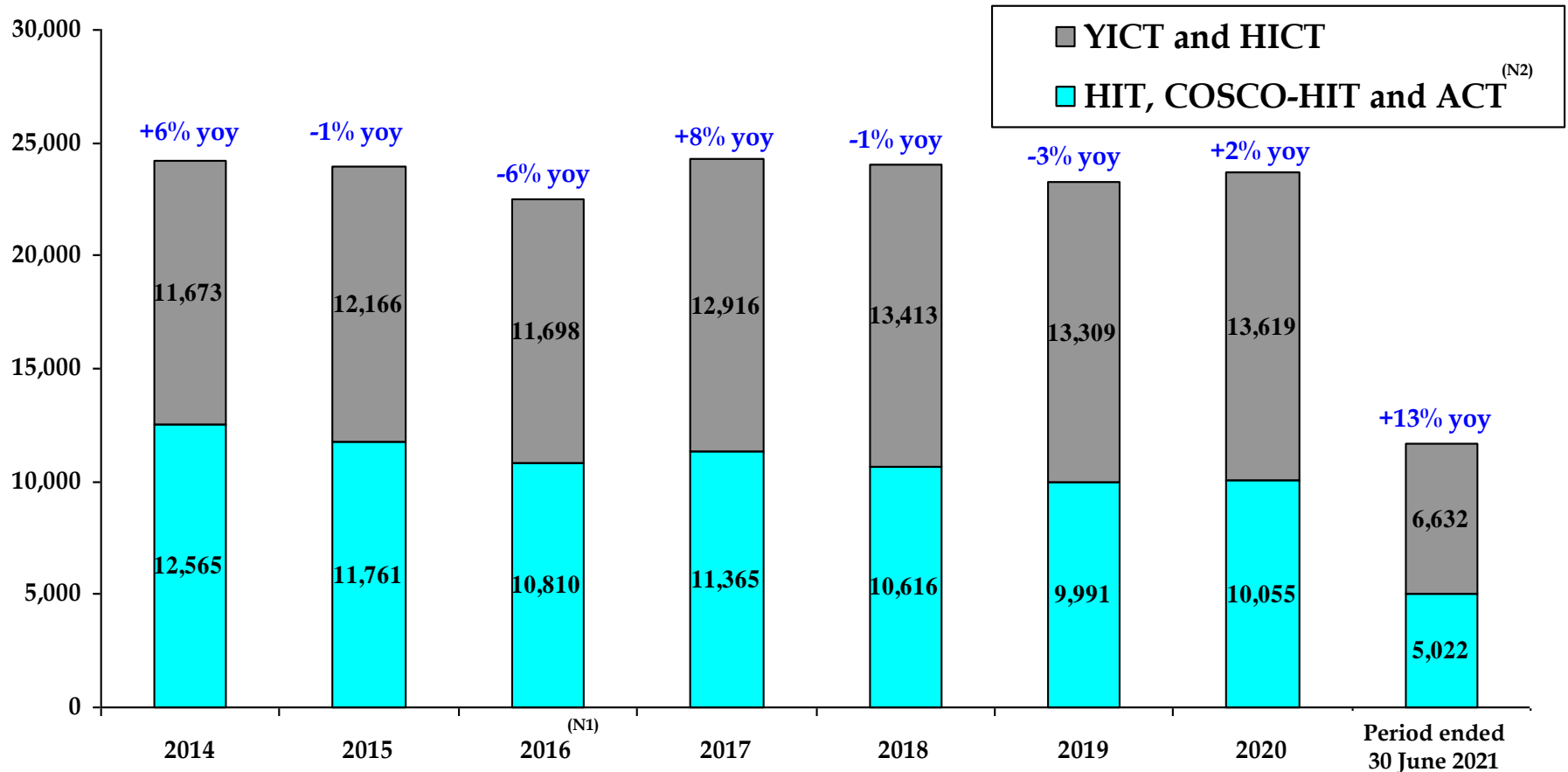
Overview

- In the first half of 2021 throughput at HPHT Kwai Tsing and YICT benefited from a global economic rebound from the COVID-19 downturn, particularly for outbound cargoes to the USA and Europe. The increase in cargo volume occurred in an environment where global supply chains were severely disrupted and a partial shutdown of YICT in late May/early June to deal with several COVID-19 infections of stevedores
- While continued economic growth in the USA and Europe is expected to underpin demand in the second half of the year, the speed at which supply chain disruptions can be resolved is an uncertainty for the business as productivity at our terminals could be negatively affected by supply chain induced delays in moving containers through our facilities. Management is committed to doing its part to achieve stability in global supply chains by operating HPH Trust terminals as efficiently as possible

3 Business Review for the Period Ended 30 June 2021

Key Business Update

Throughput Volume (TEU in thousand)



N1 Includes throughput volume of HICT after the acquisition in December 2016

N2 Represents the allocated throughput from Hong Kong Seaport Joint Operating Alliance with effect from 1 April 2019

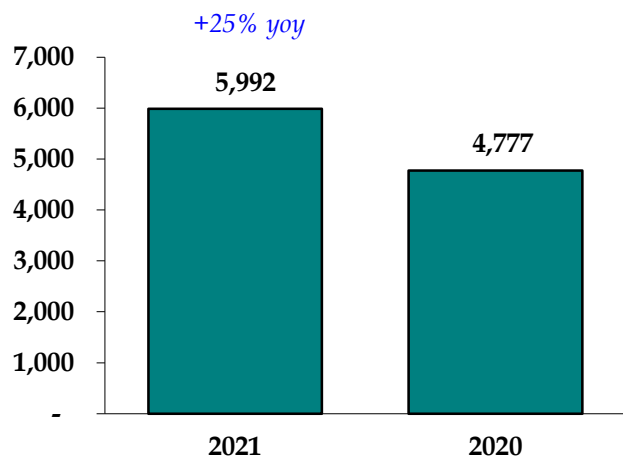
4 Key Financial Performance

Key Financial Performance

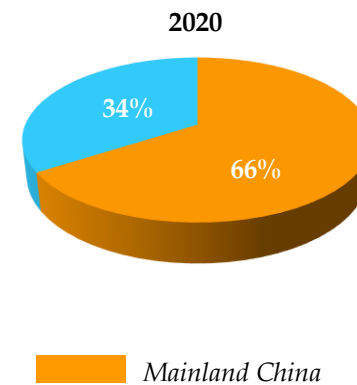
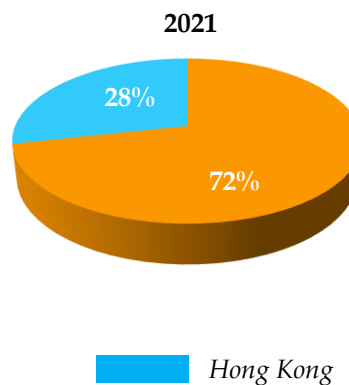
Revenue and other income

For the period ended 30 June 2021

(HK\$ Million)



Segment Information

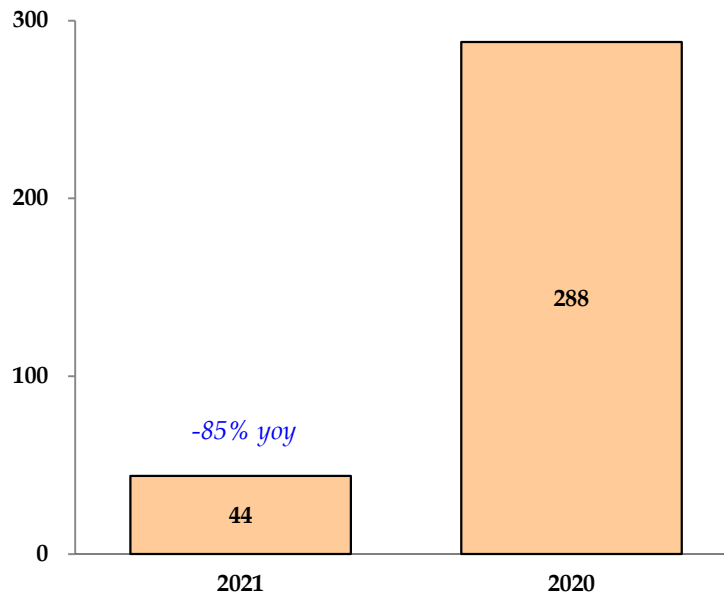


Key Financial Performance

Total Capex

For the period ended 30 June 2021

(HK\$ Million)



Key Financial Performance

Financial Position

	At 30 June 2021 HK\$'Million	At 31 December 2020 HK\$'Million
Short Term Debt	\$3,198.0	\$3,992.0
Long Term Debt	\$25,840.0	\$25,428.0
Total Consolidated Debt	\$29,038.0	\$29,420.0
Total Consolidated Cash	\$10,375.9	\$7,766.6

Key Financial Performance

Distribution

**For the period from
1 January 2021 to
30 June 2021**

Distribution Amount

HK\$566.2 million

Distribution Per Unit

6.50 HK cents

Ex-distribution date

3 August 2021

Record date

5:00p.m. 3 August 2021

Payment of distribution

24 September 2021

HPH Trust's Unaudited Results Half Year 2021 against Last Year

	1 January to 30 June		
	2021 <u>Actual</u>	2020 <u>Actual</u>	% variance <u>Fav/(Unfav)</u>
(HK\$'Million)			
Revenue and other income	5,992.2	4,776.7	25%
Cost of services rendered	(1,936.9)	(1,567.4)	(24%)
Staff costs	(124.8)	(128.3)	3%
Depreciation and amortisation	(1,526.0)	(1,524.4)	-
Other operating income	390.7	64.8	503%
Other operating expenses	(234.5)	(252.4)	7%
Total operating expenses	(3,431.5)	(3,407.7)	(1%)
Operating profit	2,560.7	1,369.0	87%
Interest and other finance costs	(310.9)	(428.2)	27%
Share of profits less losses after tax of Associated Cos/JVs	(6.5)	(21.9)	70%
Profit before tax	2,243.3	918.9	144%
Taxation	(609.6)	(239.9)	(154%)
Profit after tax	1,633.7	679.0	141%
Profit after tax attributable to non-controlling interests	(865.4)	(466.6)	85%
Profit after tax attributable to unitholders of HPH Trust	768.3	212.4	262%

There are no material differences between HKFRSs and IFRSs and no material adjustments are required to restate the financial statements of HPH Trust in accordance with IFRSs

Statement of Financial Position as at 30 June 2021 and 31 December 2020

(HK\$'Million)	30 June 2021 <u>Unaudited</u>	31 December 2020 <u>Audited</u>
ASSETS		
Non-current assets		
Fixed assets	22,225.0	22,839.0
Projects under development	419.5	478.2
Leasehold land and land use rights	35,207.8	35,843.7
Railway usage rights	10.9	11.1
Customer relationships	5,000.5	5,167.6
Goodwill	11,270.0	11,270.0
Associated companies	983.6	1,032.6
Joint ventures	2,578.1	2,593.1
Other non-current assets	437.5	428.1
Pension assets	76.2	85.7
Deferred tax assets	14.0	19.3
Total non-current assets	<u>78,223.1</u>	<u>79,768.4</u>
Current assets		
Cash and bank balances	10,375.9	7,766.6
Trade and other receivables	3,000.5	3,033.6
Inventories	92.8	99.3
Total current assets	<u>13,469.2</u>	<u>10,899.5</u>

Statement of Financial Position as at 30 June 2021 and 31 December 2020 (cont'd)

(HK\$'Million)	30 June 2021 <u>Unaudited</u>	31 December 2020 <u>Audited</u>
Current liabilities		
Trade and other payables	5,957.1	5,517.5
Bank and other debts	3,194.0	3,990.6
Current tax liabilities	400.9	278.6
Total current liabilities	<u>9,552.0</u>	<u>9,786.7</u>
Net current assets	<u>3,917.2</u>	<u>1,112.8</u>
Total assets less current liabilities	<u>82,140.3</u>	<u>80,881.2</u>
Non-current liabilities		
Bank and other debts	25,740.9	25,328.2
Deferred tax liabilities	9,418.4	9,536.0
Other non-current liabilities	340.8	413.1
Total non-current liabilities	<u>35,500.1</u>	<u>35,277.3</u>
Net assets	<u>46,640.2</u>	<u>45,603.9</u>
EQUITY		
Units in issue	68,553.8	68,553.8
Reserves	(42,314.7)	(42,551.8)
Net assets attributable to unitholders of HPH Trust	<u>26,239.1</u>	<u>26,002.0</u>
Non-controlling interests	20,401.1	19,601.9
Total equity	<u>46,640.2</u>	<u>45,603.9</u>

Statement of Cash Flows

Half Year 2021 and 2020

(HK\$'Million)

Operating activities

	<u>1 January to 30 June 2021</u>	<u>1 January to 30 June 2020</u>
Cash generated from operations	4,624.1	2,588.3
Interest and other finance costs paid	(274.5)	(417.8)
Tax paid	(599.9)	(468.2)
Net cash from operating activities	<u>3,749.7</u>	<u>1,702.3</u>

Investing activities

Loan to an associated company	(24.0)	-
Purchase of fixed assets and projects under development	(44.4)	(288.3)
Proceeds on disposal of fixed assets	11.9	6.1
Dividends received from investments	2.4	2.2
Dividends received from associated companies and joint ventures	55.4	65.0
Interest received	27.1	61.4
Net cash from/(used in) investing activities	<u>28.4</u>	<u>(153.6)</u>

Financing activities

New borrowings	3,900.0	3,870.8
Repayment of borrowings	(4,282.0)	(5,059.6)
Upfront debt transaction costs and facilities fees of borrowings	(23.6)	-
Principal elements of lease payments	(6.1)	(2.5)
Distributions to unitholders of HPH Trust	(670.8)	(435.6)
Dividends to non-controlling interests	(86.3)	(86.3)
Net cash used in financing activities	<u>(1,168.8)</u>	<u>(1,713.2)</u>

Net changes in cash and cash equivalents

Cash and cash equivalents at beginning of the period	7,766.6	6,998.2
Cash and cash equivalents at end of the period	<u>10,375.9</u>	<u>6,833.7</u>

THE WORLD'S LEADING PORT NETWORK