



**中远海运国际（新加坡）有限公司**  
**COSCO SHIPPING INTERNATIONAL**  
**(SINGAPORE) CO., LTD.**

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**Media Release**

**1H2023 Results: For the six months ended 30 June 2023**

	6 months ended 30 June 2023	6 months ended 30 June 2022	Change
	S\$'000	S\$'000	%
Turnover	90,174	92,449	(2)
Profit before income tax	4,356	8,578	(49)
Profit attributable to equity holders of the Company	1,959	6,198	(68)
Diluted earnings per share (cents)	0.09	0.28	(68)

**Highlights:**

- Group Gross Profit for 1H 2023 was S\$22.1 million (1H 2022: S\$20.2 million). It was 9% or S\$1.9 million higher in 1H FY2023 as compared to 1H FY2022.
- Annualised ROE was 1.0% (Excluding goodwill impairment in 2H 2022).
- Basic and diluted EPS was 0.09 cents.
- Net assets value per ordinary shares was 21.85 cents.
- Gearing ratio (net of cash) was 0.45x as at 30 June 2023.

**SINGAPORE 11 August 2023** – Singapore Exchange (“SGX”) mainboard-listed COSCO SHIPPING International (Singapore) Co., Ltd. (“Company” or “Group”), one of Singapore’s leading logistics management service providers, today announced its first half 2023 financial results for the financial period ended 30 June 2023.

Group revenue for 1H 2023 totalled \$90.2 million, 2% lower than 1H 2022. The decrease in revenue was mainly due to lower revenue from logistics, partially offset by higher revenue from property management and ship repair and marine engineering segments.

Logistics activities accounted for about 80% of the Group’s revenue in 1H 2023. Revenue from logistics activities decreased by 6% to \$72.6 million mainly due to lower revenue from supply chain management services and transportation services in Malaysia.

Revenue from property management increased by 4% to \$7.3 million, mainly due to higher rental rates obtained from leasing office units when new lease agreements were signed.

Revenue from ship repair and marine engineering increased by 26%, mainly due to higher revenue from ship repair and fabrication works.

Cost of sales decreased by 6% or \$4.1 million, in line with the drop in revenue from supply chain management services and transportation services in Malaysia.

Gross profit increased by 9% from \$20.2 million in 1H 2022 to \$22.1 million in 1H 2023, mainly due to higher rental rates obtained from new lease arrangements and higher gross profit margins from ship repair and marine engineering activities.

Other income increased by 31% to \$1.8 million in 1H 2023, mainly due to increase in interest income and partly offset by lower government grants under the Government support in relation to the COVID-19 pandemic. Interest income increased by 495% in 1H 2023, mainly due to increase in interest rates for bank deposits and cash at bank.

Other gains and losses were lower compared to 1H 2022. This decrease was mainly due to a reduction in foreign exchange gains and gain on disposal of property, plant and equipment.

Distribution and administrative expenses increased by 10% and 1% respectively, mainly due to higher staff costs for marketing and corporate functions.

Finance costs increased by 77% to \$7.0 million, mainly due to higher borrowing costs resulting from increase in interest rates.

Share of profit of associated companies of \$1.3 million was contributed by the Group's 40% shareholdings in COSCO SHIPPING Bulk SEA ("COSCO SHIPPING Bulk"), 40% shareholdings in PT. Ocean Global Shipping Logistics and 30% shareholdings in SINOVNL Company Limited. The decrease in share of profit of associated companies was mainly due to lower profit contribution from COSCO SHIPPING Bulk. The Baltic Dry Index (BDI), a measure of shipping costs for commodities, averaged 1,117 points in 1H 2023, a decrease of 49% from the average of 2,171 points in 1H 2022.

Income tax expense increased by 7% to \$2.1 million mainly due to underprovision in prior year.

Overall, net profit attributable to equity holders was \$2.0 million, 68% lower than 1H 2022, mainly due to lower share of profit of associated companies and higher interest expense, partially offset by higher profit margins and higher interest income.

Globally, while the COVID-19 situation has stabilised, economic conditions remain challenging. The conflict between Russia and Ukraine has continued for more than 2 years, and may cause further global supply chain disruptions, affecting global economic recovery and growth. In addition, inflation remains elevated and, together with increases in interest rates, may affect demand and overall economic activity. In the world economic outlook published by the International Monetary Fund in July 2023,

global economic growth in 2023 is likely to fall from an estimated 3.5% in 2022 to 3.0% in 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 world economic outlook, it remains weak by historical standards. With respect to Singapore, the Ministry of Trade and Industry on 11 August 2023, announce that the Singapore economy grew by 0.5 per cent on a year-on-year basis in the second quarter of 2023, extending the 0.4 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, the Singapore economy expanded marginally by 0.1 per cent, a reversal from the 0.4 per cent contraction in the first quarter of 2023. Against the background of such challenging global conditions, the Group will continue to engage in synergistic collaboration among its businesses and optimisation of its operations and diversified portfolio to ensure profitability while remaining agile.

The Company will continue to expand its logistical networks through strategic acquisitions and investments as and when opportunities arise, taking into account the target's scale and scope, historical performance, growth potential, and synergies with the Group's existing logistics operations, as it strives to become the best-integrated logistics player in the South and Southeast Asian region. It will continue to stay focused on sustainable development and growth so as to create value for its shareholders.

**About COSCO SHIPPING International (Singapore) Co., Ltd.**

Listed on the mainboard of the SGX, COSCO SHIPPING International (Singapore) Co., Ltd. aims to become the best-integrated logistics service providers in South and Southeast Asia through its strategic acquisitions and investments. It is also involved in dry bulk shipping, ship repair and marine engineering as well as property management.

**For further information, please contact:**

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