



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

FY 2023 Results: Financial Year ended 31 December 2023

	FY 2023	FY 2022	Change
	S\$'000	S\$'000	%
Turnover	178,710	185,643	(4)
Profit / (loss) before income tax	5,655	(84,563)	NM
Profit / (loss) attributable to equity holders of the Company	1,900	(88,600)	NM
Diluted earnings / (loss) per share (<i>cents</i>)	0.08	(3.96)	NM

NM denotes not meaningful.

Highlights:

- In FY 2023, the Group recorded a turnover of \$178.7 million, 4% lower than FY 2022.
- Logistics activities, which accounted for about 83% of the Group's revenue in FY 2023, recorded a 3% decrease in revenue, reaching \$148.2 million in FY 2023.
- Net profit attributable to equity holders of the Company was \$1.9 million in FY 2023 as compared to a net loss of \$88.6 million in FY 2022.
- The Group shall continue to engage in synergistic collaboration among its businesses and optimisation of its operations and diversified portfolio to ensure profitability while remaining agile.

SINGAPORE 29 February 2024 – 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 full year 2023 financial results for the financial year ended 31 December 2023.

Group revenue for FY 2023 totalled \$178.7 million, 4% lower than FY 2022. The reduction of revenue was attributed to the decrease in revenue from Logistics, Property management and Ship repair and marine engineering segments.

Logistics activities accounted for approximately 83% of the Group’s revenue in FY 2023. However, revenue from logistics activities decreased by 3% to \$148.2 million. This decline was mainly attributed to a lower revenue contribution from transportation and supply chain management service in Singapore and Malaysia due to a reduced volume of business activities from key customers. This decrease was partially offset by higher revenue from the container depot, driven by an increased volume of Lift on/Lift out (LOLO) activities.

Revenue from Property management decreased by 14% to \$12.5 million mainly due to the non-renewal of sub-leases at The Grandstand, where the Group’s lease for the state land has expired on 31 December 2023.

The decrease in revenue from Ship repair and marine engineering was driven by a decrease in volume of ship repair jobs in Singapore.

Gross profit margin remained relatively constant as compared to FY 2022.

The decrease in other income was mainly due to lower sales of scrap material which was a one-off event in FY 2022, and drop in government grant, partly offset by an increase in interest income. Interest income increased by 57% in FY 2023 mainly due to increase in interest rates for bank deposits and cash at bank.

Administrative expenses decreased by 79% mainly due to the impairment of goodwill in FY 2022. Excluding the impact of the goodwill impairment in FY 2022, there is no significant movement in administrative expenses compared to FY 2022.

Net profit attributable to equity holders of the Company was \$1.9 million in FY 2023 as compared to a net loss of \$88.6 million in FY 2022. The primary reason for the Group recording a net profit instead of a net loss is that in FY 2022, the Group had recognised a non-cash impairment of goodwill of S\$99 million that arose from the Group’s acquisition of Cogent Holdings Pte. Ltd. in 2018, which had affected the Group’s financial results for FY 2022. There is no such impairment of goodwill to be made by the Group in FY 2023. Excluding the impact of the goodwill impairment in FY 2022, the net profit witnessed a 82% decrease compared to FY 2022. This decline was mainly attributed to the non-renewal of sub-leases due to the expiry of the Group’s lease of The Grandstand, higher financing costs and lower share of profits from associated companies, partially offset by an increase in interest income.

In the year 2023, the global economy has not yet fully emerged from the shadow of the COVID-19 pandemic. Inflation and high-interest rates have also had an impact on global economic recovery. The Group has also been affected by higher financing costs. The Russia-Ukraine War has been ongoing for two years, and in the second half of

2023, armed conflicts erupted again between Israel and Palestine in the Middle East. The unstable global geopolitical situation has negatively affected economic growth. In January 2024, the World Bank released the Global Economic Prospects report, predicting a global economic growth rate of 2.4% for 2024, lower than the 2.6% global growth rate in 2023. Against such background, global economic conditions will remain challenging.

The Company will continue to monitor the development of the logistics market in Singapore and Southeast Asia even as global economic conditions remain challenging. It will invest in and build logistics supply chain infrastructure and resources at the appropriate time, expand the logistics supply chain network, and strive to become a leading comprehensive logistics and supply chain service company in the Southeast and South Asia. The Company remains committed to long-term sustainable development, making efforts to bring better returns to 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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