

Hutchison Port Holdings Trust

2024 Financial Results Presentation

for the Year Ended 31 December 2024

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 year ended 31 December 2024 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

- 2024 full year throughput of HPH Trust's ports was 5% higher than last year. YICT's throughput was 12% above last year. Combined throughput^(N1) of HIT, COSCO-HIT and ACT (collectively "HPHT Kwai Tsing") was 6% lower than last year
- Outbound cargoes to the US and EU increased by 14% and 12% respectively in 2024
- 2024 full year NPAT was HK\$2,173.2 million, HK\$691.7 million or 47% above last year. NPAT attributable to unitholders was HK\$650.0 million, HK\$416.5 million or 178% above last year
- 2024 full year Distribution Per Unit is 12.20 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

- Although Q4 2024 export volume to the US was robust driven by consumer demand, there is an increasing expectation that the US economy will slow down. Consumer spending confidence experienced a decline in December 2024 amid uncertainty around Trump's policies after his inauguration. The extra tariff duties imposed on imports and the high inventory levels in the US and EU are expected to bring negative impact to demand of Chinese products
- New shipping alliances, Gemini Cooperation and Premier Alliance, become effective in February 2025. It is expected that Yantian as a major hub of call for the alliances in South China is likely to benefit from the new alliances formation. HPH Trust will continue to work closely with the new alliances to identify any new opportunities the new arrangement may bring
- The ship attacks at the Red Sea persist in Q4 2024, bringing disruption to global trade and erratic shipping schedules as ships re-routed from the Suez Canal, taking on a longer journey around the Africa continent or in some cases resulting in cancellation of services
- The ongoing Ukraine-Russia conflict will continue to affect demand and trade activities in Europe. Further diplomatic and global trade policies under Trump's regime may also lead to increase in geopolitical tensions and changes in consumer confidence in different countries and regions, which in turn will affect global trade volume

Outlook and Prospects (cont'd)

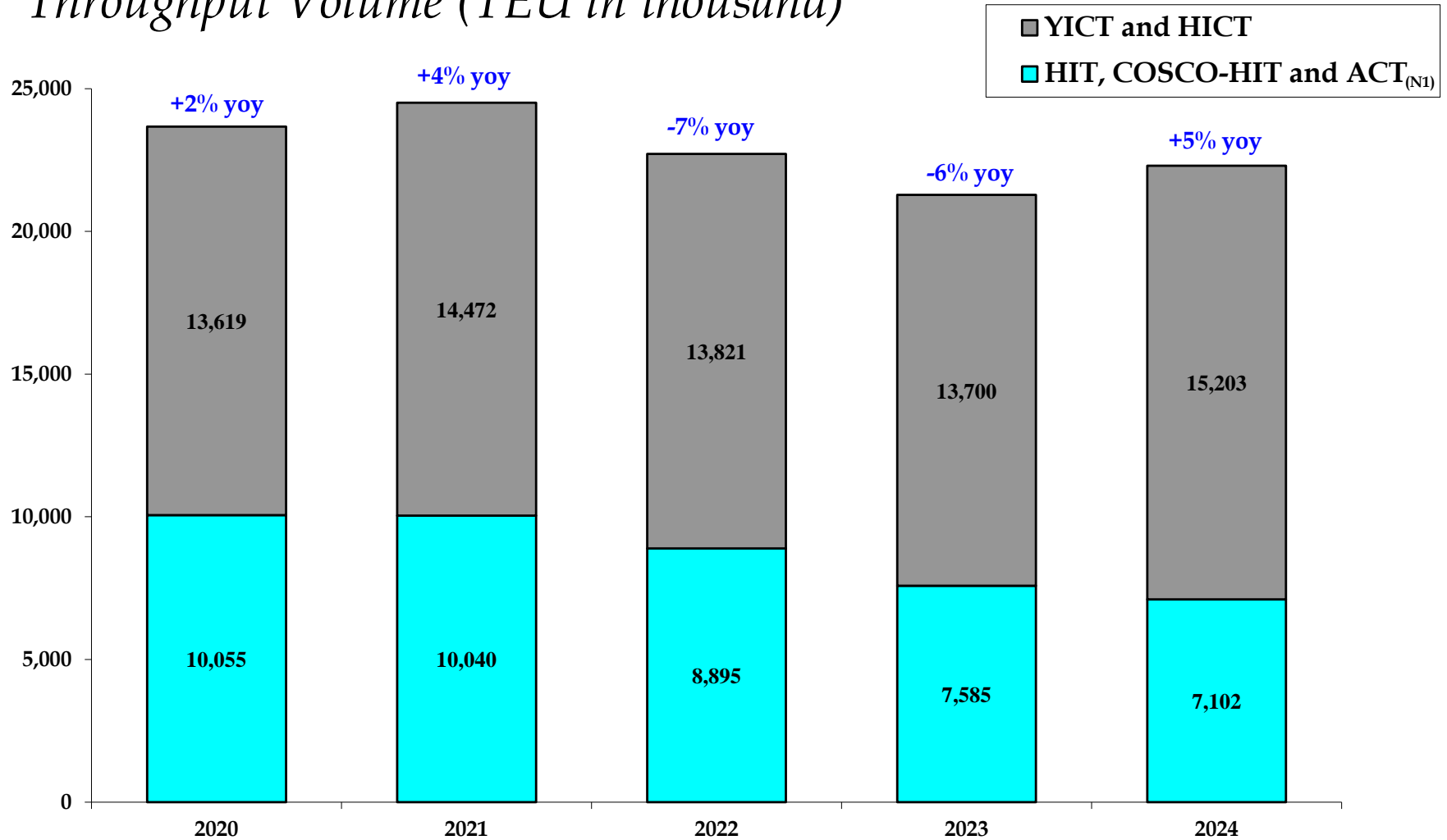
Overview (cont'd)

- HPH Trust's interest expense from floating rate instruments would decrease when benchmark rate reduces. Management is working on refinancing the US\$500 million (approximately HK\$3.9 billion) club loan due in March 2025 by either bank loan or guaranteed notes. However, interest expense will increase when HPH Trust refinances its maturing debt that was drawn at the low end of the interest rate cycle some 4 - 5 years ago
- HPH Trust is committed to reduce overall emissions intensity by 30% between 2021 and 2030. It is working with external parties on setting and verifying net zero target, as well as improvement in sustainability disclosure

3 Business Review for the Year Ended 31 December 2024

Key Business Update

Throughput Volume (TEU in thousand)



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

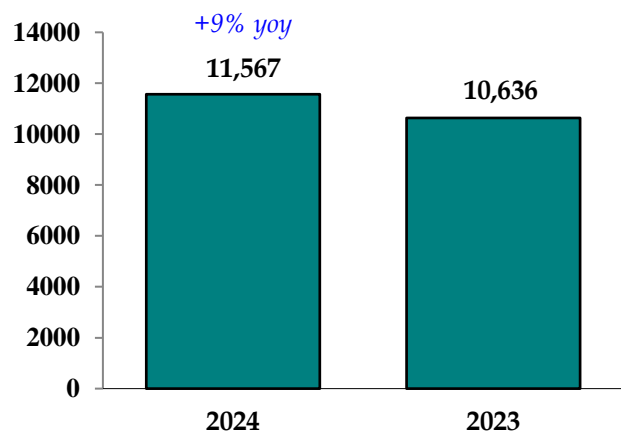
4 Key Financial Performance

Key Financial Performance

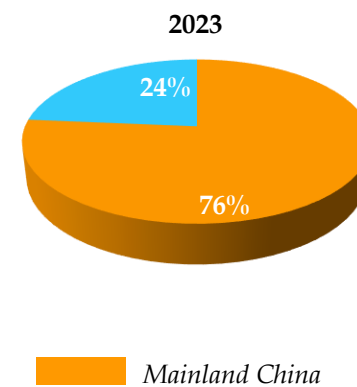
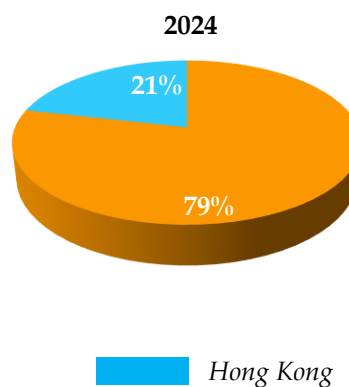
Revenue and other income

For the year ended 31 December 2024

(HK\$ Million)



Segment Information

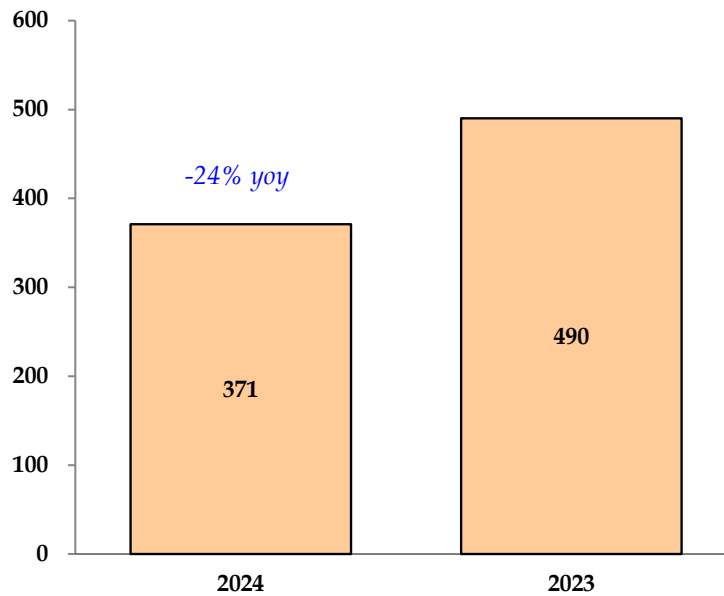


Key Financial Performance

Total Capex

For the year ended 31 December 2024

(HK\$'Million)



Key Financial Performance

Financial Position

	At 31 December 2024 HK\$'Million	At 31 December 2023 HK\$'Million
Short Term Debt	\$4,843.4	\$4,780.5
Long Term Debt	\$20,355.0	\$20,955.0
Total Consolidated Debt	\$25,198.4	\$25,735.5
Total Consolidated Cash	\$8,138.1	\$8,194.9
Net Attributable Debt	\$19,127.5	\$19,795.6

Key Financial Performance

Distribution

**For the period from
1 January 2024 to
30 June 2024**

**For the period from
1 July 2024 to
31 December 2024**

Distribution Amount

HK\$435.6 million

HK\$627.2 million

Distribution Per Unit (“DPU”)

5.00 HK cents

7.20 HK cents

DPU for the year ended 31 December 2024

12.2 HK cents

2024 distribution – yield (%)

9.5% (at US\$0.164 market price on 31 December 2024)

Ex-distribution date

17 February 2025

Record date

5:00p.m. 18 February 2025

Payment of distribution

28 March 2025

HPH Trust's Results

Full Year 2024 against Last Year

(HK\$'Million)	1 January to 31 December		
	2024	2023	% variance
	<u>Actual</u>	<u>Actual</u>	<u>Fav/(Unfav)</u>
Revenue and other income	11,567.3	10,635.5	9%
Cost of services rendered	(3,600.7)	(3,624.8)	1%
Staff costs	(260.6)	(258.4)	(1%)
Depreciation and amortisation	(2,824.4)	(2,894.8)	2%
Other operating income	60.5	67.4	(10%)
Other operating expenses	(564.0)	(604.8)	7%
Total operating expenses	(7,189.2)	(7,315.4)	2%
Operating profit	4,378.1	3,320.1	32%
Interest and other finance costs	(854.9)	(872.0)	2%
Share of profits less losses after tax of Associated Cos/JVs	(130.8)	(120.0)	(9%)
Profit before tax	3,392.4	2,328.1	46%
Taxation	(1,219.2)	(846.6)	(44%)
Profit after tax	2,173.2	1,481.5	47%
Profit after tax attributable to non-controlling interests	(1,523.2)	(1,248.0)	22%
Profit after tax attributable to unitholders of HPH Trust	650.0	233.5	178%

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 31 December 2024 and 31 December 2023

(HK\$'Million)	2024	2023
ASSETS		
Non-current assets		
Fixed assets	18,919.6	19,622.0
Projects under development	501.6	664.2
Leasehold land and land use rights	30,463.0	31,858.3
Railway usage rights	7.9	8.7
Customer relationships	3,830.7	4,164.9
Goodwill	11,270.0	11,270.0
Associated companies	768.7	778.8
Joint ventures	3,687.7	3,808.2
Other non-current assets	250.9	272.9
Interest rate swaps under cash flow hedges	-	194.0
Pension assets	276.5	131.9
Deferred tax assets	37.1	14.7
Total non-current assets	<u>70,013.7</u>	<u>72,788.6</u>
Current assets		
Cash and bank balances	8,138.1	8,194.9
Trade and other receivables	3,364.4	3,021.2
Interest rate swaps under cash flow hedges	27.7	-
Inventories	70.8	75.9
	<u>11,601.0</u>	<u>11,292.0</u>
Assets classified as held for sale	135.1	-
Total current assets	<u>11,736.1</u>	<u>11,292.0</u>

Statement of Financial Position as at 31 December 2024 and 31 December 2023 (cont'd)

(HK\$'Million)	<u>2024</u>	<u>2023</u>
Current liabilities		
Trade and other payables	6,056.0	6,276.0
Bank and other debts	4,842.4	4,774.8
Current tax liabilities	384.0	286.6
Total current liabilities	<u>11,282.4</u>	<u>11,337.4</u>
Net current assets/(liabilities)	<u>453.7</u>	<u>(45.4)</u>
Total assets less current liabilities	<u>70,467.4</u>	<u>72,743.2</u>
Non-current liabilities		
Bank and other debts	20,287.0	20,870.4
Deferred tax liabilities	8,083.6	8,410.6
Other non-current liabilities	96.0	107.2
Total non-current liabilities	<u>28,466.6</u>	<u>29,388.2</u>
Net assets	<u>42,000.8</u>	<u>43,355.0</u>
EQUITY		
Units in issue	68,553.8	68,553.8
Reserves	(43,519.2)	(42,924.6)
Net assets attributable to unitholders of HPH Trust	25,034.6	25,629.2
Non-controlling interests	16,966.2	17,725.8
Total equity	<u>42,000.8</u>	<u>43,355.0</u>

Statement of Cash Flows

Full Year 2024 and 2023

(HK\$ Million)

	<u>1 January to</u> <u>31 December 2024</u>	<u>1 January to</u> <u>31 December 2023</u>
Operating activities		
Cash generated from operations	6,735.9	6,050.0
Interest and other finance costs paid	(874.8)	(840.7)
Tax paid	(1,468.3)	(1,349.8)
Net cash from operating activities	<u>4,392.8</u>	<u>3,859.5</u>
Investing activities		
Loans to an associated company	(1,057.7)	(1,471.0)
Purchase of fixed assets and projects under development	(370.9)	(489.9)
Proceeds/(payment) on disposal of fixed assets	4.4	(4.1)
Proceeds on disposal of interest in a joint venture	1.1	-
Dividends received from investments	12.8	21.9
Dividends received by an associated company and joint ventures	4.5	77.8
Interest received	341.1	365.4
Repayment of loans by an associated company and a joint venture	481.5	1,011.2
Net cash used in investing activities	<u>(583.2)</u>	<u>(488.7)</u>
Financing activities		
New borrowings	4,341.6	4,415.5
Repayment of borrowings	(4,869.3)	(5,875.0)
Principal elements of lease payments	(17.3)	(11.3)
Distributions to unitholders of HPH Trust	(1,106.3)	(1,176.0)
Dividends to non-controlling interests	(2,215.1)	(2,924.3)
Net cash used in financing activities	<u>(3,866.4)</u>	<u>(5,571.1)</u>
Net changes in cash and cash equivalents	(56.8)	(2,200.3)
Cash and cash equivalents at beginning of the year	8,194.9	10,395.2
Cash and cash equivalents at end of the year	<u>8,138.1</u>	<u>8,194.9</u>

THE WORLD'S LEADING PORT NETWORK