



CMA CGM Asia Pacific Limited 1H2020 Report

15 October 2020

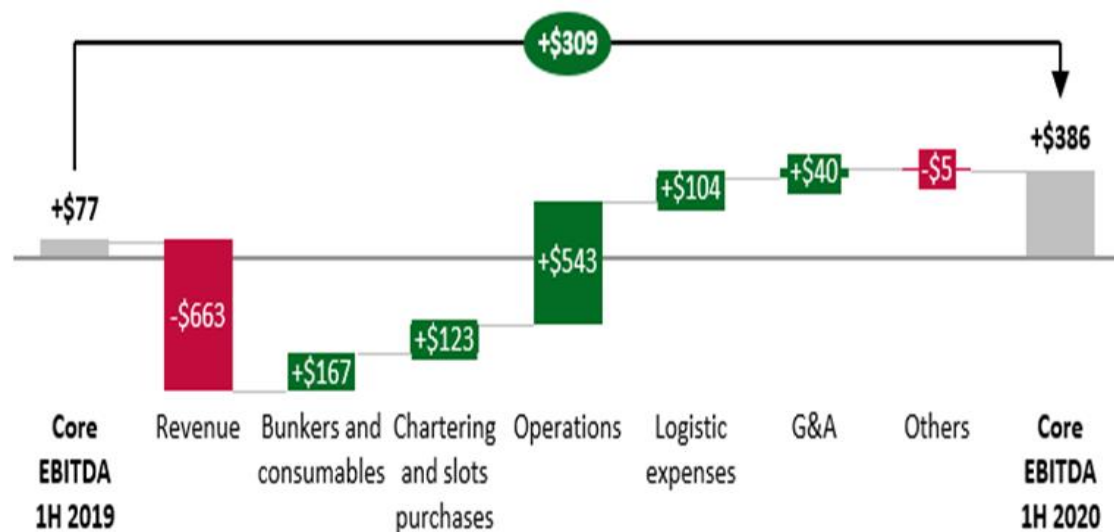


Key 1H2020 Financial and Operational Highlights

- Volume decreased to **2,216 thousand TEUs**, down 29% over 1H2019
- Revenue decreased to **US\$2,673m**, down 20% over 1H2019
- Core EBITDA of **US\$386m**, an improvement of US\$309m over 1H2019
- Core EBIT of **US\$210m**, an improvement of US\$329m against 1H2019
- Net profit after tax of **US\$436m**

1H2020 EBITDA Highlights

Core EBITDA bridge, USDm



Comments

✓ **Positive impact on EBITDA (USD 309m)** due to :

* **Overall Revenue decrease** was mainly due to the volume impact of COVID-19 and no volumes from Asia-Europe, Trans-Atlantic and Intra-Asia Oceania in 1H2020. Asia-Europe and Tran-Atlantic services were transferred over to CMA CGM from 1 October 2019 while Intra-Asia Oceania services were transferred over to ANL, lead carrier for Oceania for CMA CGM Group.

✓ **Decrease of Bunker cost** was primarily due to the termination of several services (i.e: FX3: Far East Express 3/ AS1: Asia Subcontinent Express/CIX: China India Express) which was offset by the slight increase in bunker rates due to IMO2020 regulation of using low sulphur fuel oil.

✓ **Decrease of Chartering/slots purchases cost** was mainly due to lower chartering costs as a result of change in vessel mix which was offset by the increase in slot purchase.

✓ **Decrease of Operation cost** (stevedoring, transportation, port and canal expenses) was mainly due to transfer of services to CMA CGM from 1 October 2019 and the volume impact of COVID-19.

✓ **Decrease of Logistic cost** was mainly due to lower fleet balancing and maintenance and repair costs incurred due to the transfer of services to CMA CGM and ANL coupled with the volume impact of COVID-19.

* Note: APL is the trading name of CMA CGM Asia Pacific Ltd

3



Key Financial Highlights

| US\$m | 1H20 | 1H19 | \$m ▲ Better/(Worse) |
|---|-------|-------|-------------------------|
| Revenue | 2,673 | 3,336 | (663) |
| Core EBITDA | 386 | 77 | 309 |
| • Depreciation & Amortisation | (176) | (196) | 20 |
| Core EBIT | 210 | (119) | 329 |
| • Non-recurring items (NRIs) | 286 | (7) | 293 |
| EBIT | 496 | (126) | 622 |
| • Finance expense net of finance income | (54) | (66) | 12 |
| • Tax | (6) | (6) | - |
| Net Profit/(Loss) to Equity holders of the Company after NRIs | 436 | (198) | 634 |
| • NRIs | 286 | (7) | |
| Net Profit/(Loss) to Equity holders of the Company before NRIs | 150 | (191) | 341 |

*The figures have not been audited or reviewed by the auditors of the Company.

Balance Sheet Highlights

| US\$m | 30-Jun-20 | 31-Dec-2019 |
|-------------------|-----------|-------------|
| Total Assets | 6,888 | 6,456 |
| Total Liabilities | 5,707 | 5,669 |
| Total Equity | 1,181 | 787 |
| Total Debt | 3,006 | 3,189 |
| Total Cash | 130 | 106 |
| Net Debt | 2,876 | 3,083 |
| Gearing (Gross) | 2.55 x | 4.05 x |
| Gearing (Net) | 2.44 x | 3.92 x |

*The figures have not been audited or reviewed by the auditors of the Company.

Cash Flow Highlights

US\$m

1H20

1H19

Cash & Cash Equivalents – Beginning @ Q1

Cash Inflow/(Outflow)

Operating Activities

Investing/Capex Activities

Financing Activities

Cash & Cash Equivalents – Closing @ Q2

Note 1

Note 2

| | | |
|---|------------|------------|
| | 106 | 134 |
| Operating Activities | 69 | (266) |
| Investing/Capex Activities | (281) | 363 |
| Financing Activities | 236 | (71) |
| Cash & Cash Equivalents – Closing @ Q2 | 130 | 160 |

*The figures have not been audited or reviewed by the auditors of the Company.

Note 1 : The increase was due to increase in operating profits generated during the period.

Note 2 : The decrease was due to net additional loans provided to holding company in current period as compared to repayment from holding company in prior period.

Capital Expenditure

| US\$m | | 1H20 Total | 1H19 Total |
|---------------------------|--------|---------------|---------------|
| 1. Vessels | Note 1 | 26 | 60 |
| 2. Equipment / Facilities | | 1 | 5 |
| 3. Drydock | | 0 | 11 |
| 4. IT | | 2 | 4 |
| 5. Others | | 0 | 2 |
| Total | | 29 | 82 |

*The figures have not been audited or reviewed by the auditors of the Company.

Note 1 : Decrease in vessels capital expenditure as compared to 1H19 was due mainly to the jumboisation of vessels in prior period.

Liner Operational Update

| Volume ('000 TEUs) | 1H2020 | 1H2019 | % |
|--------------------|--------------|--------------|-----------------------------|
| Trans-Pacific | 969 | 983 | (1) |
| Intra-Asia | 1,117 | 1,448 | (23) |
| Asia-Europe | - | 468 | (100) <small>Note 1</small> |
| Latin America | 130 | 181 | (28) |
| Trans-Atlantic | - | 53 | (100) <small>Note 1</small> |
| Total | 2,216 | 3,133 | (29) |

Note 1 : Asia-Europe and Trans-Atlantic volumes is NIL in 1H2020 as these services were transferred over to CMA CGM from 1 October 2019.