



中国外运
SINOTRANS

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2023 Interim Results Corporate Presentation





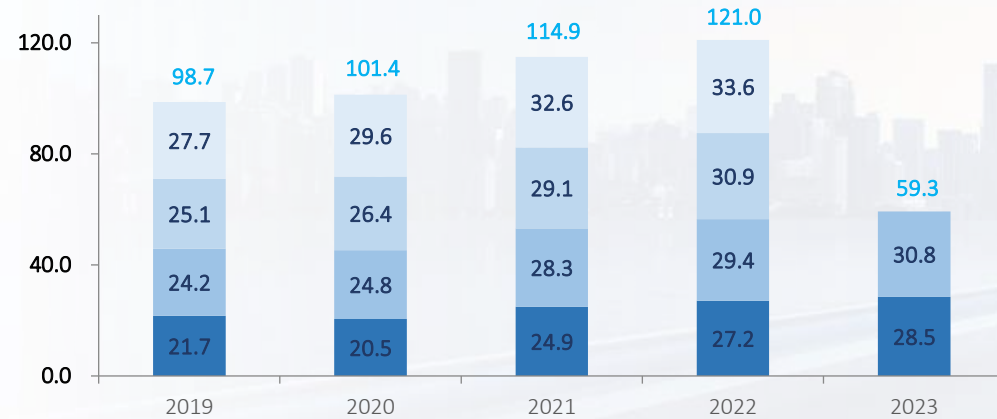
External Environment

- ▶ Economy in China
- ▶ Logistics industry

Economy in China Continued to Recover

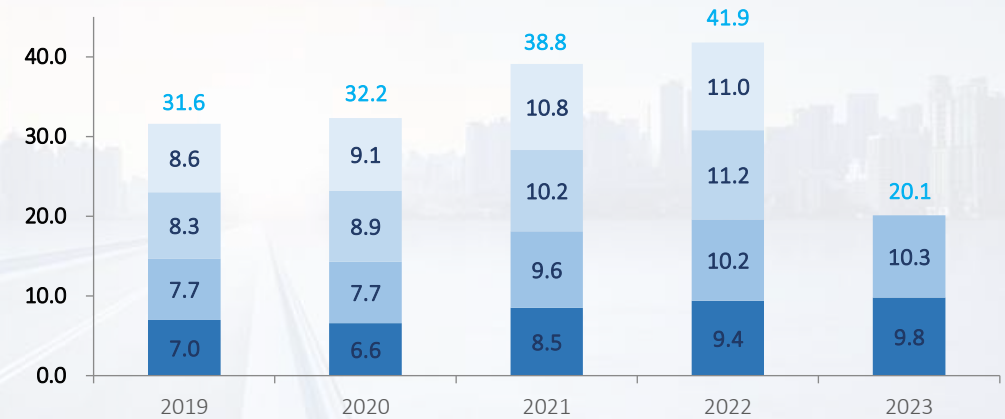
China GDP

(RMB, trillion)



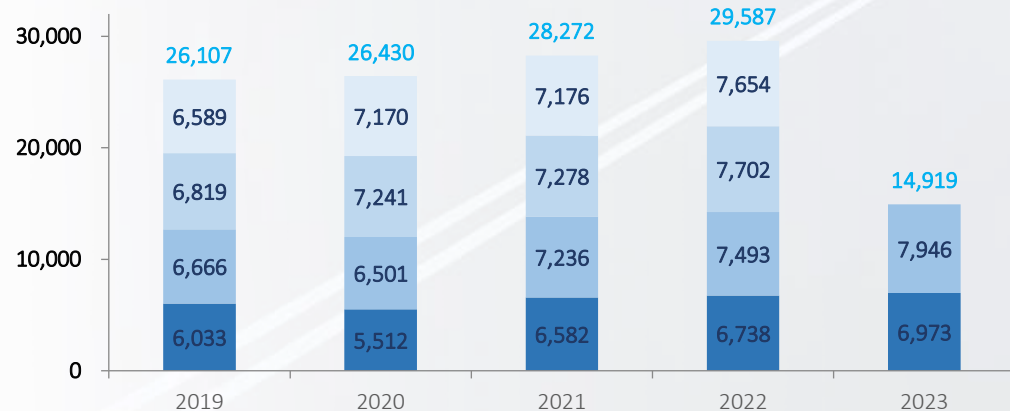
Foreign Trade Value of China

(RMB, trillion)



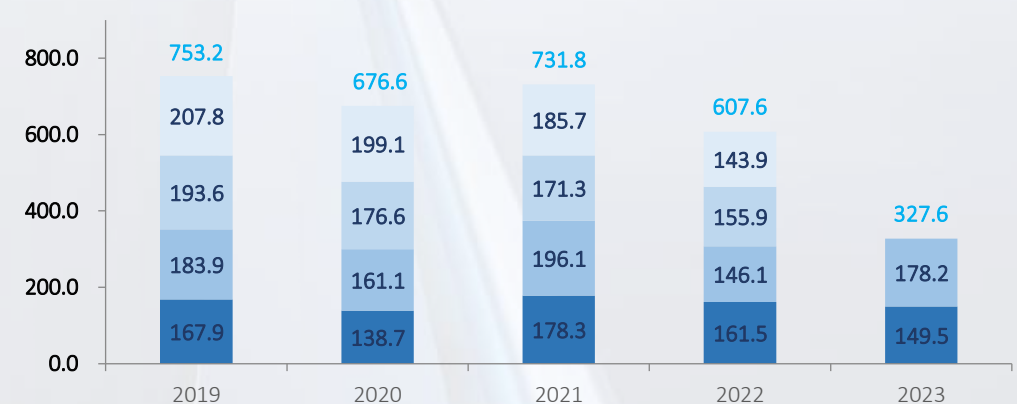
China's Port Container Throughput

(10,000 TEUs)



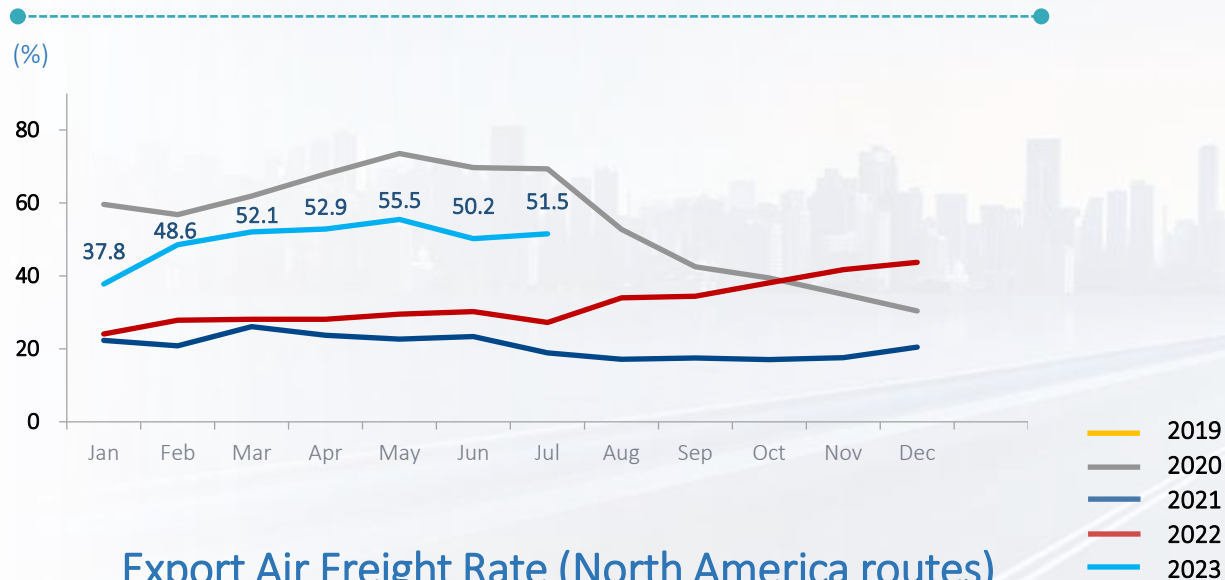
China Air Cargo & Mail Volume

(10,000 tons)

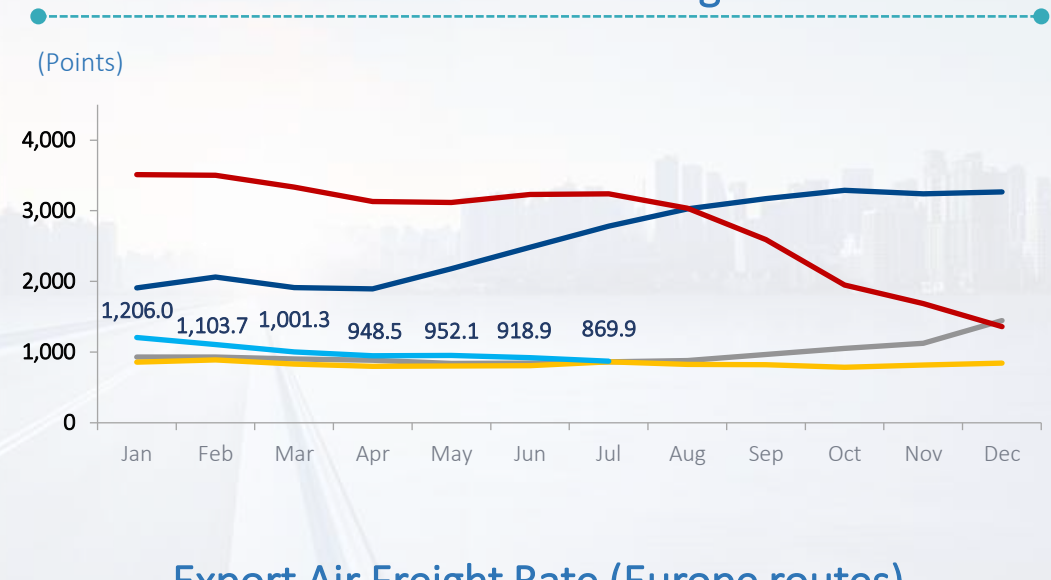


Continuous Pressures on Freight Rates

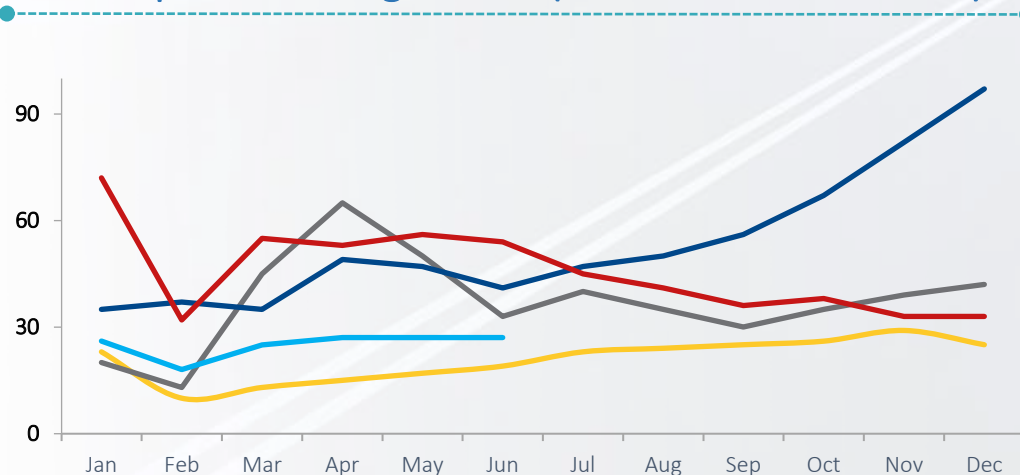
Global Carrier Schedule Performance Index



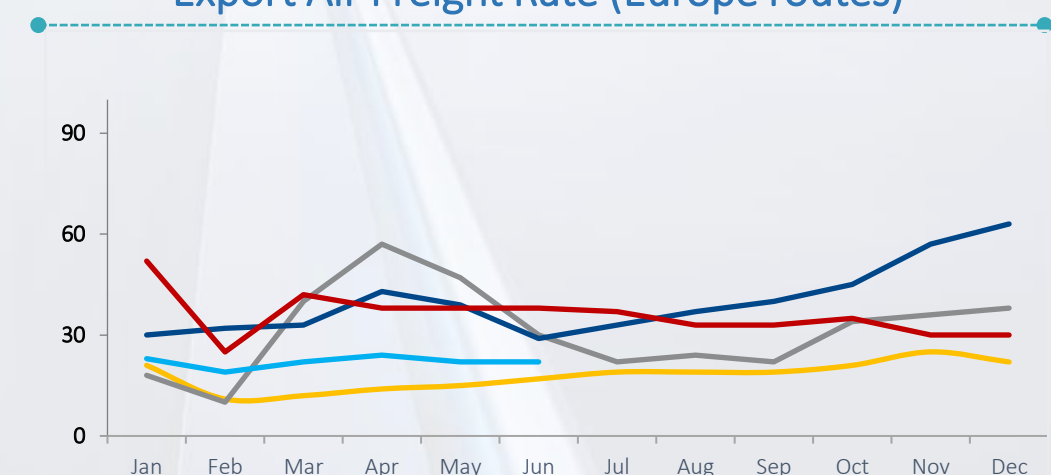
China Containerized Freight Index



Export Air Freight Rate (North America routes)



Export Air Freight Rate (Europe routes)





Business Highlights

——Transformed the market stock into increment of Sinotrans

- ▶ Demonstrate resilience, effective improvement in profitability
- ▶ Optimized customer structure , promoted construction of channels
- ▶ Logistics seized opportunities and made sound progresses
- ▶ Overseas development highlighted key points, enhanced overseas delivery capacity
- ▶ Smart logistics led innovation, effectively implemented green logistics

Demonstrate Resilience, Effective Improvement in Profitability

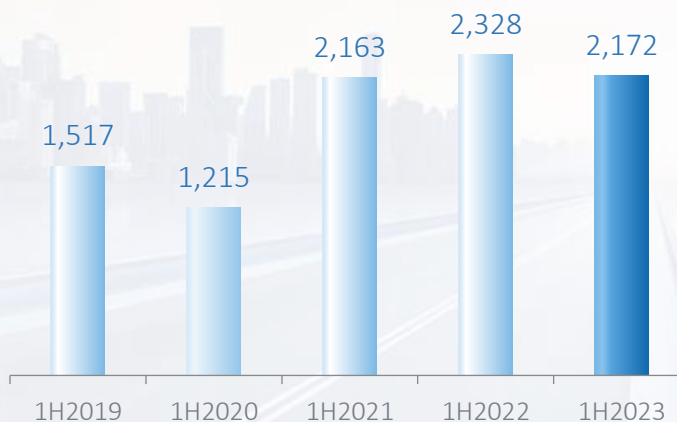
Revenue

(RMB, Million)



Net Profit Attributable to Shareholders

(RMB Million)



Net Profit Margin



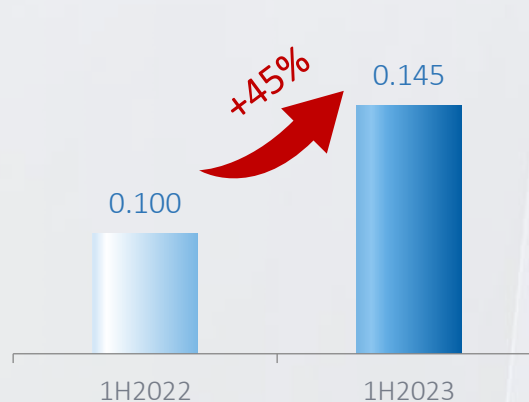
Net Cash Flows from Operating Activities

(RMB Million)



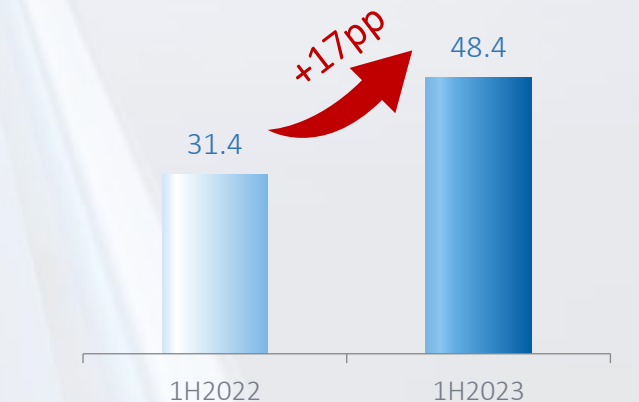
Interim Dividend

(RMB per Share)



Interim Payout Ratio

(%)



Optimized Customer Structure, Promoted the Construction of Channels

- Organized three industry-specific teams for **new energy vehicles, green energy and medical & health**
- Steadily increased the proportion of revenue from core direct customers, **continuously optimized the customer structure**

Sea

Improved profitability
Optimized resource allocation

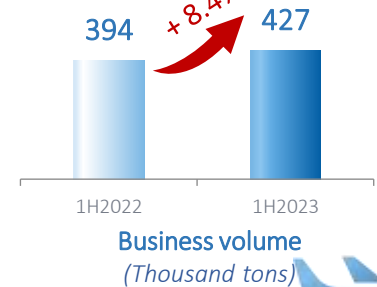
- Extended service chains, the container volume from multi-link services and sea freight forwarding segment profit margin both increased
- Conducted the restructuring with Sinotrans & CSC's container business along the Yangtze River



Air

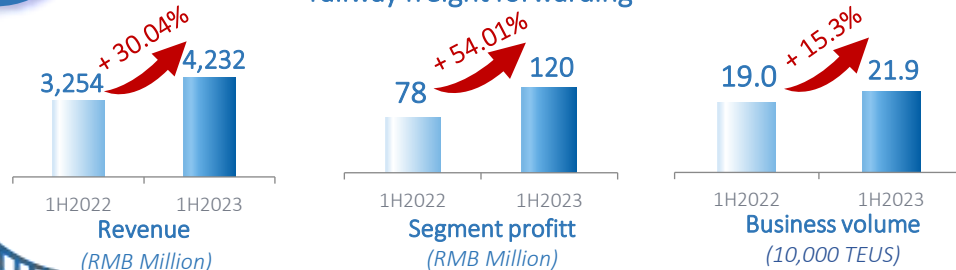
Insisted on the “new carrier” model
Strengthened the construction of capacity channels

- The controllable capacity of air freight channel reached **106 thousand tons**, business volume increased by **8.4% year-on-year**
- Consolidated the Euro-American routes, **created cross-border e-commerce products in Africa, the Middle East and Latin America**



Railway

Seized the market growth opportunity
Continuously improve integrated operation capabilities
railway freight forwarding



Trucking

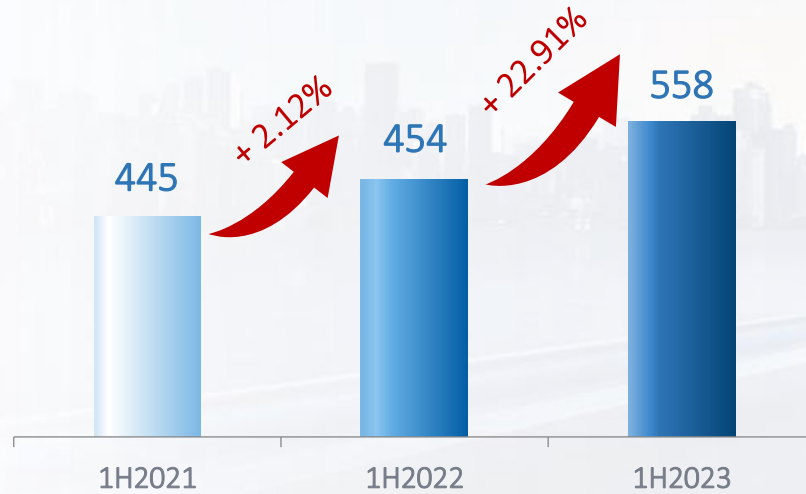
Continued to optimize the capacity structure
Improved the capability of scheduling organization

- Connected the round-trip cargo source lines
- Self owned transportation platform SDCC managed over **150,000 vehicles**



Logistics Seized Opportunities and Made Sound Progresses

Segment profit of Logistics
(RMB Million)



Chemical logistics

- Strengthened customer development , business volume and segment profit **increased by 2.7% and 71.89% year-on-year respectively**

Contract logistics

➤ FMCG and retail industry

Built omni-channel integrated logistics solutions, actively built integrated marketing system, adding **more than 10 new customers with the revenue scale of over RMB 10 million**

➤ Automotive and manufacturing industries

Business in the new energy vehicle industry grew significantly in expanding new business with stock

The traditional automotive logistics business **covers the chain from pre-production to after-sales**

➤ Electronic technology industry

Expanded customers in consumer electronics industry, extended the service upstream and downstream

➤ Medical and health industry

Implemented the import of whole-process logistics solution

Overseas Development Highlighted Key Points, Enhanced Overseas Delivery Capacity



Smart Logistics Led Innovation, Effectively Implemented Green Logistics

Comprehensively promoted digital transformation

- The “virtual employee” solution was selected as the **top 30 innovative cases of port and shipping logistics industry**, and won the 2023 Excellent Case of China’s Digital Transformation by the Ministry of Industry and Information Technology

Implemented the carbon peaking and carbon neutrality strategic plan

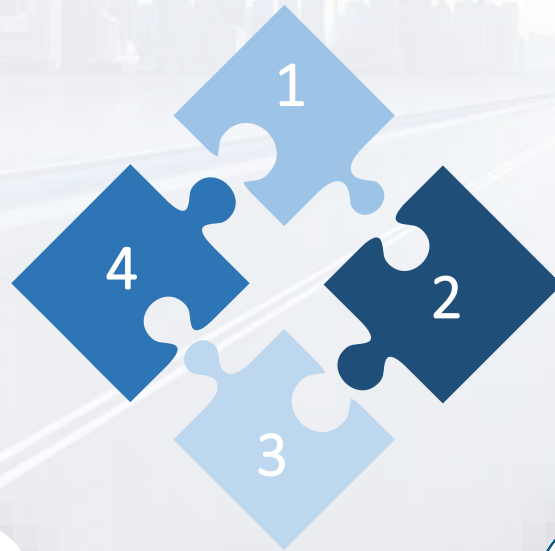
- Released a **White Paper on green logistics**
- Jointly promoted **green logistics projects** with strategic customers

Built and improved the service capabilities of various application platforms

- Logistics e-commerce platform Y2T constantly optimized the product functions and developed customers, **both of the business volume and revenue increased by more than 50% year-on-year**
- Y2T platform has **over 33,000 registered customers, nearly 10,000 monthly active customers and over 75,000 daily average PV**
- 4PL service solution—the LLCT Product won the **2023 Excellent Case of Digital Transformation of Logistics Enterprises** by the China Federation of Logistics & Purchasing

Strengthened innovation leadership and technological empowerment

- The joint venture ‘Cyantron’ has **accumulated 566 thousand kilometers of autonomous driving mileage**, maintaining an industry-leading level



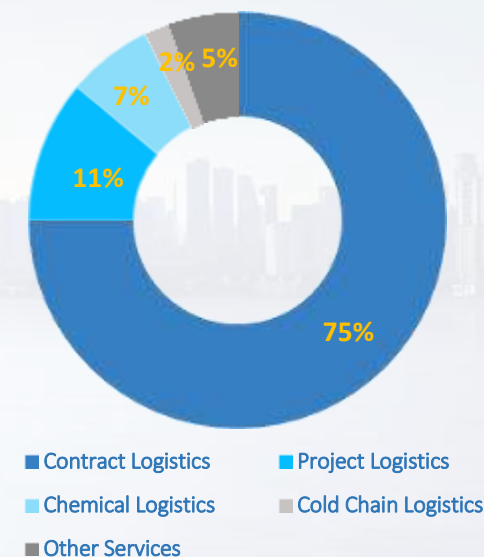


Operating Performance

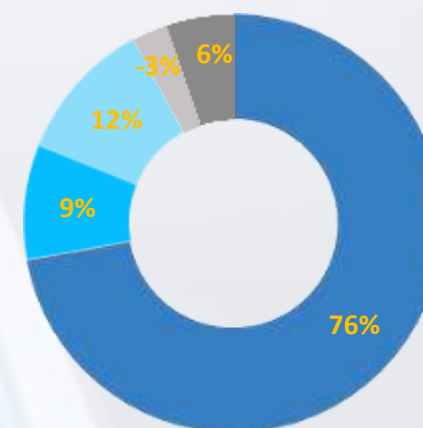
- ▶ Logistics
- ▶ Forwarding and related business
- ▶ E-commerce business

(RMB Million)		1H2022	1H2023	Change
Contract Logistics	Segment Revenue	10,528	11,386	8.15%
	Segment Profit	367	428	16.53%
	Business volume (10,000 tons)	1,905.8	2,127.8	11.6%
Project Logistics	Segment Revenue	2,334	1,755	-24.82%
	Segment Profit	41	53	27.37%
	Business volume (10,000 tons)	360.1	294.4	-18.2%
Chemical Logistics	Segment Revenue	1,035	1,001	-3.29%
	Segment Profit	38	65	71.89%
	Business volume (10,000 tons)	164.1	168.5	2.7%
Cold Chain Logistics	Segment Revenue	288	296	2.75%
	Segment Profit	-10	-16	-59.97%
	Business volume (10,000 tons)	42.4	44.1	4.0%

Segment Revenue



Segment Profits

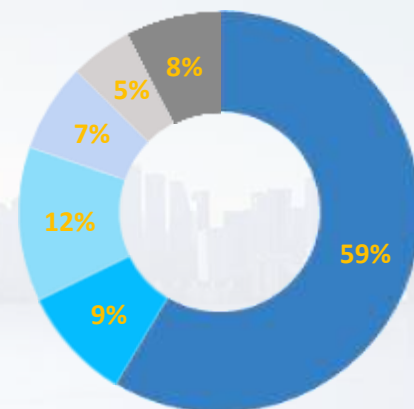


*Segment Profits=Segment Operating Profit – Investment Income

Forwarding and Related Business

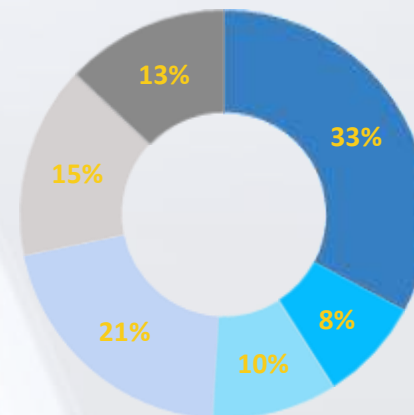
(RMB Million)		1H2022	1H2023	Change			1H2022	1H2023	Change
Sea Freight Forwarding	Segment Revenue	23,874	19,924	-16.55%	Shipping Agency	Segment Revenue	2,354	2,413	2.53%
	Segment Profit	461	421	-8.63%		Segment Profit	263	267	1.47%
	Business volume (10,000 TEUs)	666.6	625.4	-6.2%		Business volume (10,000 TEUs)	1,361.0	1,346.8	-1.0%
Air Freight Forwarding	Segment Revenue	4,497	3,116	-30.72%	Storage and Yard Operation	Segment Revenue	1,702	1,715	0.76%
	Segment Profit	252	105	-58.34%		Segment Profit	156	196	25.94%
	Business volume (10,000 tons)	32.0	33.1	3.4%		Business volume (10,000 tons)	1,081.1	1,079.2	-0.2%
Railway Freight Forwarding	Segment Revenue	3,254	4,232	30.04%	Air Channel	Segment Revenue	10,963	7,312	-33.31%
	Segment Profit	78	120	54.01%		Segment Profit	364	152	-58.18%
	Business volume (10,000 TEUs)	19.0	21.9	15.3%		Business volume (10,000 tons)	39.4	42.7	8.4%

Segment Revenue



■ Sea Freight Forwarding
 ■ Air Freight Forwarding
 ■ Railway Freight Forwarding
 ■ Shipping Agency
 ■ Storage and Yard Operation
 ■ Other services

Segment Profits

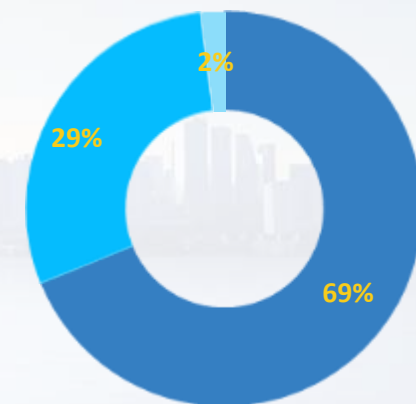


*Air Channel= Air Freight Forwarding + Cross-border E-commerce Logistics

E-commerce Business

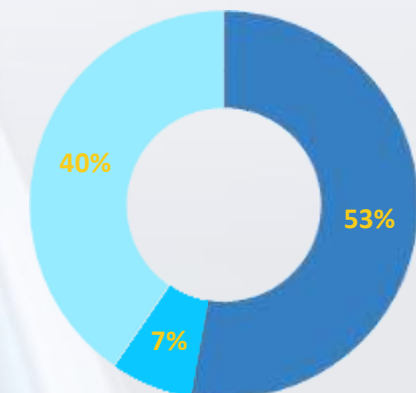
(RMB Million)		1H2022	1H2023	Change
Cross-border E-commerce Logistics	Segment Revenue	6,466	4,196	-35.11%
	Segment Profit	112	47	-57.85%
	Business volume (10,000 units)	15,551.7	15,365.7	-1.2%
	Business volume (10,000 tons)	7.4	9.6	29.2%
Logistic E-commerce Platform	Segment Revenue	1,179	1,776	50.67%
	Segment Profit	7	6	-16.13%
	Business volume (10,000 TEUs)	69.1	110.0	59.8%
Logistic Equipment Sharing Platform	Segment Revenue	86	83	-3.57%
	Segment Profit	36	36	0.60%
	Business volume (10,000 TEUs/day)	7.6	8.6	12.6%

Segment Revenue



■ Cross-border E-commerce Logistics
■ Logistic E-commerce Platform
■ Logistic Equipment Sharing Platform

Segment Profits





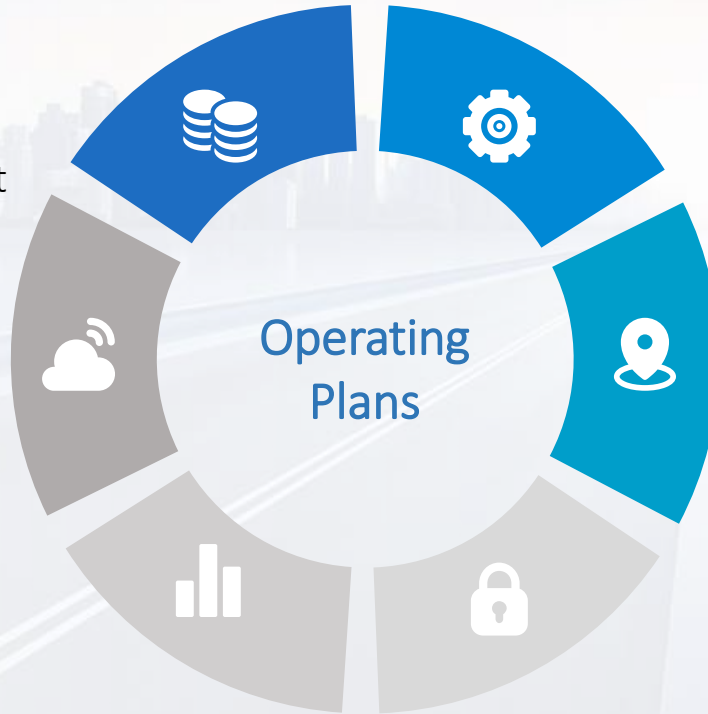
Operating Plans For the Second Half of 2023

- ▶ Stabilize overall performance and prevent risks
- ▶ Improve quality and efficiency and promote growth
- ▶ Strengthen operation and promote transformation
- ▶ Nurture talents and construct echelons

Operating Plans For the Second Half of 2023

① Stabilize overall performance and prevent risks

- Make effort to stabilize customers base
- Focus on principal businesses development
- Enhance awareness of risk prevention



② Improve quality and efficiency and promote growth

- Strengthen core functions to solidify market position
- Strengthen lean operations to enhance competitiveness
- Enhance development momentum with technological innovation
- Promote capability of expanding overseas markets

③ Strengthen operation and promote transformation

- Optimize the organizational construction and top-level design for digital transformation
- promote the implementation of digital transformation tasks
- establish a standardized mechanism to ensure the successful implementation of digital transformation

④ Nurture talents and construct echelons

- Promote the “Double-Hundred” plan and establish two tiers of talent pools
- Increase the strength of work-reallocations of officers, support the construction of overseas talent team

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Thank You

