Integrated Logistics Business Platform

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Advantages of Block Train

High cost performance

Quick & Punctual

Safety & Stability

Environmental Protection

Development Foundation: Comparative Advantage
Solving Critical Issue: The Developing Crux of Block Train
Imbalances in Import and Export

Low Efficiency in C/C and Gauge Exchange at Border

Information Asymmetry Low Degree of Visualization

The Developing Crux: Solving Critical Issue
03 Strengthening Network Operation: The Development Direction
Network Operation: The Development Direction

- Network
- Integrated Operation
Network Operation: The Development Direction

Efficient connection between railway and other modes of transport
After Sinotrans & CSC was incorporated into CMG in 2015, CMG becomes the largest comprehensive logistics services provider in China with its logistics business ranking top in the world. In 2017, Sinotrans Ltd. became the sole platform for the logistics business operation of CMG and started the integration of the logistics sector.
### Global freight forwarders rankings TOP 10

<table>
<thead>
<tr>
<th>Provider</th>
<th>Gross Revenue (US$ M)</th>
<th>Ocean Tons</th>
<th>Air &amp; Metro Tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>DHL Supply Chain &amp; Global Forwarding</td>
<td>29,562</td>
<td>2,000,000</td>
<td>2,108,000</td>
</tr>
<tr>
<td>Kuehne + Nagel</td>
<td>21,100</td>
<td>3,000,000</td>
<td>1,210,000</td>
</tr>
<tr>
<td>DB Schenker</td>
<td>17,160</td>
<td>1,000,000</td>
<td>1,120,000</td>
</tr>
<tr>
<td>Nippon Express</td>
<td>15,822</td>
<td>850,000</td>
<td>711,304</td>
</tr>
<tr>
<td>SINOTRANS LIMITED</td>
<td>7,314</td>
<td>2,000,000</td>
<td>522,000</td>
</tr>
<tr>
<td>Expeditors</td>
<td>6,117</td>
<td>1,043,000</td>
<td>872,480</td>
</tr>
<tr>
<td>Panalpina</td>
<td>8,091</td>
<td>1,795,000</td>
<td>839,300</td>
</tr>
<tr>
<td>UPS Supply Chain Solutions</td>
<td>9,215</td>
<td>915,000</td>
<td>995,300</td>
</tr>
<tr>
<td>DSV</td>
<td>7,574</td>
<td>855,314</td>
<td>311,193</td>
</tr>
<tr>
<td>Hellmann Worldwide Logistics</td>
<td>2,087</td>
<td>883,204</td>
<td>581,240</td>
</tr>
</tbody>
</table>

### Global third party logistics list Top 10

<table>
<thead>
<tr>
<th>Third-Party Logistics Provider (3PL)</th>
<th>Gross Revenue (US$ Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DHL Supply Chain &amp; Global Forwarding</td>
<td>29,562</td>
</tr>
<tr>
<td>Kuehne + Nagel</td>
<td>21,100</td>
</tr>
<tr>
<td>DB Schenker</td>
<td>17,160</td>
</tr>
<tr>
<td>Nippon Express</td>
<td>15,822</td>
</tr>
<tr>
<td>SINOTRANS LIMITED</td>
<td>13,476</td>
</tr>
<tr>
<td>Expeditors</td>
<td>6,215</td>
</tr>
<tr>
<td>UPS Supply Chain Solutions</td>
<td>7,574</td>
</tr>
<tr>
<td>DSV</td>
<td>7,314</td>
</tr>
<tr>
<td>Hellmann Worldwide Logistics</td>
<td>6,969</td>
</tr>
<tr>
<td>Expeditors</td>
<td>6,617</td>
</tr>
</tbody>
</table>
Domestic: The network covers the whole country, connecting over 200,000 enterprises of various types, basically covering mainstream enterprise customers in China.

Abroad: Relying on overseas projects, Sinotrans has established an overseas network covering 32 countries and regions on six continents, with 79 overseas organizations and about 939 employees. Among them, overseas branches has increased to 30 (excluding Hong Kong) in “the Belt And Road” region, laying a solid foundation for overseas businesses to grow bigger and stronger.
Border Services

Manzhouli Border → Russia and Europe
Erenhot Border → Mongolia, Russia, Europe
Alashankou Border → Central Asia
Horgos Border → Central Asia
Pingxiang Border → Vietnam, Southeast Asia
Block Train Services

Routes Overview

Covered:
5 Regions
3 Corridors

362 Trains (including 218 Trains to Europe)
18.9 thousand TEU in 2017
24 Routes (including 8 regular routes)
International Train Services

Milepost: launched the 1st train from Tashkent to China

Milepost: the 1st route of bothway operation

Milepost: Launched the 1st whole reefer container train
Resources

- Port wharf: 12, 5449 M
- Warehouse: 1733, 6,670 THS m²
- Yard: 185, 4,080 THS m²
- Rail Siding: 39, 44,481 m
- Vessel: 135, 360 THS Load Ton
- Haulage Vehicle: 9468, 200 THS Load Ton
Multimodal Transport Services

- Rail
- Sea-Rail
- Truck-Rail
- River-Rail
- Containers
Prospect

Hub construction
- Coordinate domestic and international markets and resources
- A variety of modes of transportation are used to expand the service capability

Cross-border E-Commerce
- Services support cross-border e-commerce
- FCL/LCL, Cabin/Booking

Special Containers
- Targeting the high value-added goods with high aging sensitivity
- Fully develop and utilize the thermal insulation container and temperature control equipment suitable for long-distance railway transportation

IT System
- Establishing an interactive and friendly tracking logistics information system for the whole process
- Multi-dimensional monitoring equipment
Strategic Cooperation

- Ministries and Commissions
- GACC
- Local Government

Convergence and win-win

Government

China Railway

Foreign Railway Company

International Organization

• KTZ
• RZD
• DB

• FIATA
• CCTT

• CRCT
• CRIMT
Resource Sharing

- Containers Support
- Domestic Lanes
- Communication System
- Overseas Business
- Transport Capacity
- Freight Rate
- Business Extension
Multilevel Cooperation
Euro-Asia Trains launching smoothly and steadily

Thanks