INTRODUCTION OF RAIL TRANSPORTATION BUSINESS

SINOTRANS LIMITED

2 JUN 2017
Domestic Network

With advantage of the comprehensive domestic network, we are able to offer nearest delivering in over 170 cities.
Sinotrans has 77 self-owned railway lines of 69km and has 7 branches in border stations including Manzhouli, Alashankou, Erlian, Suifenhe, Pingxiang, Dandong and Shenzhen.
Network in border rail ports

SINOTRANS has subsidiaries in all border rail ports to control the key nodes.

Central Asia
/Russia/Europe← Alashankou

Mongolia/Russia/Europe

↑ Erlian

Russia/Europe

↑ Manzhouli

Russia

↑ Suifenhe

Dandong → North Korea

Central Asia ← Khorgos

Pingxiang ↓

Vietnam

North Korea
Overseas Network

Subsidiaries/Offices in
Almaty
Tashkent
Ulan Bator
offers door-to-door services and solutions.

Hong Kong
Macao
Taiwan
Asia Pacific
Indonesia
Cambodia
Thailand
Malaysia
Brunei
Vietnam
Myanmar
Bangladesh
Lao
Pakistan
Korea
Japan
Australia
Europe
Turkey
France
Germany
America
US
Brazil
Middle East
UAE
Saudi Arabia
Africa
Tanzania
Angola
Ethiopia
Djibouti
Our Performance in 2016

Our volume of rail freight forwarding in 2016:

Container: 44,334 TEU
Our Performance in 2016

Our volume of rail freight forwarding in 2016:

Bulk in wagons: 359,025 tons

Rail freight forwarding volume of bulk cargoes in 2016

- Import
- Export
- Domestic
Our Products

5 main corridors

1. International rail transport
   We occupy big market shares of international rail transportation from China to CIS countries, Mongolia, Vietnam and Europe.
   - International block train

2. Multi-modal transport
   We transport cargoes to/from mainland of China from/to other ports worldwide.

3. New Land Bridge transit transport
   As pioneer of Land bridge transport, we provide TCR service for transit cargoes from/to Japan, Korea, Southeast Asia, US to/from CIS countries, Mongolia, Europe and etc.

4. International road transport
   Transport services for cargoes from/to CIS countries, Pakistan, North Korea, Mongolia and Southeast Asia.

5. Domestic rail transport
   Rail freight between all domestic stations; Operate some through traffic lines services.

Based on above five corridors and our global network, we offer services including door-to-door freight forwarding, project logistics, contracted logistics (3PL) and international logistics solutions to our clients.
Case 1: Central Asia Natural Gas Pipeline Project

- **Client:** CPP (China Petroleum Pipeline)

- **Facts and Figures:**
  We have transported 45000tn Natural Gas Pipeline equipment with 2000 wagons/trucks from over 4 provinces, China to Kazakhstan/Uzbekistan by rail and truck since April, 2008 till 2013.
Case 2: Transportation of Car Wagon Block Train

- Routes:
  Tianjin – Erlian - Ulaanbaatar;
  Lianyungang—Alashankou-Almaty

- We have been transporting cars for Mitsubishi from Japan to Almaty since 2008.
Sample Cases

Case 3: Transit Transportation of Heavy Lifts Program

- Sinotrans provide transit transportation of HYUNDAI buses from Korea transiting China to Kazakhstan from Jan, 2002.
- Sinotrans provide transit transportation of heavy vehicles from Japan transiting China to Central Asia from Feb, 2004.
- Sinotrans provide transit transportation of Caterpillar excavators from Japan transit China to Mongolia since 2012.
International railway freight development

The OBOR strategy boosts the fast growth of international railway freight, especially the China-Central Asia and China-Europe block train services. Take China-Europe block train for example, currently over 10 cities in China stably run block train to over 11 destinations of 7 European countries.

<table>
<thead>
<tr>
<th></th>
<th>Eastbound</th>
<th>Westbound</th>
<th>Lines</th>
<th>Total</th>
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<tr>
<td>2014</td>
<td>21</td>
<td>286</td>
<td>19</td>
<td>307</td>
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<tr>
<td>2015</td>
<td>265</td>
<td>550</td>
<td>21</td>
<td>815</td>
</tr>
<tr>
<td>2016</td>
<td>572</td>
<td>1130</td>
<td>39</td>
<td>1702</td>
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<tr>
<td>2017 (forecast)</td>
<td>730</td>
<td>1470</td>
<td>46</td>
<td>2200</td>
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<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
<td>5000</td>
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Volumes on China-Europe block train are in multiplying growth. By 2020, the BT is planned to reach 5000 trains per year (400,000TEU/year). BT will make 80% of whole international railway traffic China involved.
Main border rail ports for gauge change in China

Transshipping normally are operated in the **inbound** border station.

Kazakhstan:
Dostyk ← **Alashankou**

Central Asia ← **Khorgos**

Mongolia: Zamyn Uud

**Erlian**

Russia: Zabaykal'sk

↑
Manzhouli

Russia: Grodekovo

↑
Suifenhe

Dandong →
North Korea: Sinuiji

Pingxiang

↓
Vietnam

Success in Service
Three China-Europe Corridors

- West Corridor via Alashankou;
- Middle Corridor via Erlianhaote;
- East Corridor via Manzhouli;

Now 39 lines through 3 corridors to European countries, lead time within 12-18 days.
Our Block Train to Central Asia/Russia/Belarus/Europe

We launched 14 Block Train Lines, covering 3 routes (Dostyk/ZU/ZAB)
Total BT cargo volume 30699TEU in 2016, increasing 247%
Our International Block Train Services as platform company

China **South**: Shilong-Central Asia/Moscow/Europe  
China **Central**: Changsha-Central Asia/Minsk/Europe  
China **Northeast**: Tianjin-Mongolia/Moscow/Europe  
China **Northwest**: Lanzhou-Central Asia/Europe
## The information of our international BT

<table>
<thead>
<tr>
<th>Departure</th>
<th>EB/VB</th>
<th>Route</th>
<th>Destination</th>
<th>Frequency</th>
<th>Volume in 2016 (TEU)</th>
<th>Volume in 2015 (TEU)</th>
<th>Note</th>
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<td>Shilong</td>
<td>WB</td>
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<td>1354</td>
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<td>WB</td>
<td>West</td>
<td>Hamburg</td>
<td>weekly</td>
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<td>Hamburg</td>
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<td>0</td>
<td>12 trains in 2017</td>
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<td>Weekly to Almaty in plan</td>
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<td>West</td>
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<td>4600</td>
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</tbody>
</table>
Case 1: Hefei-Hamburg Lane

Lead time in Total: 15 days

36 hours Transit
1 day Border stop
7 days Transit
1 day Border stop
4 days Transit

Hamburg → Malaszewicze → Brest → Dostyk → Alashankou → Hefei
Case 2: Middle Lane Tianjin – Mongolia - Moscow

The natural location advantages of Tianjin in middle corridor:

1. Foreign trade port, sea and railway transport link-up;
2. Nearest distance from Mongolia to the sea, Tianjin – Erenhot – Moscow 10-12 days.
THANK YOU