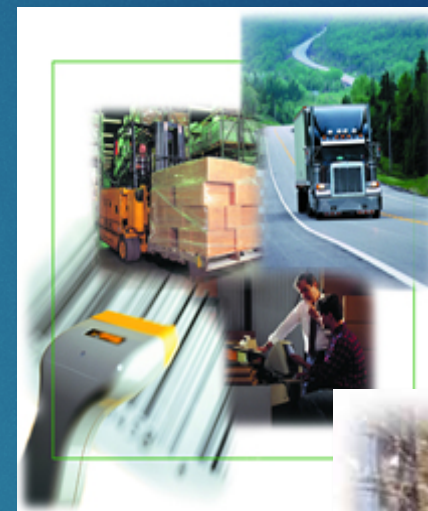


2643

SOONEST EXPRESS CO., LTD.

2022 CORPORATE EARNINGS CONFERENCE



海空運承攬 | 海空聯運 | 進出口報關 | 國際快遞

公司網址: www.soonest.com

LIMITATION OF LIABILITIES

- ▶ This presentation contains predictive information released from the company's internal and external sources.
- ▶ The actual operating results, financial conditions and the business prospects may be different from these forecasts and the reasons may due to various risks beyond the company's control.
- ▶ The prospects in this presentation only reflect the company's views for the future to date. The company will not be held responsible for any changes or updates on these views.

ABOUT SOONEST

COMPANY PROFILE



ESTABLISHED	Feb. 13, 1984
STOCK CODE	2643
IPO	Mar. 4, 2016
CHAIRMAN	C. M. Ku
G. M.	Kang Y. Sun
CAPITAL INVESTMENT	NTD 300,000,000
ADDRESS	4F, No. 34, Rui Guang Rd., Taipei 114, Taiwan
SERVICES	Air/Ocean Freight Forwarding、Customs Declaration、Warehouses、Transportation and Delivery
WORLDWIDE	Offices: 18, Warehouses: 9



■ GLOBAL OFFICES



18 Offices 9 Warehouses

TPE (HQ) 、 HKG 、 SZX 、 DGN 、 WUH 、
SIN 、 PEN 、
PVG 、 NBO 、 SNJ 、 HGH 、 TAO
SFO 、 LAX 、 ORD 、 JFK 、 DFW
MAA

CORE SERVICES

海空運承攬 | 海空聯運 | 進出口報關 | 國際快遞
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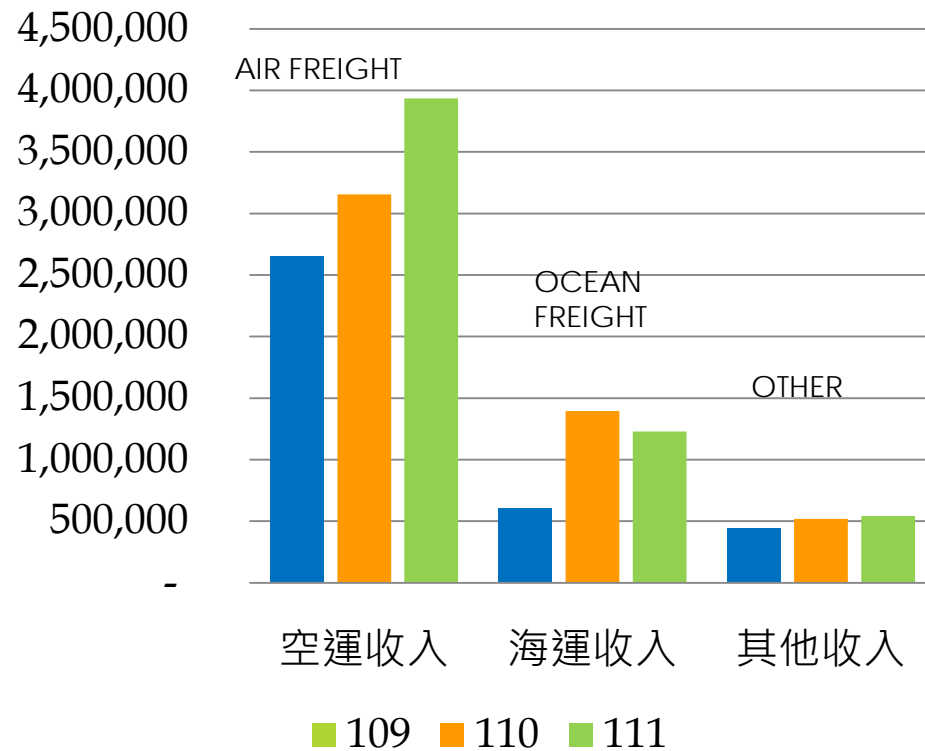
OUR SERVICES



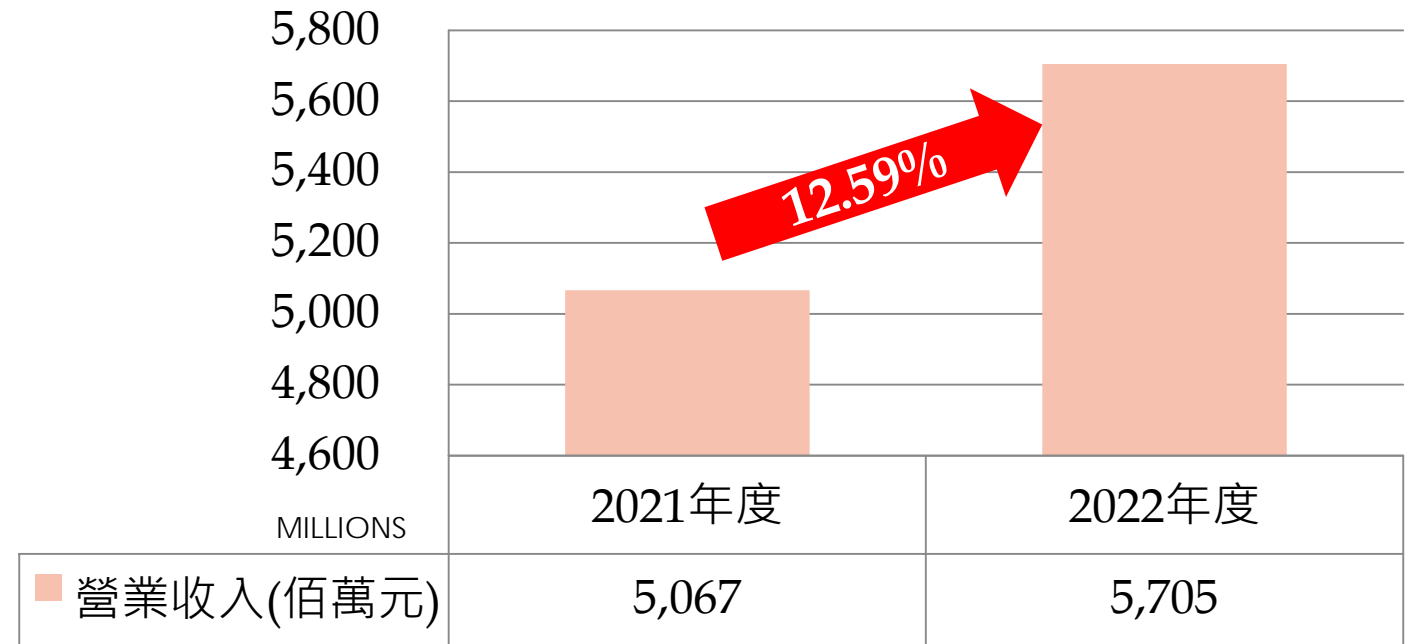
2022 PERFORMANCE



PERFORMANCE-CONSOLIDATED REVENUE

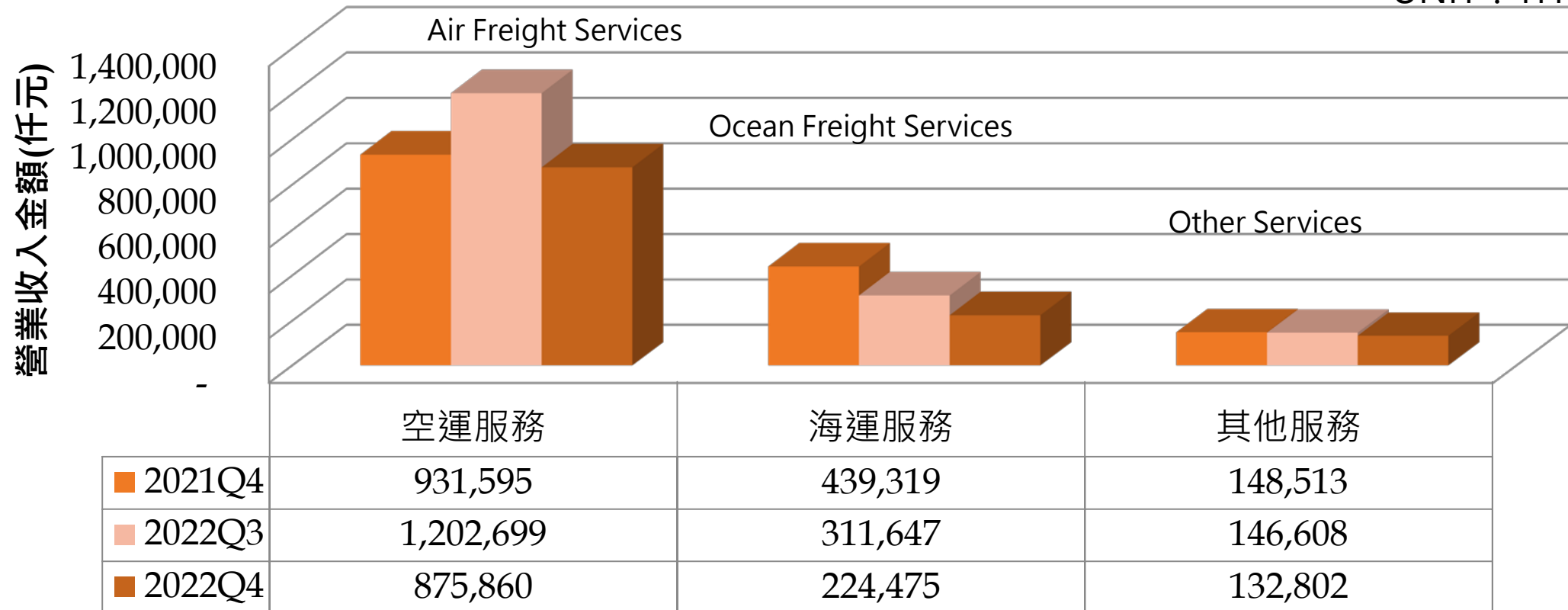


REVENUE (MILLIONS)



PRODUCT REVENUE

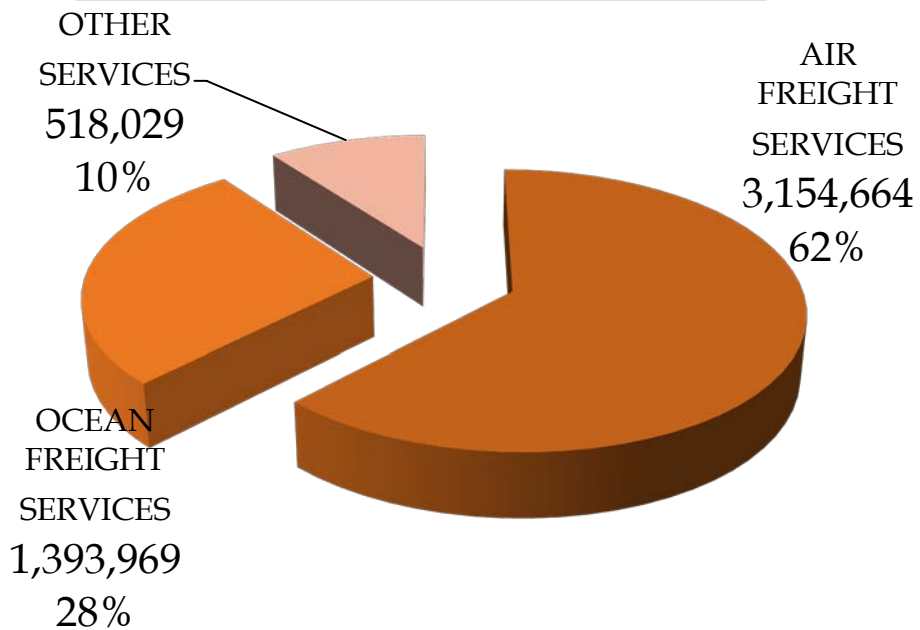
UNIT : THOUSAND



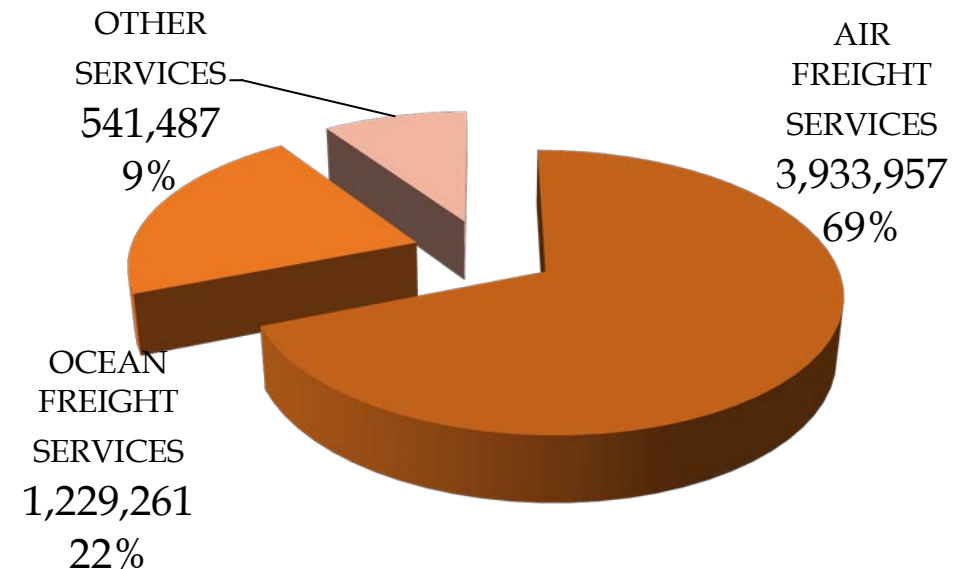
PRODUCT RATIO (REVENUE)

UNIT : THOUSAND

2021



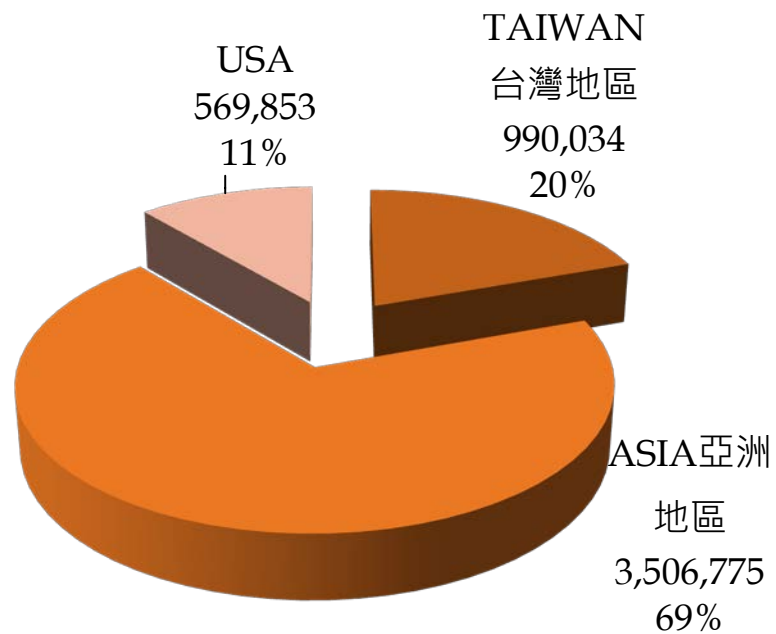
2022



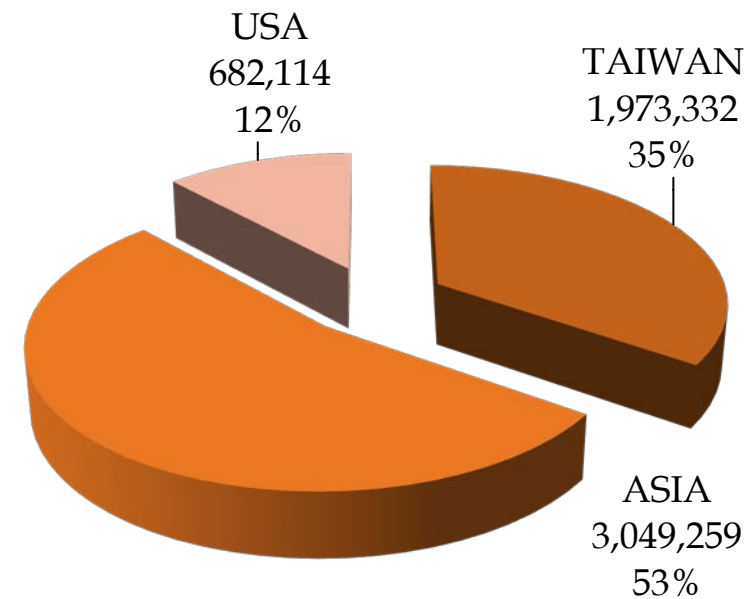
AREA RATIO (REVENUE)

UNIT : THOUSAND

2021

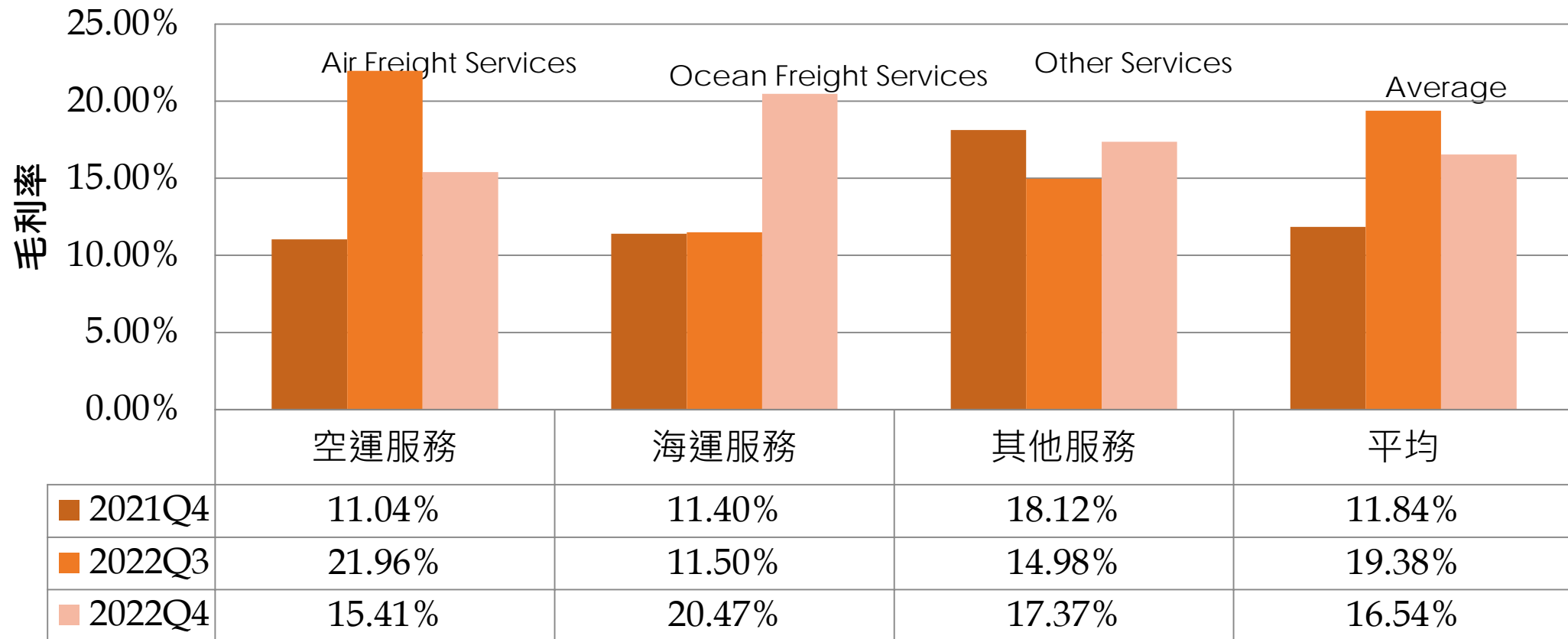


2022

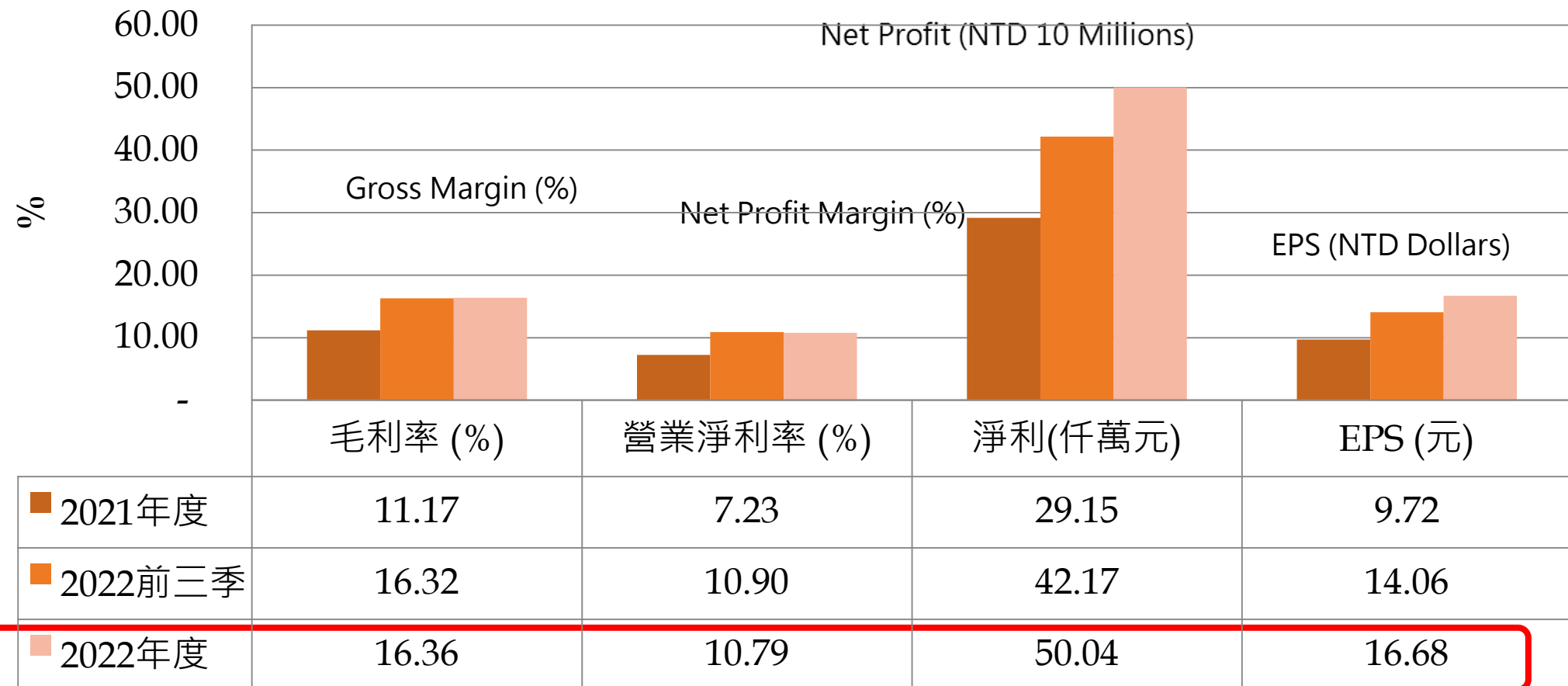




PRODUCT GROSS MARGINS

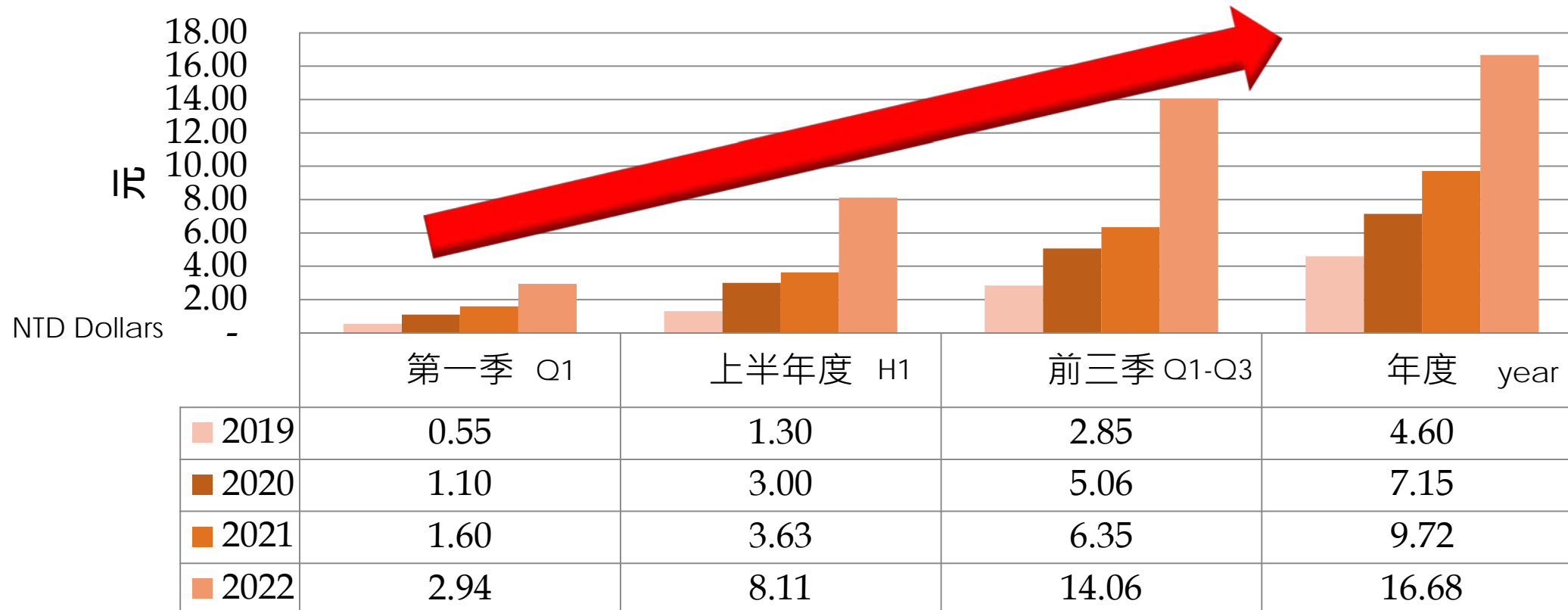


OPERATING PERFORMANCE –VARIOUS RATIO



OPERATING PERFORMANCE-EPS

EPS



OPERATING PERFORMANCE

Categories			2020	2021	2022
Capital Structure	Debts Ratio	(%)	39.93	40.50	38.66
Liquidity	Current Ratio	(%)	256.57	255.57	280.23
Operating Performance	Average Collection Turnover	(TIMES)	5.50	6.05	5.68
Profitability	Return on Total Assets	(%)	14.52	17.11	23.04
	Return on Equity Attributable to Shareholders of the Parent	(%)	25.91	28.21	37.80
	Net Margin	(%)	5.77	5.75	8.77
	EPS	(NTD)	7.15	9.72	16.68

INTERNATIONAL MARKET OUTLOOK & CHALLENGE



AIR FREIGHT PERFORMANCE – TAIWAN EXPORT

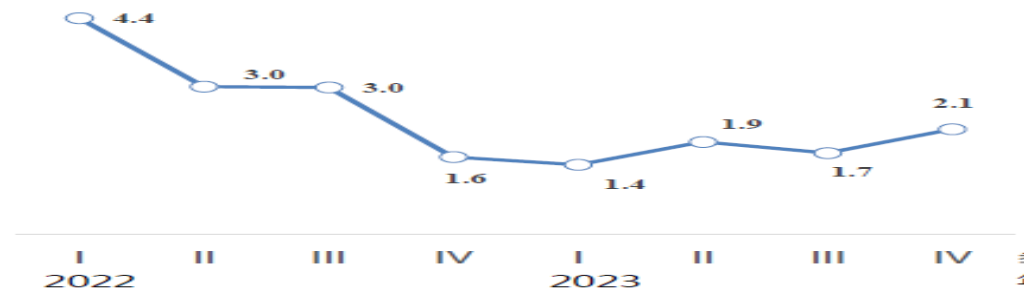
Taiwan Taoyuan airport :
CARGO VOLUME DROPPED
9.72 % COMPARE TO SAME
TIME LAST YEAR

2022年度 桃園機場航空貨運量表現



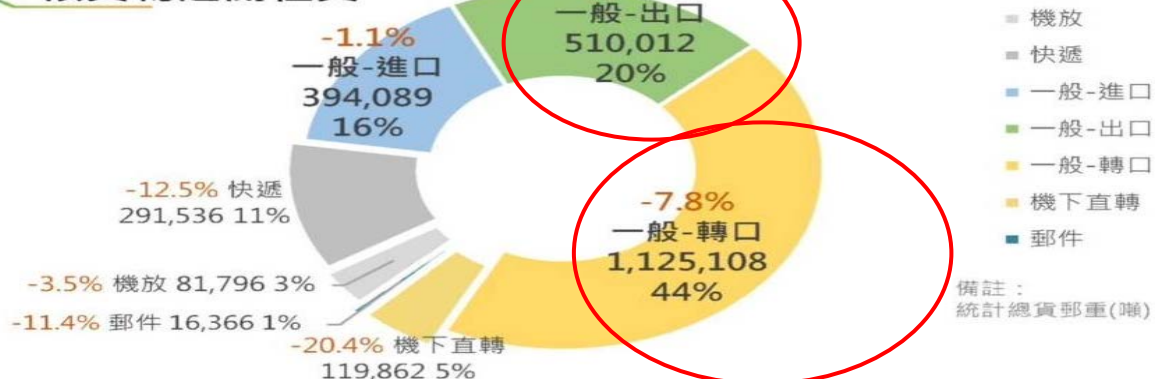
S&P Global 對各季全球經濟成長率預測

單位：%



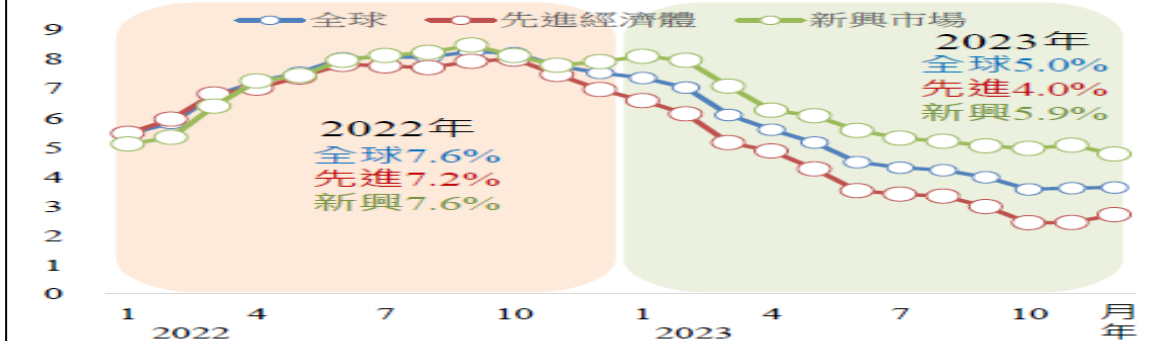
註：各季成長率為較去年同期(yoy)成長率。資料來源：S&P Global, World Overviews, Jan. 17, 2023.

依貨物通關性質



S&P Global對全球CPI通膨走勢預測

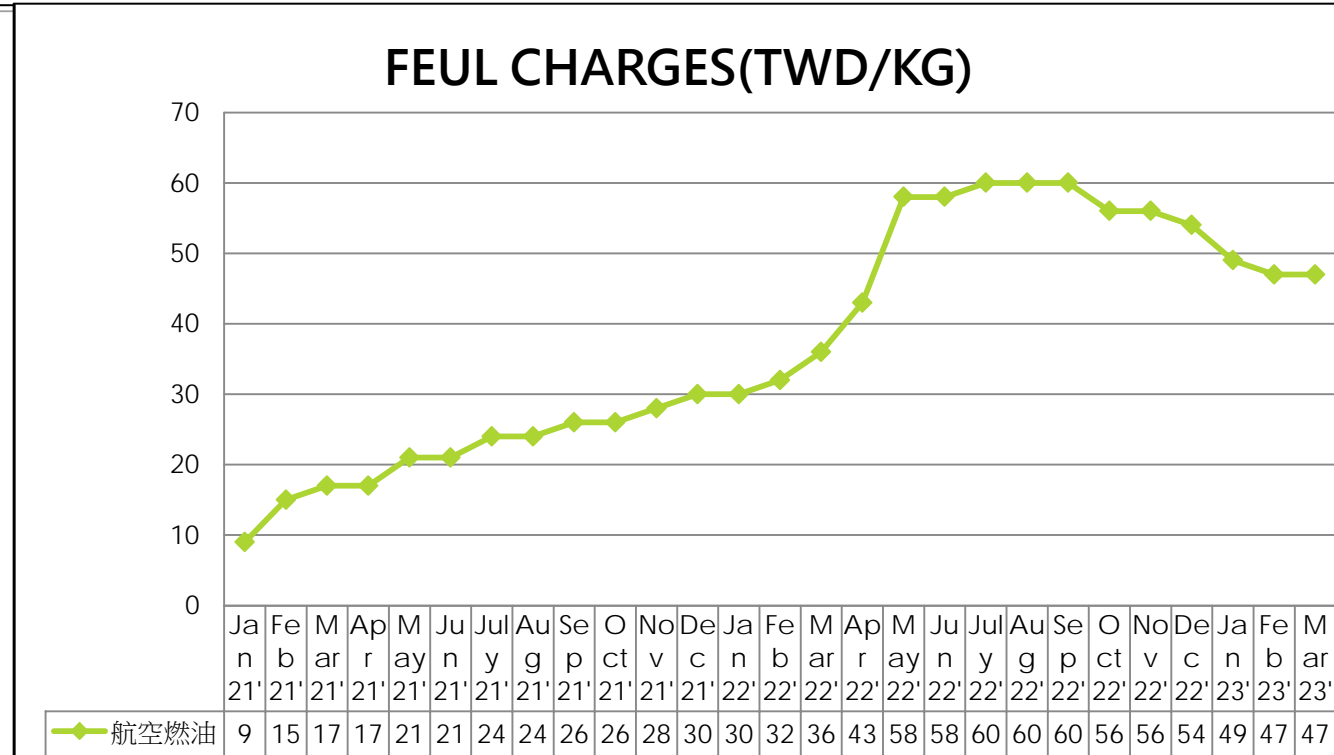
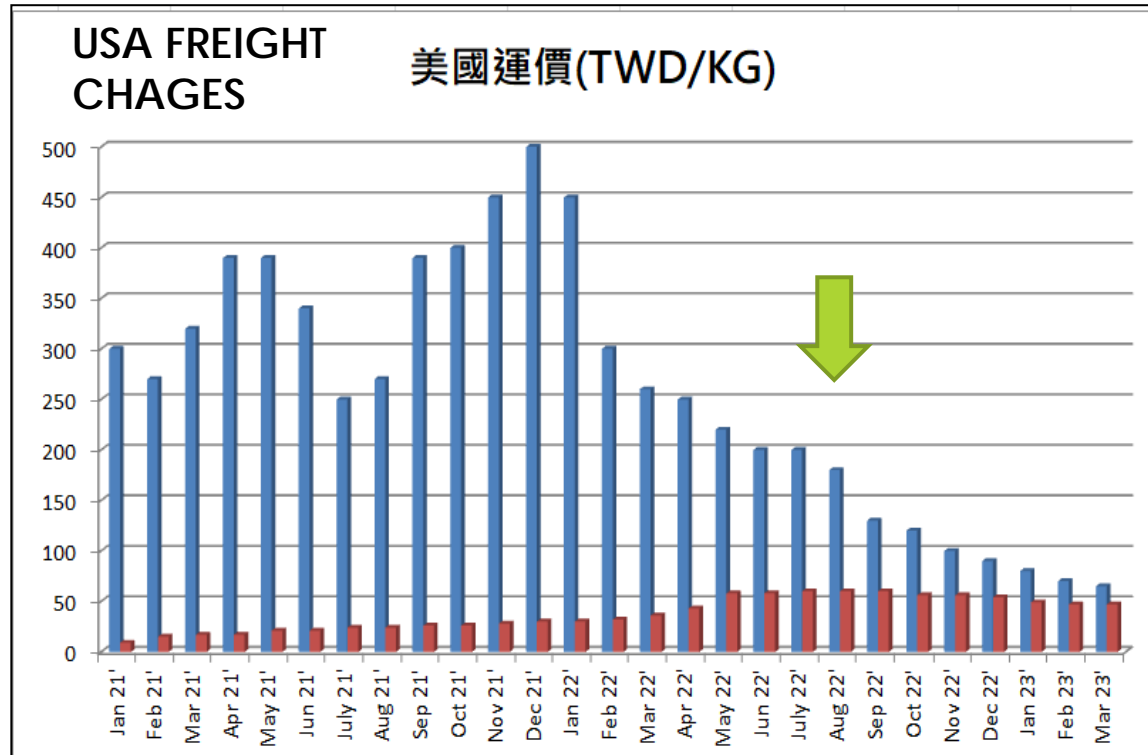
單位：%



資料來源：S&P Global, World Overviews, Jan. 17, 2023.

AIR FREIGHT & FUEL CHARGES

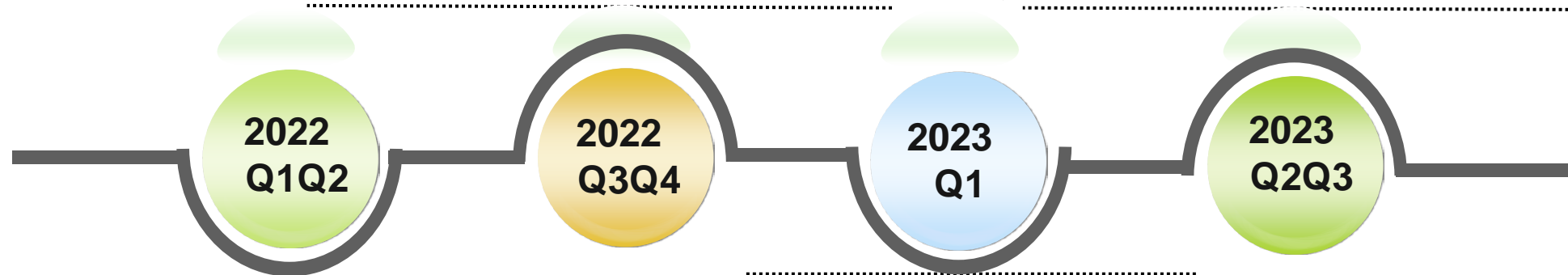
► Jan. 22' ~ Mar. 23'



『AIR FREIGHT』 MARKET

- Border unblocked, passenger flights started to increase, cargo moving.
- Freight costs loosen, price reduced every week, room for bargaining with large volume.
- Price change does not reflect Peak/low season.
- Airlines values passenger flights more than cargo.

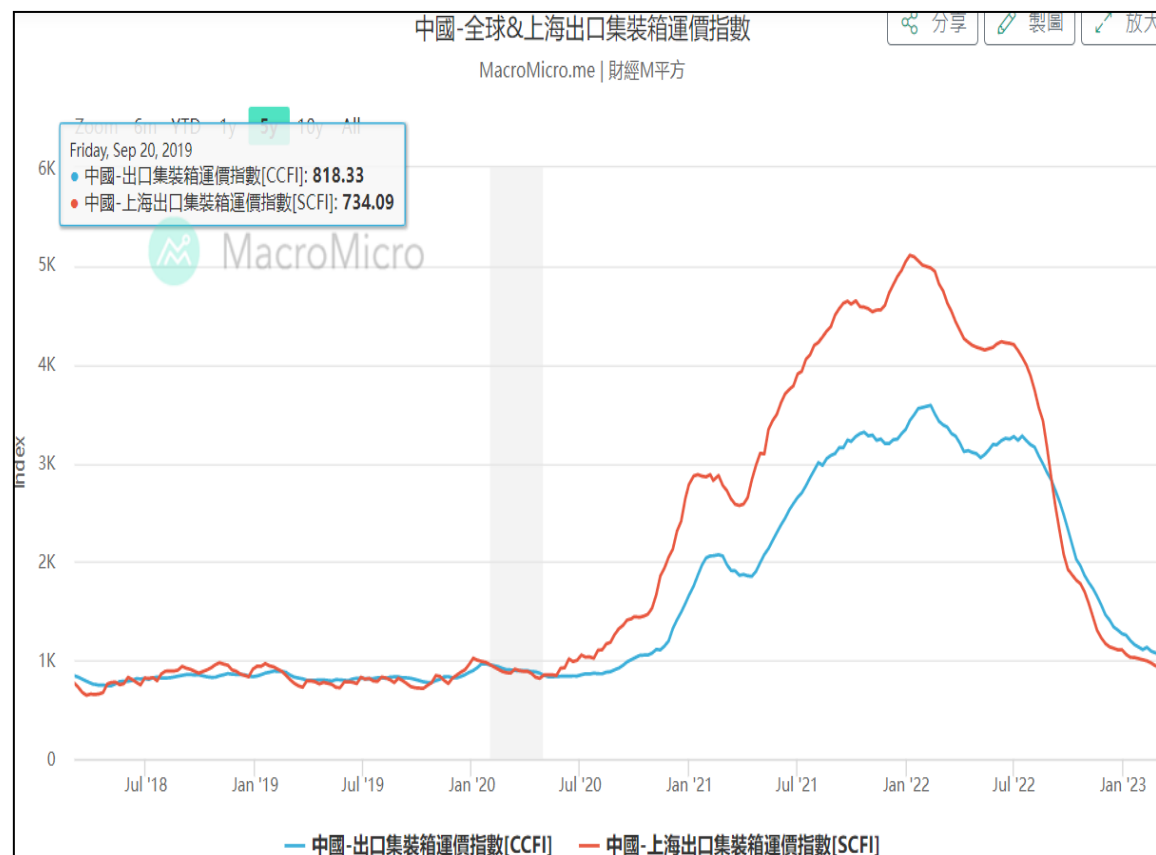
- The freight rate falls to the level prior to the epidemic and expected to be stabilize in Q3
- Supply of flights gradually resumed (China Airlines acquires new planes in March/May), new airline (STARLUX) join in the market. Southeast Asian and Indian markets are highly inquired
- When the USA cut interest rates in 2024, inflation will cool down, and the pressure on the global supply chain will ease.



- Zero-COVID affected the supply chain and China export decrease.
- European market weaken by the Russia-Ukraine war.
- U.S.-China Trade war& interest rate increase affects economy.

- Affected by the Chinese holiday, people returning home in advance and delaying resumption of work.
- Contractors not have enough volume to meet contract tonnage, the freight rate is lowered for collecting goods.
- Fully inventory, customer changes to slow shipping model by sea freight.
- Customers change habits and accept longer transit time, allowing more other nationalities airlines join the market.

OCEAN FREIGHT CHARGE



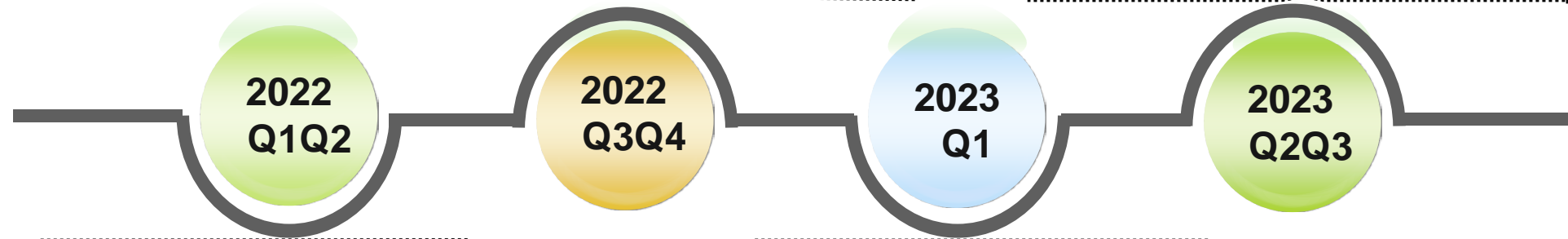
Jan 22' ~ Mar 23' TW-West of USA (USD/40')



『 OCEAN FREIGHT 』 MARKET

- Shipping company can't afford price cut, price over NTD 10,000 became history
- Empty containers accumulated in the west of the USA, the fleet does not need to line up to enter the port
- The freight rate dropped weekly, high rental rate made ALLSEA gave up the rental deal . IKEA also withdraw from self-operated shipping.

- It is estimated that the market will be sluggish, freight rates will continue to fall, Q3 will have a chance to bounce back.
- Before the end of April, typical US line signing season, the estimated price for West of USA is USD1500
- The Russo-Ukraine war and the implementation of EEXI/CII regulations on carbon emission will be the keys of rise and fall of shipping in the future



- The Chinese New Year as a watershed, only January is prosperous
- 2.24 The Russo-Ukraine war began to affect the world
- U.S. inflation cause orders decreased, recession began
- China's Zero-Covid policy delays export demand

- Excess inventory, reduced orders from Europe and the United States. Due to trade war between the United States and China, supplier shifted to the Southeast Asian market
- The global idle capacity exceeds 330 ships, 1.5 million TEU, a record high in the past 2 years
- The 2M alliance announced the disbandment in Jan. 2025, of which affected the layout of the alliance, and the ocean freight rate fell immediately
- Due to the "VAM contract" effect between the shipping company and the large contracting industry · the freight rate dropped rapidly, even lower than before the epidemic

MARKET OUTLOOK

➤ **Excess international container capacity**

1. The IMF predicts that the global economy will be 2.7% in 2023 (3.2% in 2022), and 1/3 of the countries will be in recession.
2. Port congestion is eased, new ships are delivered, and 4.5-4.8 million TEUs are expected to be delivered successively.

➤ **Russo-Ukrainian war raises global energy costs, affects shipping demand**

1. The need for post-war rebuild is huge.
2. Russia's resumption of oil and natural gas supply will significantly reduce shipping costs.

➤ **The International Maritime Organization (IMO) passed EEXI (Ship Energy Efficiency Index) and CII (Carbon Intensity Index)**

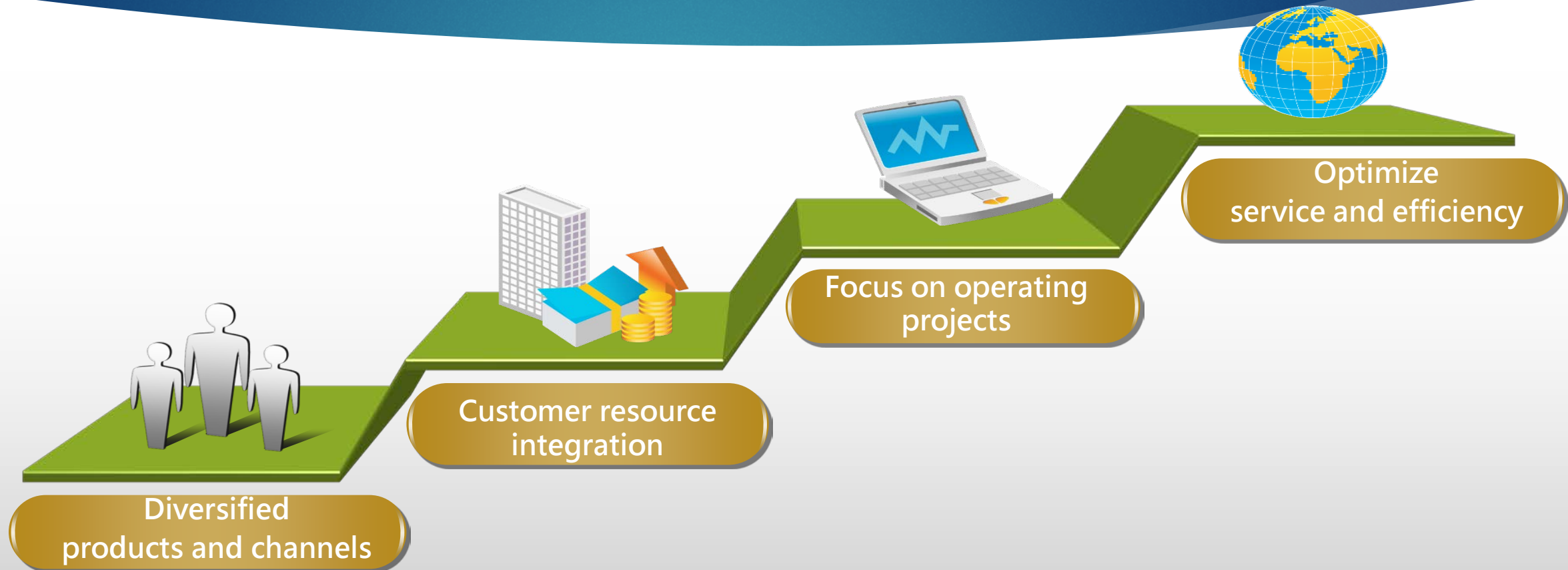
1. Weed out non-compliant ships.
2. The need to install energy-saving devices on the fleet will affect the supply of space.
3. New ships use low-carbon fuels (adding cost) to comply with regulations.

➤ **The industrial chain continues to adjust inventory**

DIRECTIONS ON OPERATION AND STRATEGIES



OPERATION DIRECTIONS



STRATEGIES

Diversified Products

- Strengthen the ASEAN and Indian markets
- Deeply work on Cross-strait, and HKG area.
- Expand long-range European and American routes
- Balanced development of various products



Education /Training

- Long-term cooperation with domestic colleges and universities
- Complete internal and external education and training
- Job rotation
- Recruit industry professionals



Best Shipping Solution

- Long-term contract for stable air & sea space
- Newly signed numbers of international airlines & shipping companies
- Offer competitive and stable freight charge.



Supplier /overseas network



- New business with well- known enterprises
- Flexible solution
- Value replaces price

Strengthen customer relations

THANK YOU





捷迅股份有限公司

Soonest Express Co., Ltd.

TEL: 87929897

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