



長榮國際儲運股份有限公司
EVERGREEN INTERNATIONAL STORAGE & TRANSPORT CORP.



Evergreen International Storage and Transport Corp. (EITC) 2022 Investor Conference

By : Chen, Yih-Jong, Chairman Date : Mar 15, 2022

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Outline

2021 Operating Results

Company Overview

Market Outlook

Operation Strategies





2021

Operating Results





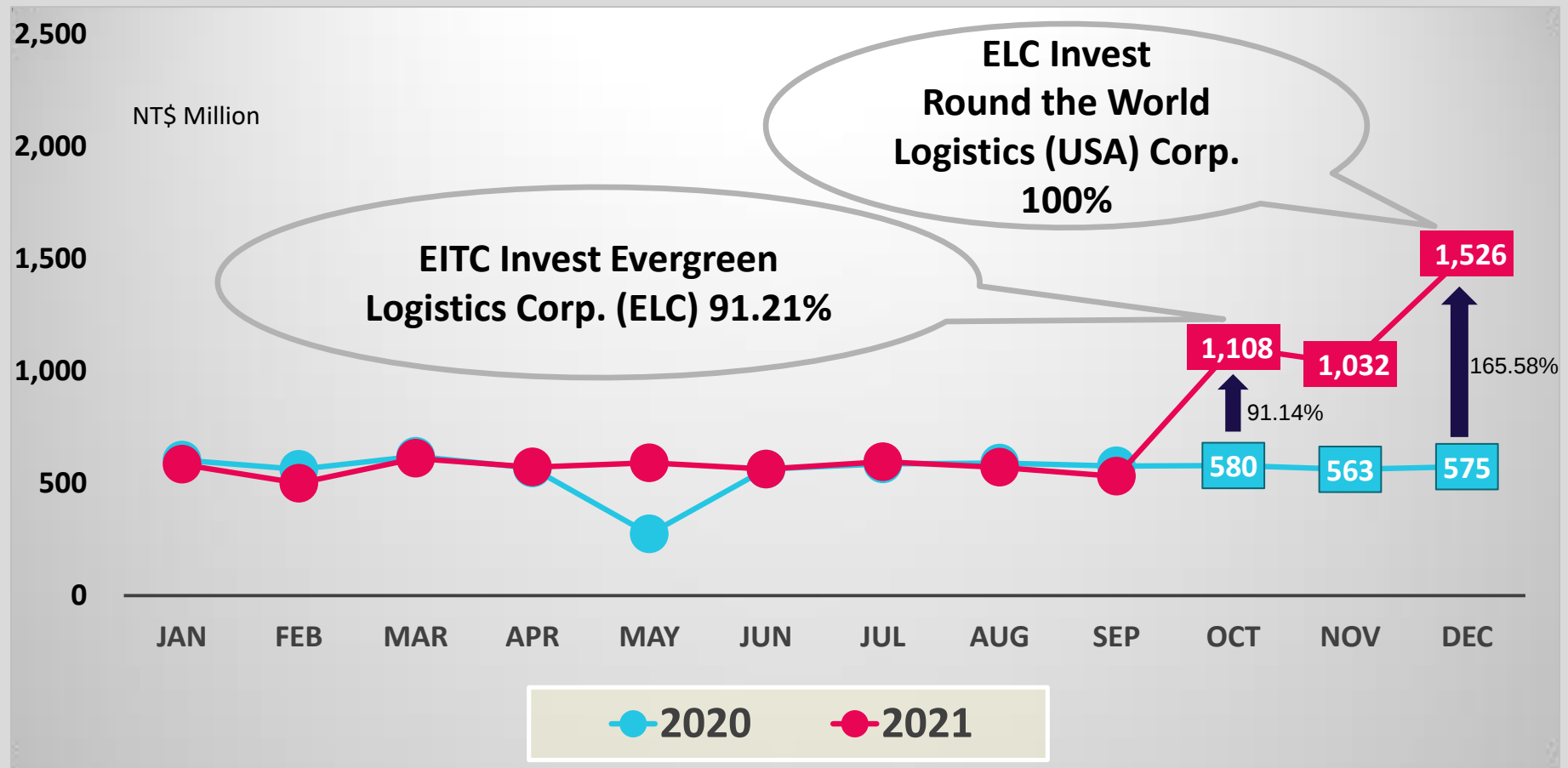
Consolidated Income Statement

unit : NT\$ Million

Items	2021	2020	%
Operating revenue	8,880	6,966	27.48%
Gross profit	1,353	991	36.53%
Operating profit	959	745	28.72%
Profit for the period	1,083	683	58.57%
Profit attributable to Owners of the parent	1,065	682	56.16%
Earnings per hare(NT\$)	1.00	0.64	56.25%

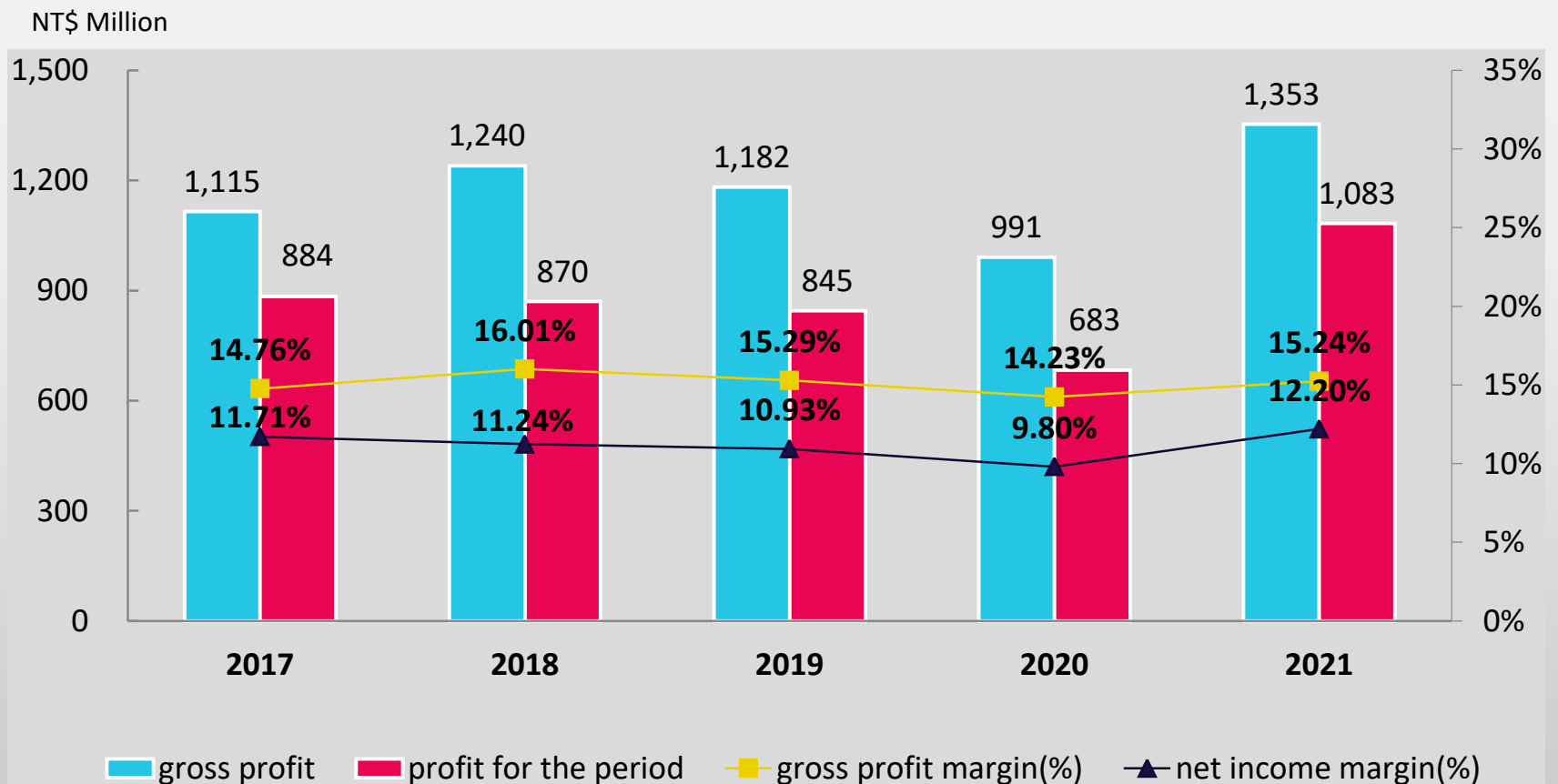


Consolidated Operating Revenue



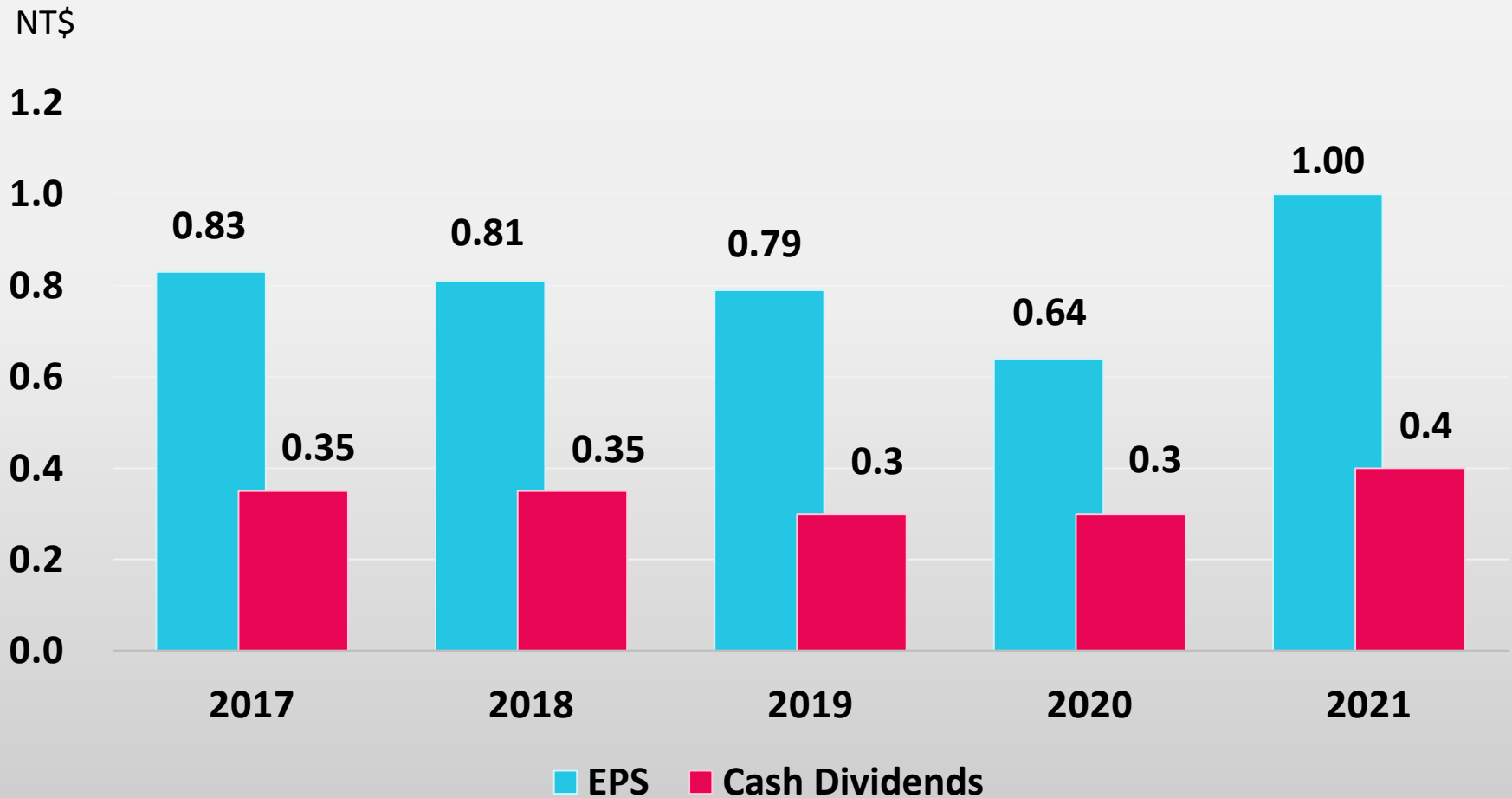


Consolidated Gross Profit Margin and Net Income Margin





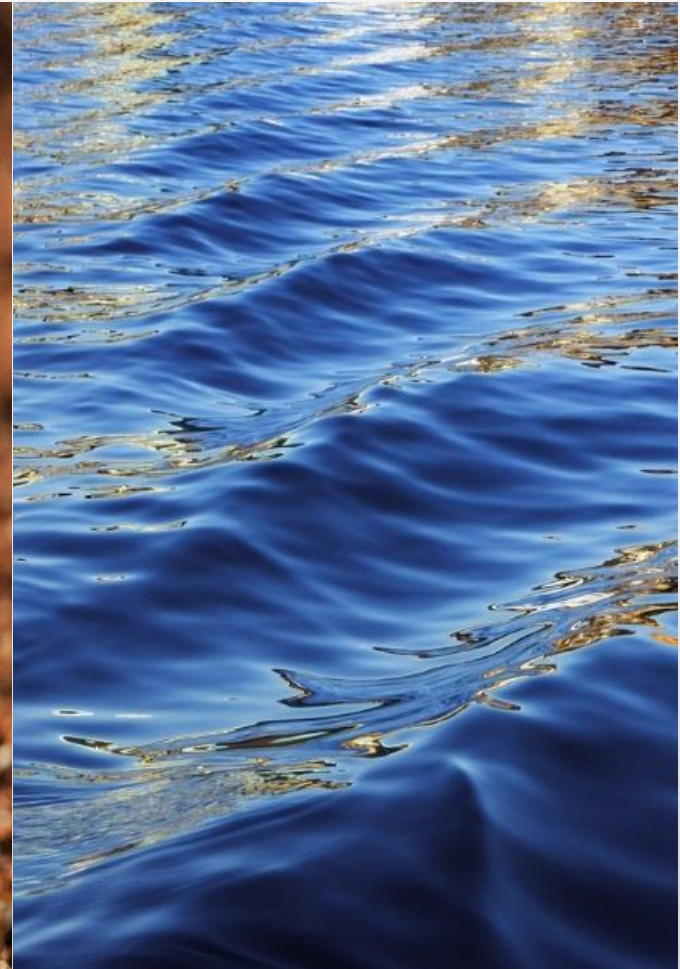
EPS & Dividend Distribution





Company

Overview





Main Operations and Services





Container Transportation

- The Company operates a fleet of trailers and chassis to meet the needs of customers in the marine shipping industry and other private companies.

- The Company has optimized its vehicle dispatch system and uses a GPS satellite navigation system to cut time on manual operations, improve vehicle dispatch efficiency and reduce the vacancy rate, in order to provide flexible, high-quality, and convenient container transportation services.

Fleet deployment for container transportation operations (amount)	North Taiwan	Central Taiwan	South Taiwan	Total
Trailers	83	44	45	172
Chassis	358	236	136	730



Inland Container Terminal



- The Company's Shichih Container Terminal and Taoyuan Container Terminal are close to industrial parks and freeway interchanges.
- We offer shipping companies and shippers convenient import /export container and cargo services and warehouse leasing services.
- The Company also provides CFS handling services in Kaohsiung Container Terminal 4 and Terminal 5.



TCG Port Container Terminal Operations (1)



- The container yard at wharf #32 and wharf #33 offers cargo handling, inbound and outbound container operations, cargo warehousing, and transshipping services for shipping companies and shippers.
- TCG Port Container Terminal mainly operates Intra-Asia shipping lines and cross-strait routes to serve multiple carriers. Currently, the Company has business relationships with 34 carriers, including 11 clients of direct call services and 23 clients of slot exchange or slot purchase services.
- Liner route and “blue way” business has grown in recent years. In particular, our maritime transshipment business has achieved 30% growth, the biggest growth of all operations.

In 2020, the number of containers handled at shipside increased 8.3% over 2019.

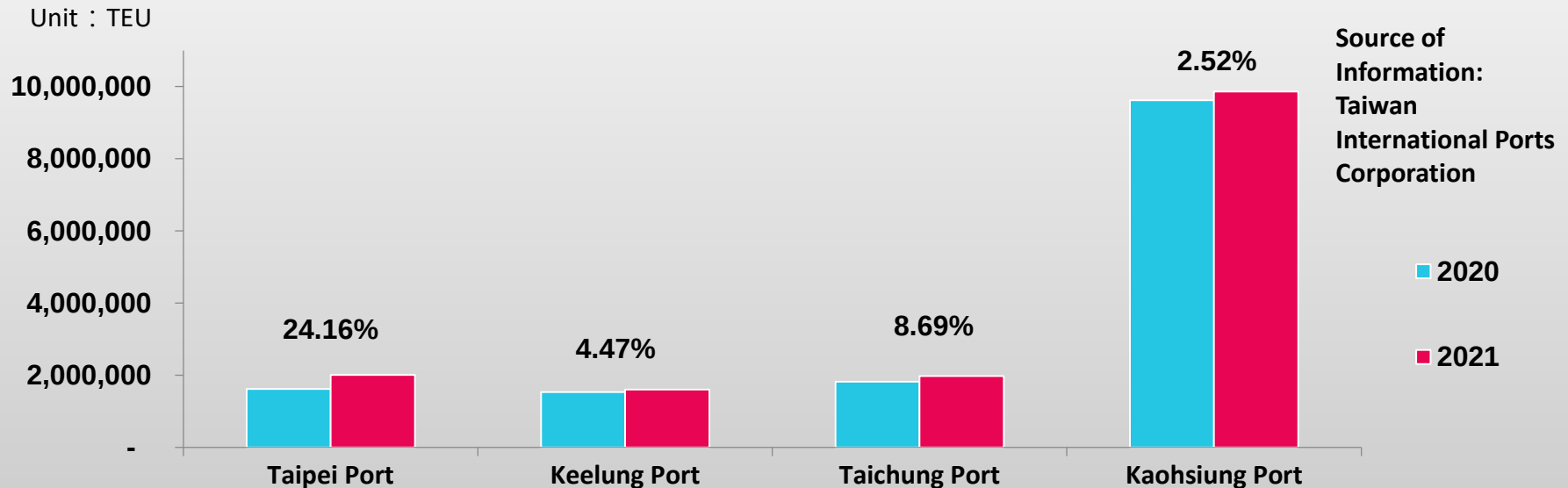
In 2021, the number of containers handled at shipside increased 16.14% over 2020, which is much higher than the 8.69% annual growth of TCG Port in 2021.



TCG Port Container Terminal Operations (2)

Statistics about growth of cargo handled by major ports from 2020 to 2021

Major Ports	Taipei Port	Keelung Port	Taichung Port	Kaohsiung Port	Total
2021	2,009,132	1,601,372	1,979,222	9,864,448	15,454,173
2020	1,618,131	1,532,792	1,820,986	9,621,662	14,593,572
Growth(%)	24.16%	4.47%	8.69%	2.52%	5.90%





Ship Chartering and Container Leasing Operations

- The Company and its subsidiaries have 6 full container ships, which are all leased to shipping companies for liner services.



Since the Company entered the container leasing market in 2014, it has made stable profit. At this moment, we do not plan to invest in building new dry containers.



Coach Operations

- The Company has fleets of tour buses, regular passenger buses, and business passenger cars.
- We provide multiple transportation services, including shuttle bus services for corporate customers and tour bus services.

- We also provide highway passenger transportation services from Taoyuan International Airport/Nankan to Taipei.



Tour buses	Regular passenger buses	Business passenger cars	Total
58	20	4	82





Fuel Supply Operations



- In 1994, the Company set up Evergreen Gas Station, providing all kinds of CPC gasoline and diesel products to the public, near Nankan Interchange in Taoyuan.
- In order to provide our customers more diverse services, on November 20, 2020 the Company launched an automatic tunnel carwash with floor conveyor and RO water system. Customers can make use of a self-service payment system.



Dayuan Logistics Park (1)

- Increased demand for warehousing service driven by development of e-commerce
- We plan to provide modern warehousing at Dayuan Logistics Park for logistics services
- Location and transportation links of the Park
- Multi-storey driveways inside the warehouses



- The Park area is about 28,000 pings (92,500 sq.m)
- Size of total floor area: 40,000 pings (132,200 sq.m)
- A 4-story modern warehouse for logistics services (about 35,000 pings (115,700 sq.m) of storage space)
- A 7-story office building (about 1,880 pings (6,200 sq.m))





Dayuan Logistics Park (2)

Progress information

Held
groundbreaking
ceremony on
February 18,
2020

Obtained
approval of the
Construction
Management
Office for the
construction
project to
commence work
on April 1, 2020

Obtained
building
occupancy
permit for part of
the building for
the first-stage
implementation
of the project on
Jan 26, 2022(a)

We plan to
obtain building
occupancy
permit for part of
the building for
the second-stage
implementation
of the project on
April 11, 2022(b)

We plan to
operate in the
second quarter
of 2022

- a. Approved Areas: The whole office building and first and second floor of the warehouse building
- b. Approved Areas: Third and fourth floor of the warehouse building and RF as well as the driveways at the right and left sides

Due to a boom in the industry and sophisticated design of Dayuan Logistics Park, we have solicited enough clients for our warehousing business, while we still solicit more clients for leasing the office building. The clients of our warehousing business include Evergreen Logistics Corp, which is a subsidiary of the Company, as well as other companies in logistics, e-commerce, and retail/wholesale industries.



International Freight Forwarding Operations

Investment in RTW (USA), December 2021



USD 15,000,000

Shareholding percentage
100%

Investment in Evergreen Logistics Corp., October 2021



NTD604,720,000

Shareholding percentage
91.21%

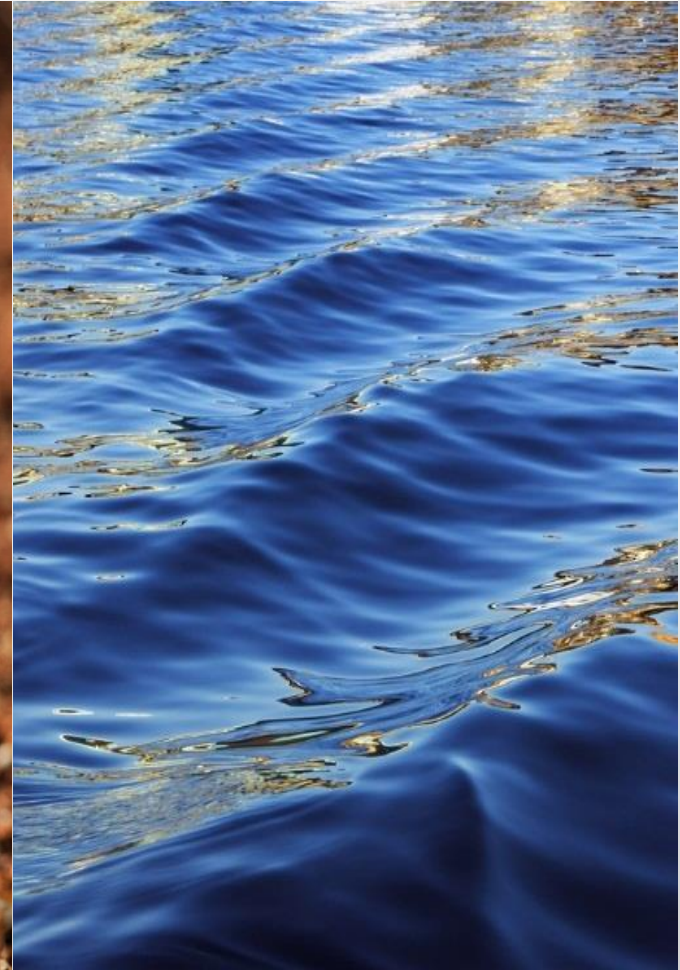
- As the construction work of Dayuan Logistics Park will be completed this year, we will launch international freight forwarding services in order to expand our business scope and provide comprehensive logistics services to our clients. With these efforts, we hope to increase our competitiveness and create synergy for our operations through vertical integration.
- Evergreen Logistics Corp provides comprehensive logistics services from ocean and air freight forwarding to logistics operations, customs brokerage, internal design of warehouses, delivery, value-added services, special cargo logistics services, IT platforms and customized supply chain solutions.
- Evergreen Logistics Corp plans to accelerate its preparation for global operations in order to help the clients enhance their supply chains by creating new companies in Hong Kong, Shanghai and southeast Asian countries in order to expand the service network and increase its share in the global market.





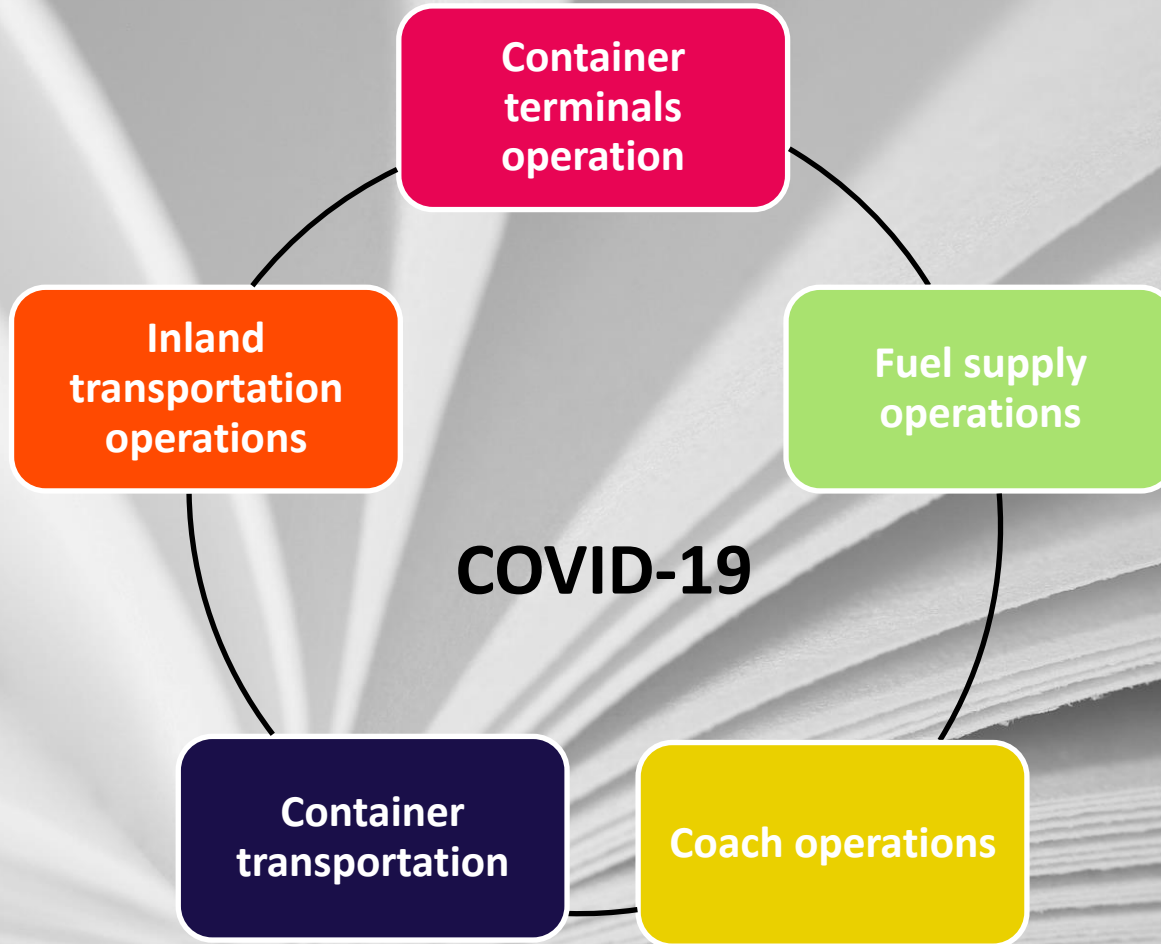
Market Outlook

- **Impact of COVID-19 Pandemic**
- **Impact of Inflation**
- **Market Development and Opportunities**





Impact of COVID-19 Pandemic





Impact of inflation (1)

- The demand for energy and resources is rising and the pressure of inflation is increasing
- Great uncertainties surround the forecast for economic outlook
- Global inflation will gradually stabilize as the imbalance between supply and demand is eased



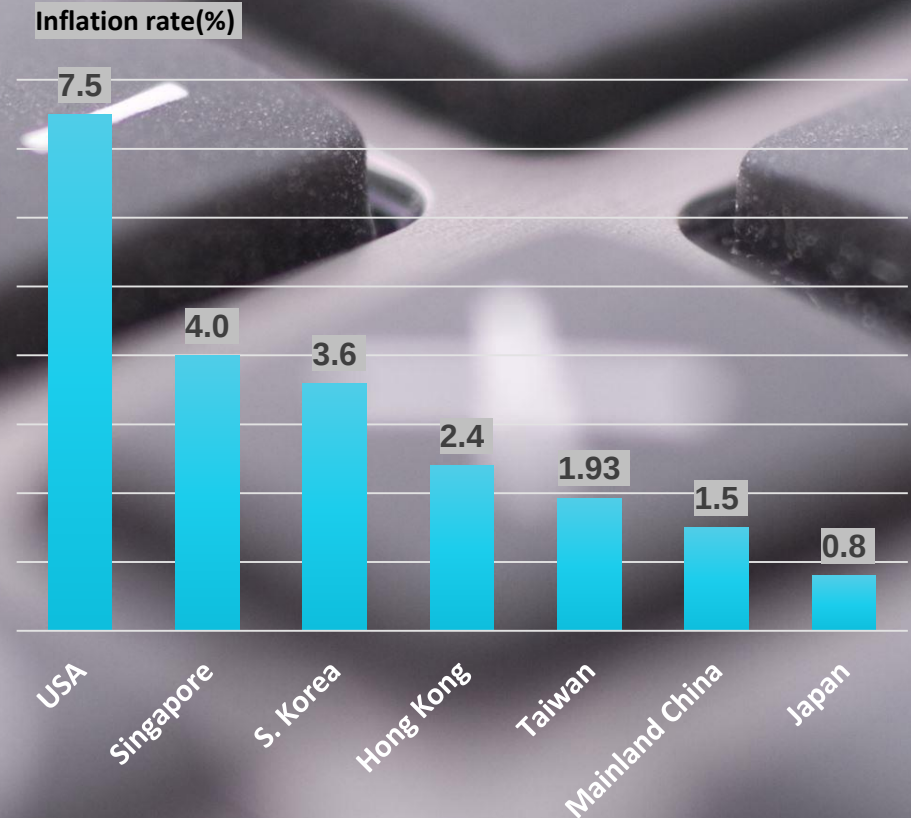
Impact of inflation (2)

2022 Forecast for Taiwan's Economic Growth and Inflation Rates

Forecasting Institution	Economic Growth Rate	Inflation Rate
The Directorate General of Budget, Accounting and Statistics(2022/2/24)	4.42%	1.93%
Central Bank(2021/12/16)	4.03%	1.59%
Academia Sinica(2021/12/22)	3.85%	2.04%
Taiwan Institute of Economic Research(2022/1/25)	4.10%	1.52%
Chung-Hua Institution Economic Research(2021/12/10)	3.67%	1.77%

Note : The dates in brackets are the dates when the forecasts were issued by the forecasting institutions

2022 Forecast for Major Countries' Inflation Rates



Source of Information :The Directorate General of Budget, Accounting and Statistics
Note: Taiwan's inflation rate shown in this chart is February's figure, while those of USA and S. Korea are their inflation rates of January and those of other countries are their inflation rates of December 2021.



Market Development and Opportunities

- **Development of super short chain logistics services**

As retailers gradually shift to e-commerce business model, short chain logistics service is an inevitable development in e-commerce industry in the future.

- **Establish an International Logistics Center**

In response to fast development of the international logistics market in Taiwan, Evergreen Logistics Corp, a subsidiary of the Company, plans to integrate the client base with the Company and establish an international logistics center.

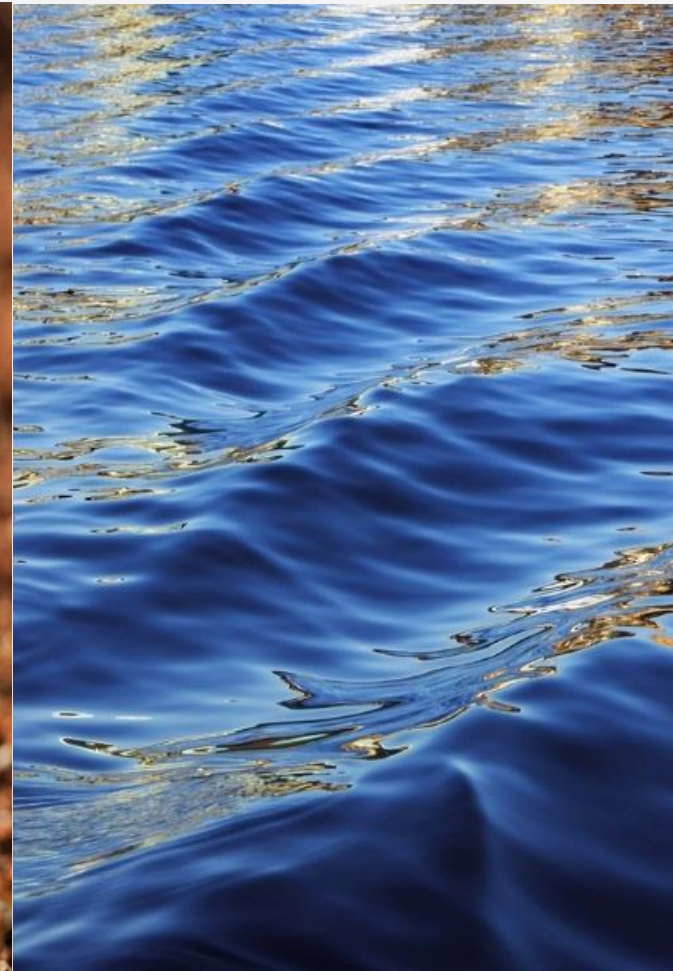
- **Reinforcement of Supply Chain Logistics**

With a location close to Taoyuan International Airport and Taipei Port and comprehensive industrial chain, the Company plans to become part of Taoyuan Aerotropolis Plan in the future and create an e-logistics operation center.



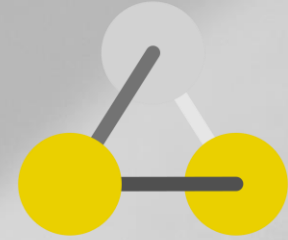
Operation Strategies

- **2022 Business Strategies**
- **Advantages of the Company's Services**
- **Green Energy Policies**





2022 Business Strategies



Inland transportation operations

Container terminal operations

Inland container terminal operations

Dayuan Logistics Park operations

International freight forwarding operations

Over the years, all services provided by the Company have maintained stable profitability. In the last two years, we have actively reduced maintenance costs and improved efficiency and operational safety with rejuvenation of our vehicles, equipment and machinery.

In order to provide Evergreen Logistics Corp, a subsidiary of the Company, a more efficient solution for its international shipping business and prepare for launch of operations of Dayuan Logistics Park after completion of its construction work, the Company plans to submit an application for creating an international logistics center in order to improve the inbound/outbound shipment efficiency with modern logistics facilities for our clients.



Advantages of the Company's Services

- **One-stop service (vertical integration)**

We provide our clients premium, single-window service, which integrates shipside operations, transshipment, inland transport, multi-function warehousing and logistics operations.

- **Integration of business activities and diversification of our services**

Most of the Company's services and business activities are related to the transportation industry and highly relevant in terms of people's everyday lives. We provide air, sea, and land freight transport services with integration of the Group's resources through Evergreen Logistics Corp to expand our business scope.



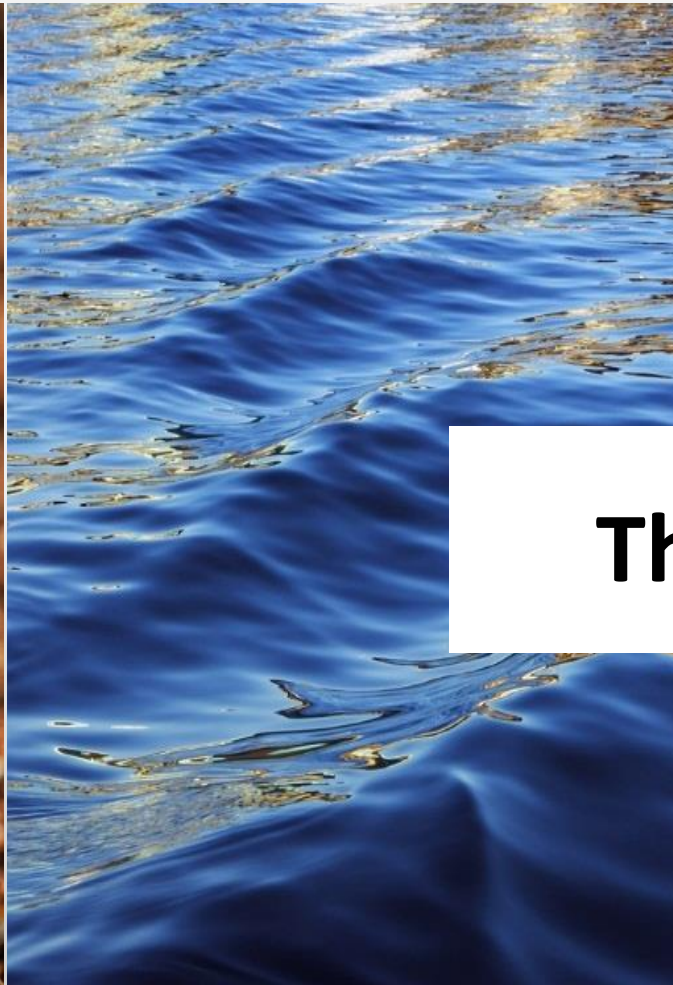
Green Energy Policy

Installation of solar power generators on roofs

In order to foster sustainable development and make more contributions to environmental protection, the Company plans to install solar power generators on roofs at Dayuan Logistics Park to reduce CO₂ emissions, protect the environment and improve air quality. In order to prove that the buildings in Dayuan Logistics Park complies with green-building standards, we submitted an application and obtained silver-rated green building candidate certification from the Ministry of the Interior .



- We plan to submit the application and start the installation on April 11, 2022 after we obtain the use license.
- We plan to start net metering and parallel generation in September 2022
- Expected annual energy output: 2.27 million kWh.
- Expected energy savings and carbon reduction: 1,209.71 tons.
- Effective forestation: 122.19 hectares, which is equivalent to the size of 3.1 Daan Forest Parks.



Thank You