

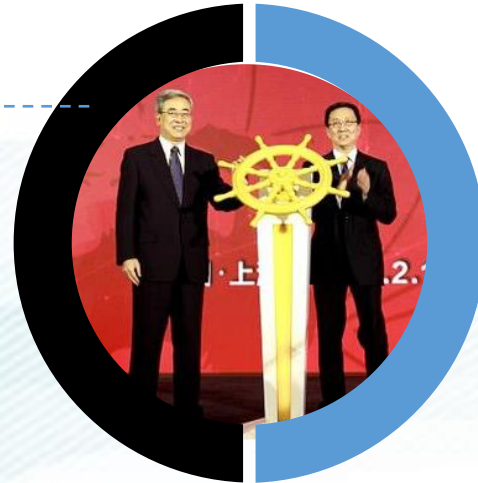
1st CASPIAN PORTS & SHIPPING 2019

Caspian Riviera Grand Palace Hotel, Aktau, Kazakhstan
Monday 13 to Wednesday 15 May 2019



**The Black and Caspian Seas as a link of international trade between
Europe - Central Asia - China**

Who We Are



**Founded In Shanghai/China On
February 18th , 2016**

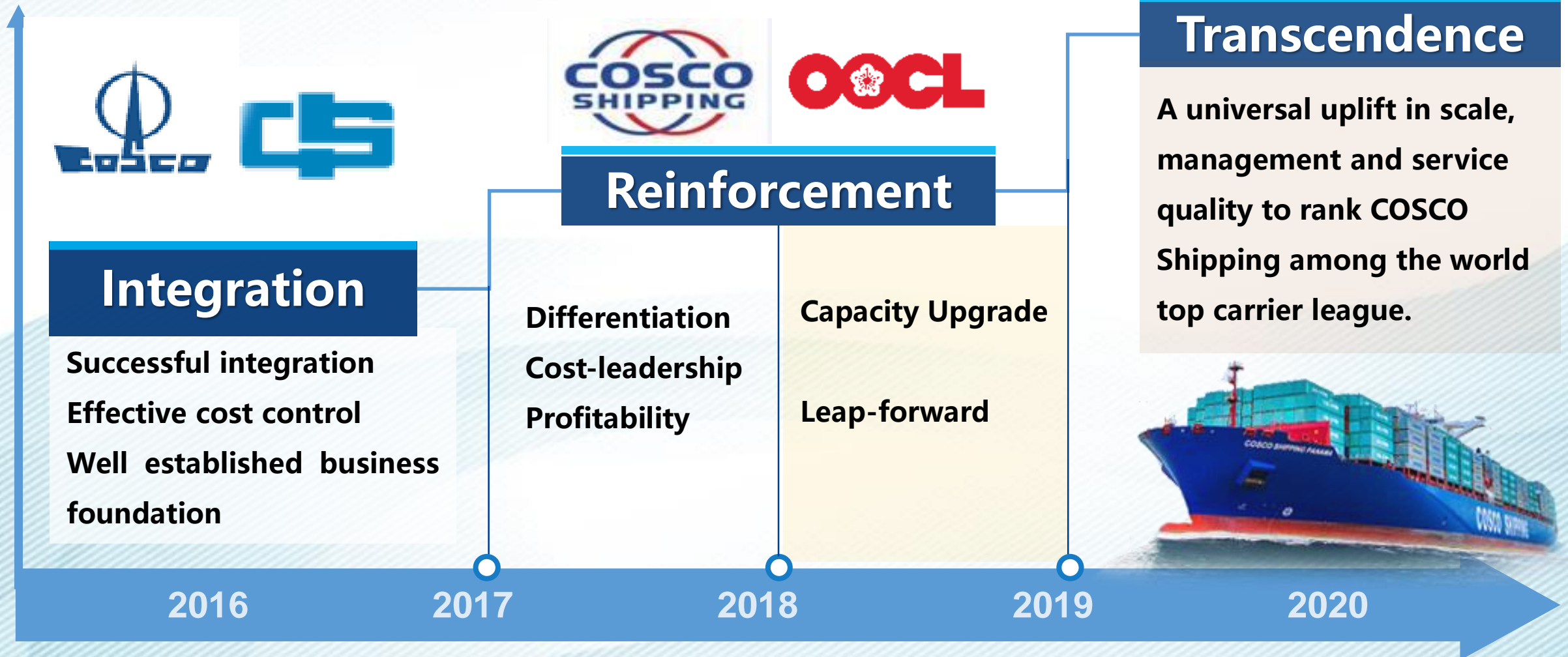
Integrated By

**China Ocean Shipping (Group)
Company &**

China Shipping(Group) Company.

Who we are & our Strategic Planning

New Phase in the Post-integration Era



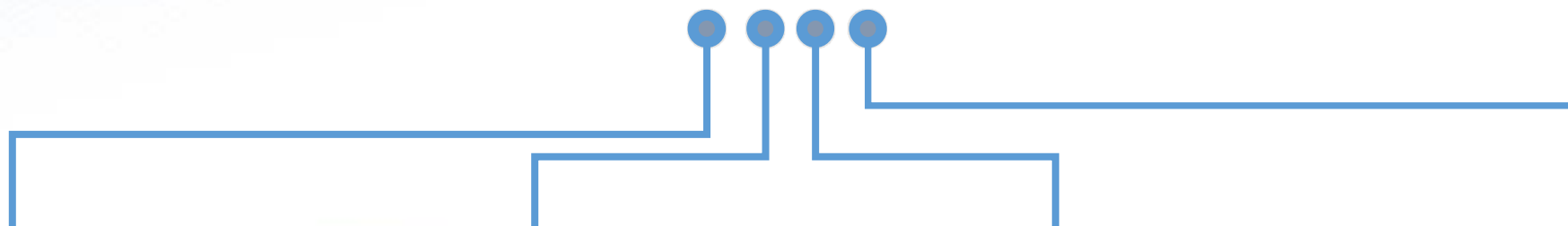
OCEAN & PLUS

Transcendence

A universal uplift in scale, management and service quality to rank COSCO Shipping among the world top carrier league.



OCEAN & PLUS



Globalization



Dual-brand



End-to-end



Digitalization



2019 New Complex

Higher Market Concentration

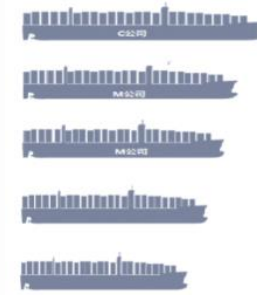
20 Liners Jan. 2013 Million TEU Market Share %

Liner	Million TEU	Market Share %
MAERSK LINE	2.58	15.4
COSCO SHIPPING	2.23	13.2
CMA CGM	1.38	8.2
EVERGREEN	0.72	4.3
WALDEMAR	0.72	4.3
Hapag-Lloyd	0.63	3.8
APL	0.58	3.8
HANJIN SHIPPING	0.57	3.4
OOCL	0.55	3.3
MOL	0.51	3.0
OOCL	0.45	2.7
HAMBURG SÖD	0.42	2.5
NYK LINE	0.40	2.4
YANG MING	0.36	2.1
K LINE	0.35	2.1
HMM	0.35	2.1
ZIM	0.32	1.9
PIL	0.30	1.8
UASC	0.27	1.6
CSAV	0.26	1.5

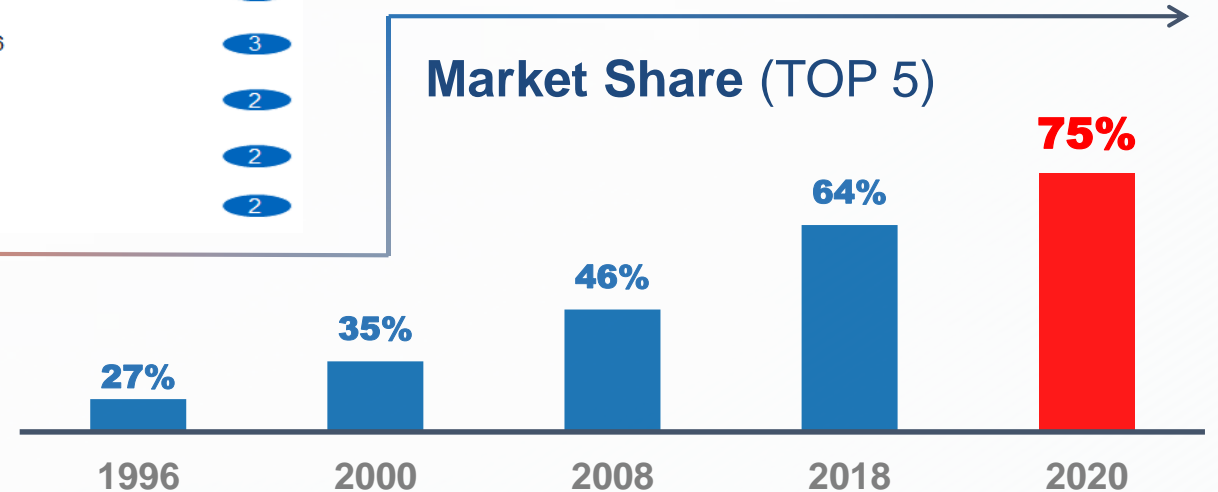
11 Liners Jun. 2018 Million TEU Market Share %

Liner	Million TEU	Market Share %
MAERSK LINE	4.0	20
COSCO SHIPPING	3.1	15
OOCL	2.4	12
CMA CGM	2.3	12
Hapag-Lloyd	1.5	8
NYK LINE	1.5	7
EVERGREEN	1.0	5
YANG MING	0.6	3
PIL	0.4	2
ZIM	0.3	2
HMM	0.3	2

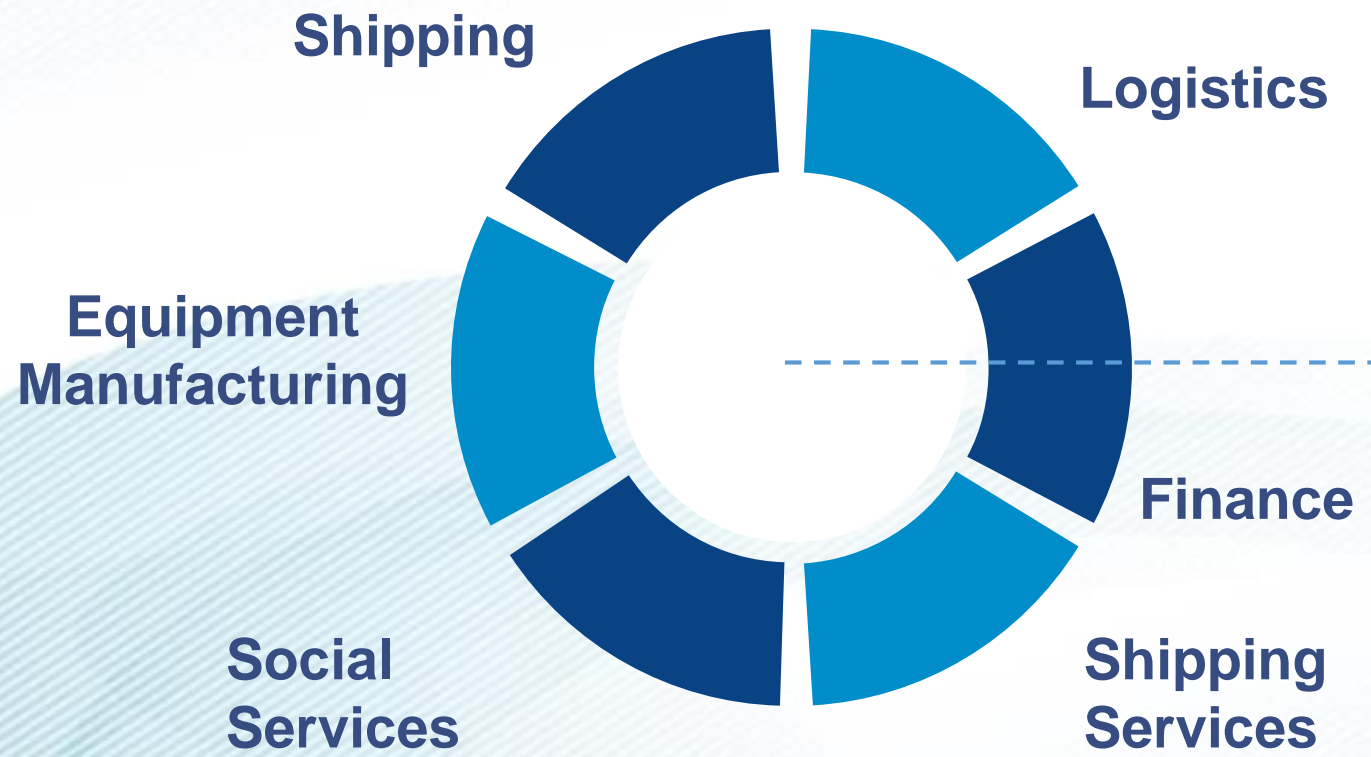
3-5 Liners Market in the future



Market Share (TOP 5)



"6+1" Business Clusters Layout



**"Internet Plus"
Business Based On
Business Model
Innovation**



Shipping Cluster



- ❑ Total Fleet Overpass 86 Million DWT--- No.1
- ❑ Dry Bulk Fleet--- No.1
- ❑ Tanker Fleet--- No.1
- ❑ General Cargo and Specialized Cargo Fleet---No.1
- ❑ Throughput of Terminals---No.1
- ❑ Ship Bunker Fuel---No.1
- ❑ Container Leasing Business---No.3
- ❑ Container Fleet---No.3, No.1 within Asia

A Significant Size and Resources Increase For The New Group, Ranking No.1 In The Global Shipping Companies

Logistics Cluster

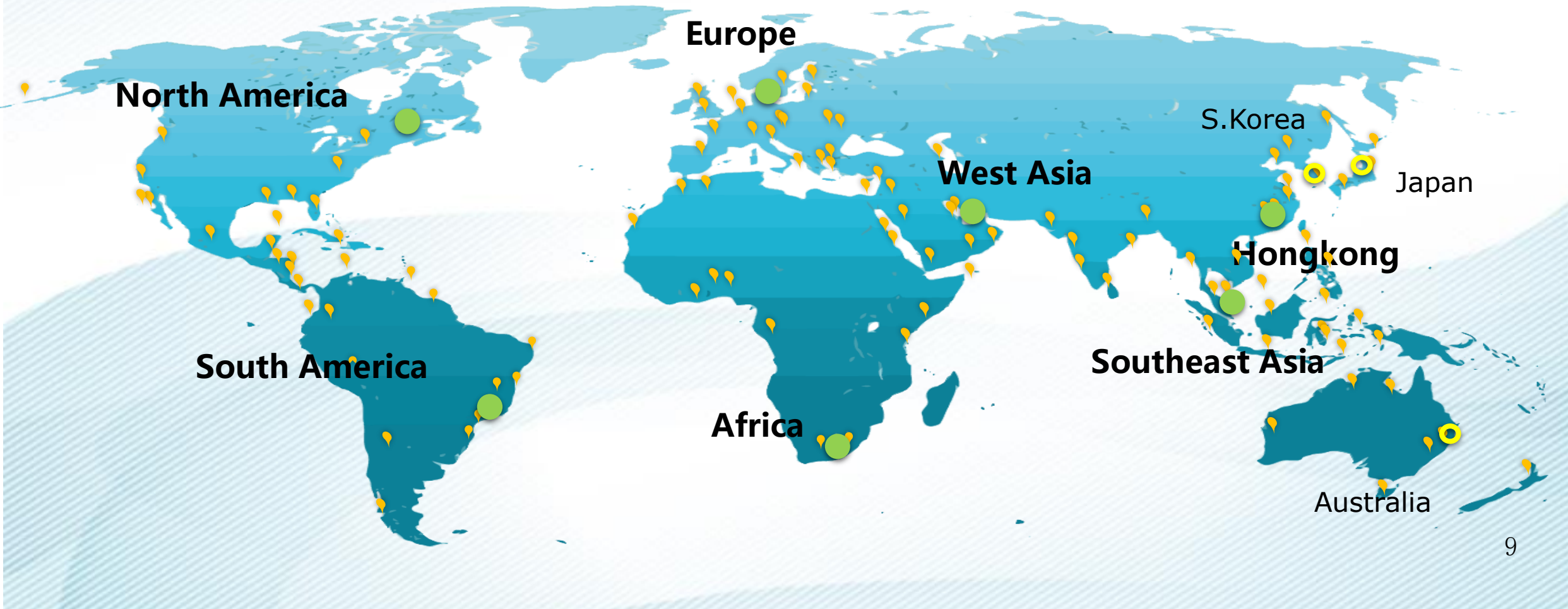


More than 500 sales and service offices in China and 17 other countries, offering full logistics solutions for domestic and foreign customers.

Specialized in project logistics, freight forwarding, multi-modal transport, Integrated logistics, warehousing, shipping agents, supply chain management etc.

Overseas Network

7 Regional Company+3 Country Company



China –Europe Block Train Service



Since the beginning of 2018, COSCO SHIPPING Lines has opened some block train services from China inland cities, such as Tianjin, Nanchang, Wuhan, Dalian etc.) to Moscow, also from Lianyungang to Tashkent, Uzbekistan and Almaty, Kazakhstan.

The Transcaucasia and Central Asia Plan

The Caucasus and Central Asia

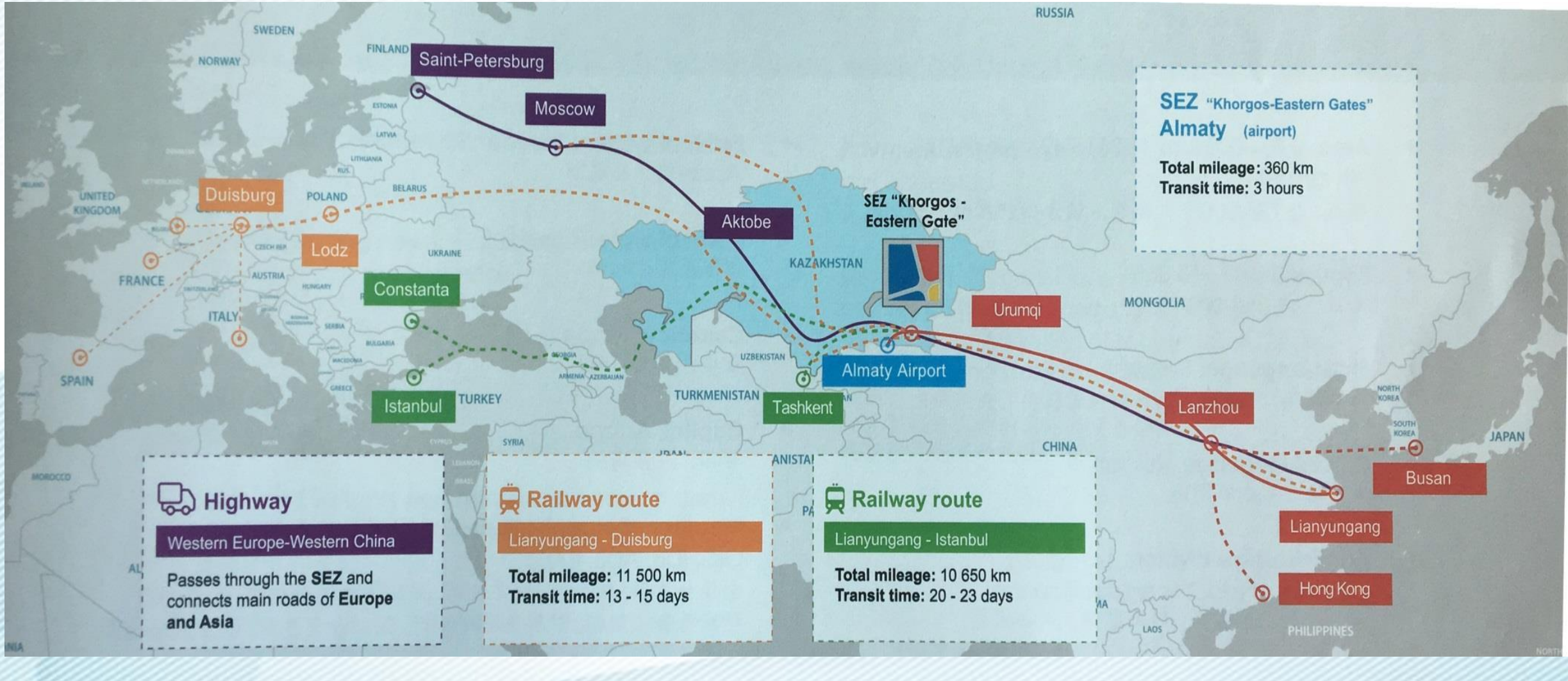


The New Silk Road Economic Belt is considered to be “the longest and most promising economic corridor in the world”. Countries along the route have huge potential for development in infrastructure construction, agriculture, energy, tourism, trade, and transportation.

As the core area of the new Silk Road economic belt, the five Central Asian countries are the top priority of the construction of the new Silk Road economic belt.

The three countries of the Transcaucasian are important partners along the “Belt and Road”. The geographical advantage and the population of nearly 20 million people make it a great potential for cooperation with China.

Khorgos Gateway Dry port (24.5%Shares)



Direct connection between Black and Caspian Seas

In the last period we have studied the possible solutions to be implemented and we consider that two options are optimal:

- By multimodal via Georgia and/or Russia using trucks or railway.
- By sea-river vessels using Volga and Don.

The Volga-Don Canal crowned the joining of the five seas: the Baltic Sea, the Black Sea, the White Sea, the Sea of Azov and the Caspian Sea; it connected river ways and crossed the arid steppes. The Volga-Don Canal is important to the area because it allows waterborne shipping from the Volga River to the Don River, through the Sea of Azov, and into the Black Sea.

COSCO Shipping Romania has a proactive attitude towards the connection of the Caspian region market and, in order to provide more logistic support and assistance in the development of the containerized multimodal transport, we have established sub-agents in Georgia and Azerbaijan.



One option: Connection by multimodal via Georgia and Russia



- We are first carrier running a block train from China to Georgia. The first rail-sea combined China Railway Express in China, train pass through Khorgos / Central Asia, the Caspian Sea, Caucasus Region – Black Sea – Mediterranean Sea. Total trip is more than 6000 km.
- This corridor can become an important one for trade between Europe and Central Asia up to/from China. Last year we have reached 900 containers and for this year in just Q1 we have reached 1000 containers.
- Main ports of transshipment for Georgian Poti port and Russia Novorossiysk port are: Piraeus and Istanbul connected via 2 feeder weekly services.

Second option: Connection by seasonal sea-river feeders from the Caspian Sea to the Black Sea basin on the Volga internal waterways

We are looking to use even with the limited seasonal nature of this mode of transport, the existing port facilities in the Caspian Sea both in the Aktau and in Baku ports for goods with standardization and containerization limitations, project or oversize cargoes but also for volume goods which have similar seasons of trading with the sailing period on the internal canals and rivers, with a view to optimizing handling costs.

The limits to be overcome here are those imposed by the existing transport capacities in the Caspian Sea and on Russia's internal waterways and canals related to the vessel's flag or waver to use them.

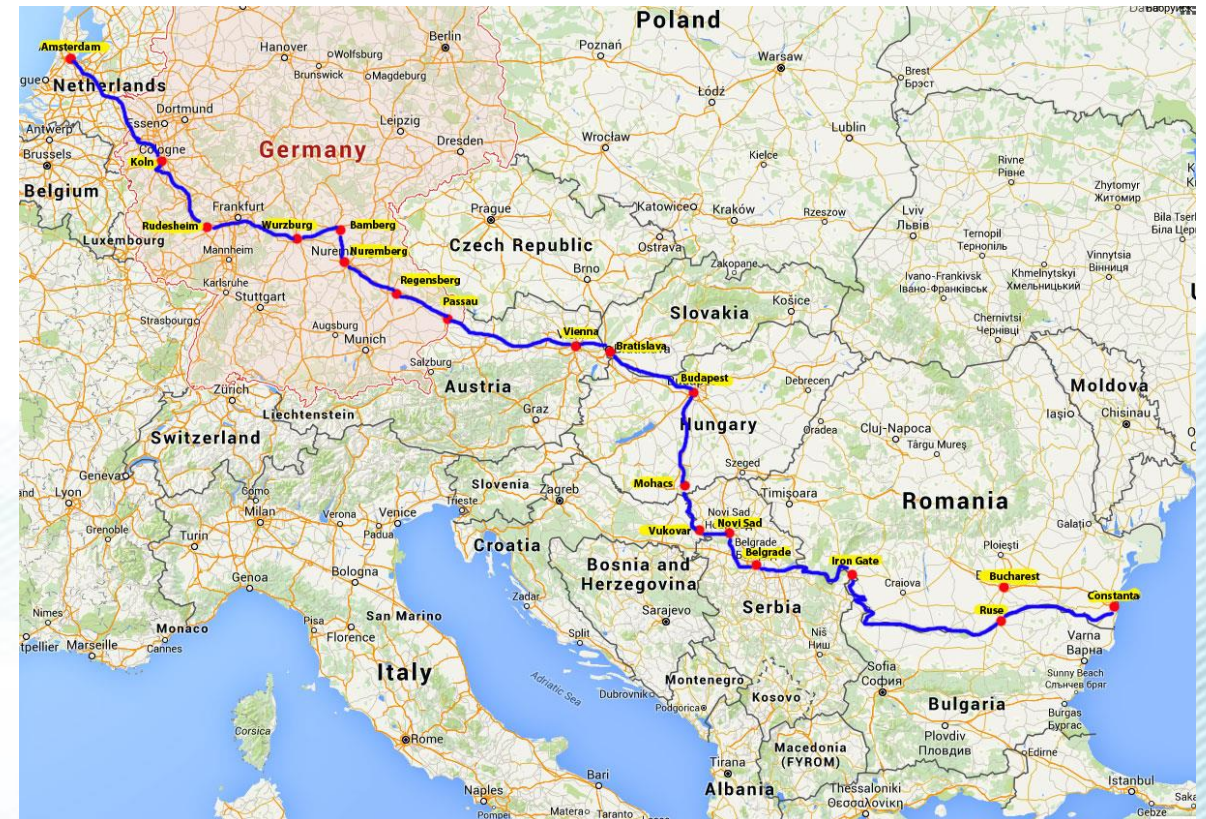
The additional benefits of this solution would be that to reach destinations on the way to and from Black Sea ports that could lead to better optimization of the space on the vessels.

Also, there are transport connections to the North European destinations



To do list:

- finding feeder solution from Georgia (Poti or Batumi ports) to Romania (Constanta port) and Ukraine (Odessa port) in order to link the European and Caucasus railway networks. Middle Corridor Association is deeply involved in this initiative.
- river transport lines with barges to the Danube river countries from Constanta, as price competitive, environmental friendly and smooth means of transport for large volumes of goods. By these lines, destinations in Romania, Bulgaria, Serbia, Hungary, Austria, Slovakia, Germany could be connected and through the Rhine and Main canals even the Nord Continent ports like Rotterdam or Antwerp.
- domestic haulage for the local market and neighboring countries;



THANK YOU !



We Deliver Value
价值 · 因运而生