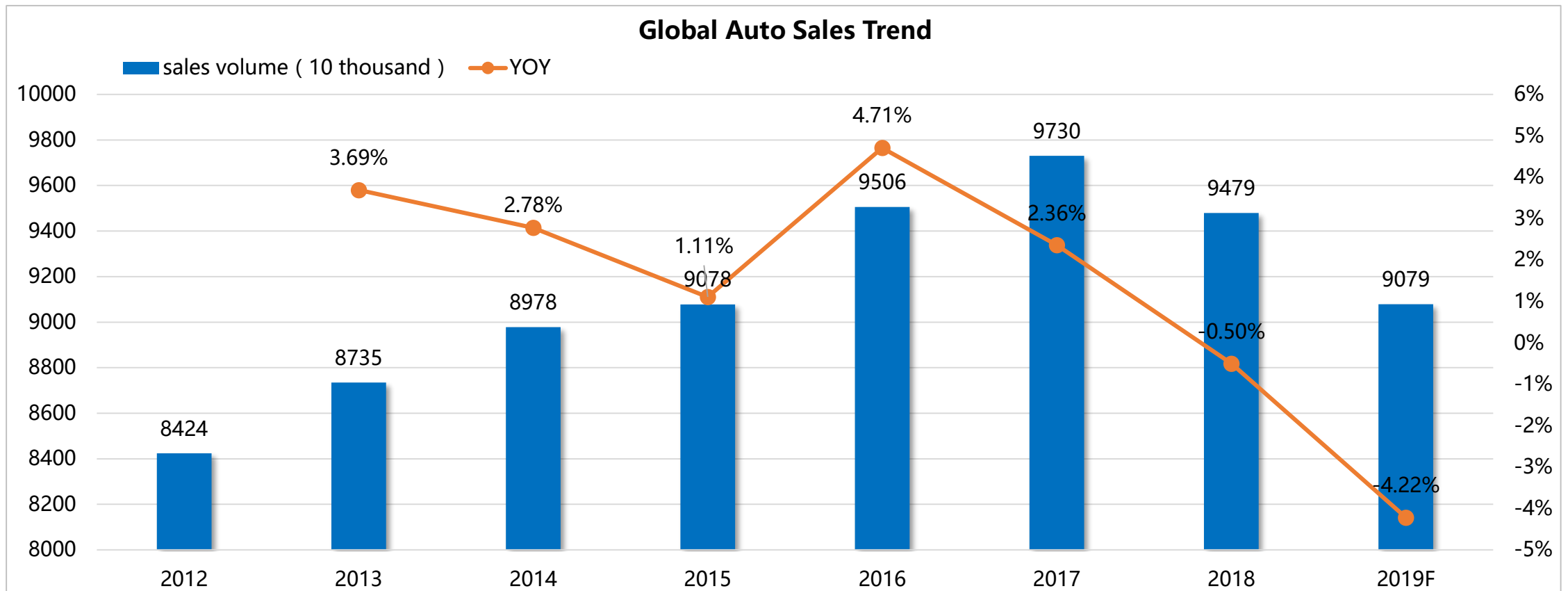


Changjiu Logistics Platform for the future

Changjiu Logistics
Nov. 2019

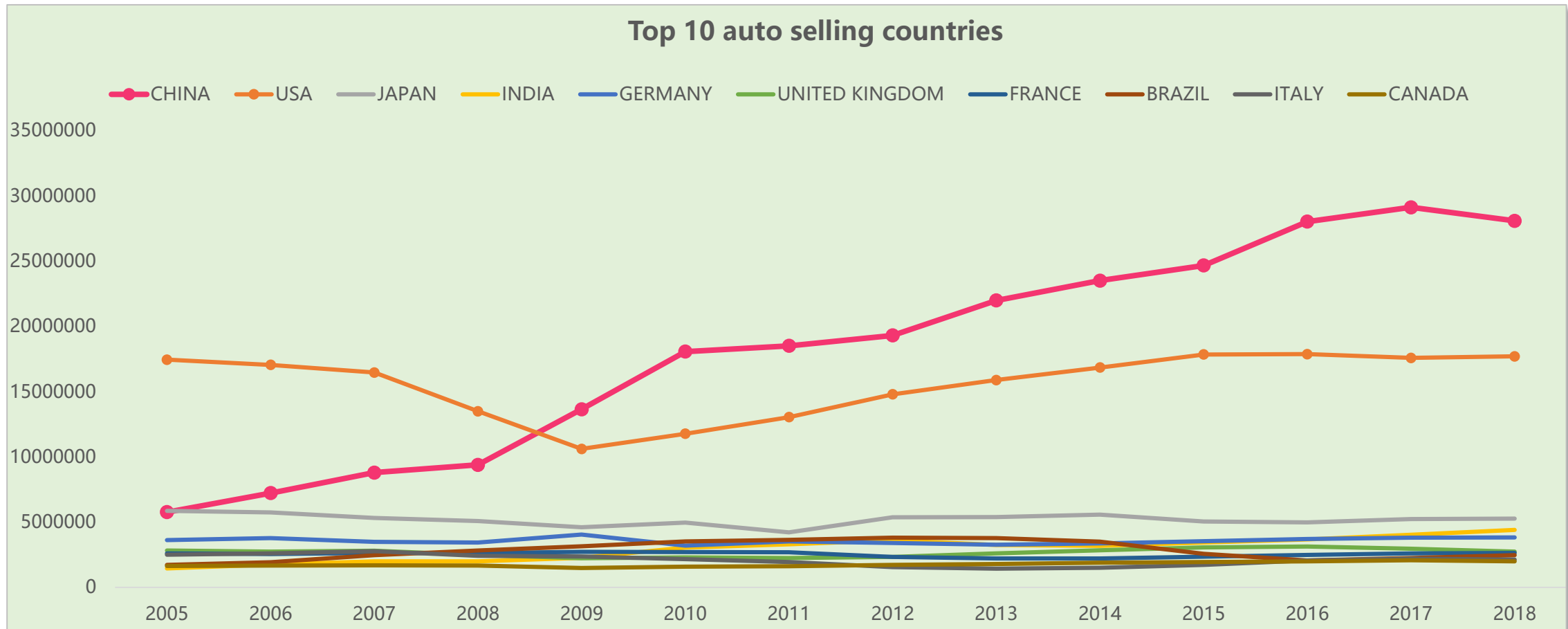
Global market: auto sales continue to decline, est -4.22% in 2019

- The worldwide auto sales declines sharply due to the global economic recession and China auto sales market slowing down.
- Estimated by OICA, global auto sales would decrease 4.22%



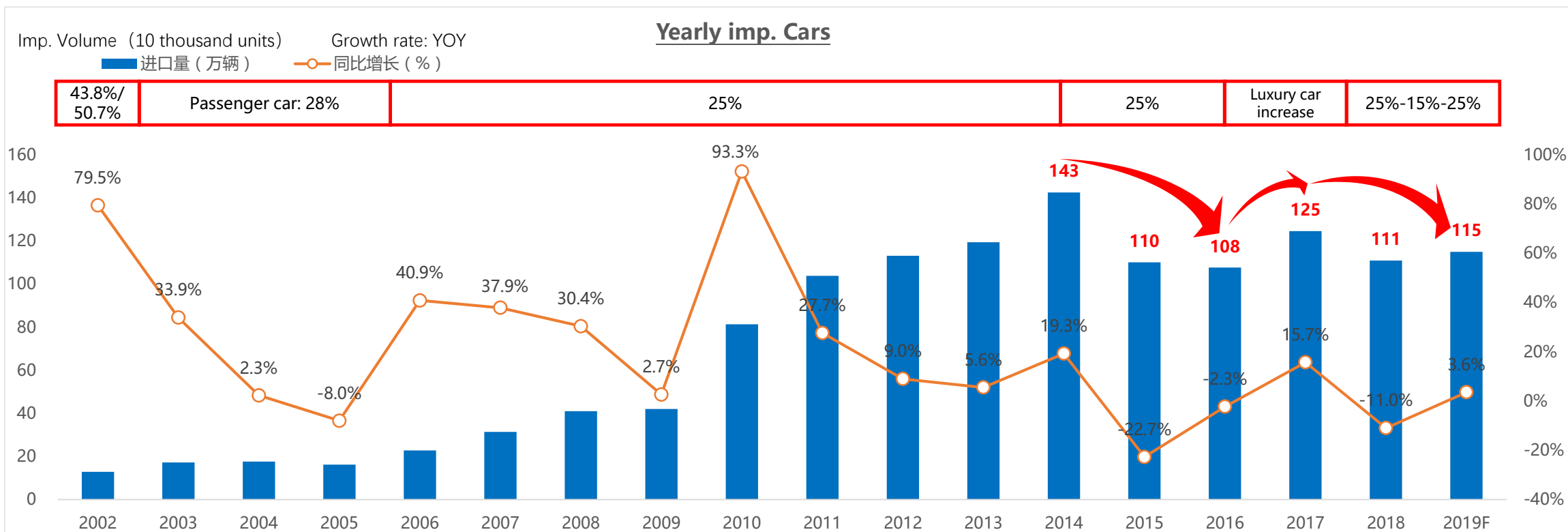
China's auto demand keeps rising fast

- China became the biggest single market since 2009, keeping strong growth for consecutive years.
- 2018 saw negative growth for 1st time



The Importation will keep increasing

- Due to China's high tax on imp. cars, 25% on FV and 10% on auto parts, most OEMs apply KD productions in China, causing decline in 2015-16 ; In recent years, supported by rising demand of luxury cars and China's lower tax (from 25% to 15%), the import volume will increase steadily, especially after the trade war settles.
- In 2019, China's imp. Volume will be around 1.15 million units.

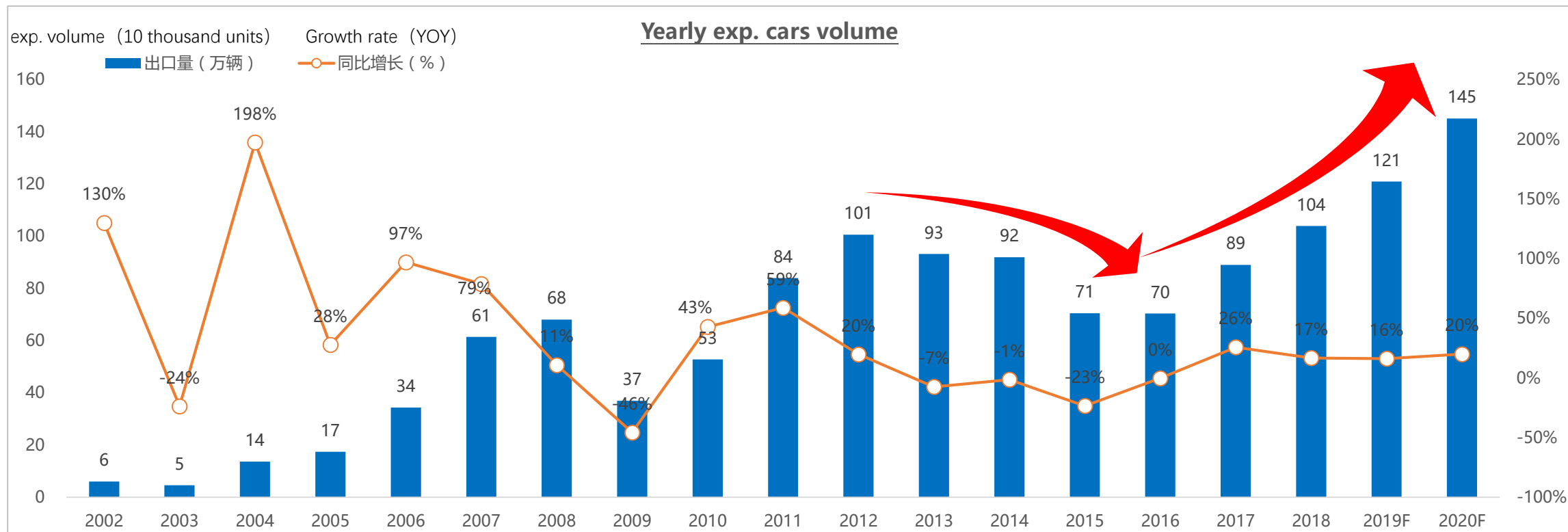


数据来源：中国汽车工业信息网；2018年数据来自中国汽车流通协会。

关税 tax：1986年：180%(<3L)/220%(>3L)；1994年：110%(<3L)/150%(>3L)；1997年：80%(<3L)/100%(>3L)；2001年：70%(<3L)/80%(>3L)

Exportation: Chinese brands exp. volume growing significantly

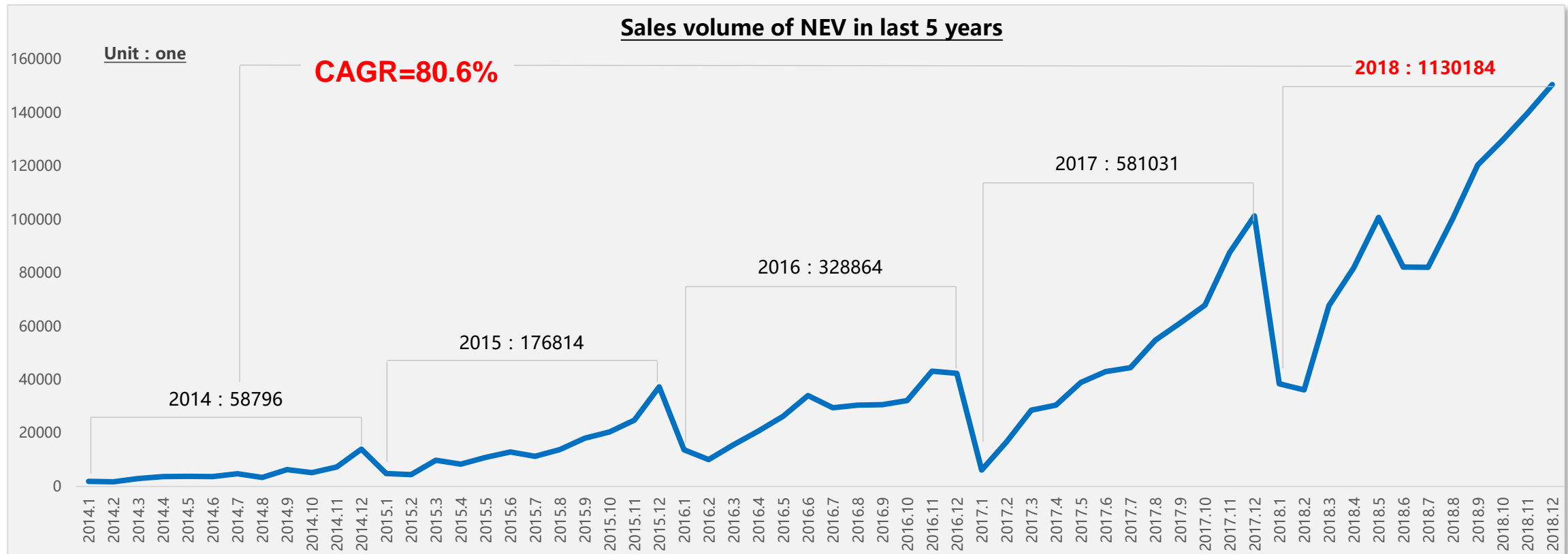
- Due to quick improvement of product quality, Chinese auto brands competitiveness is growing to new level.
- Exp. volume may reach 1.45 million units in 2020.



数据来源：CAAM (以上出口量仅仅为新车出口量，不含二手车出口量)

New energy : New opportunities

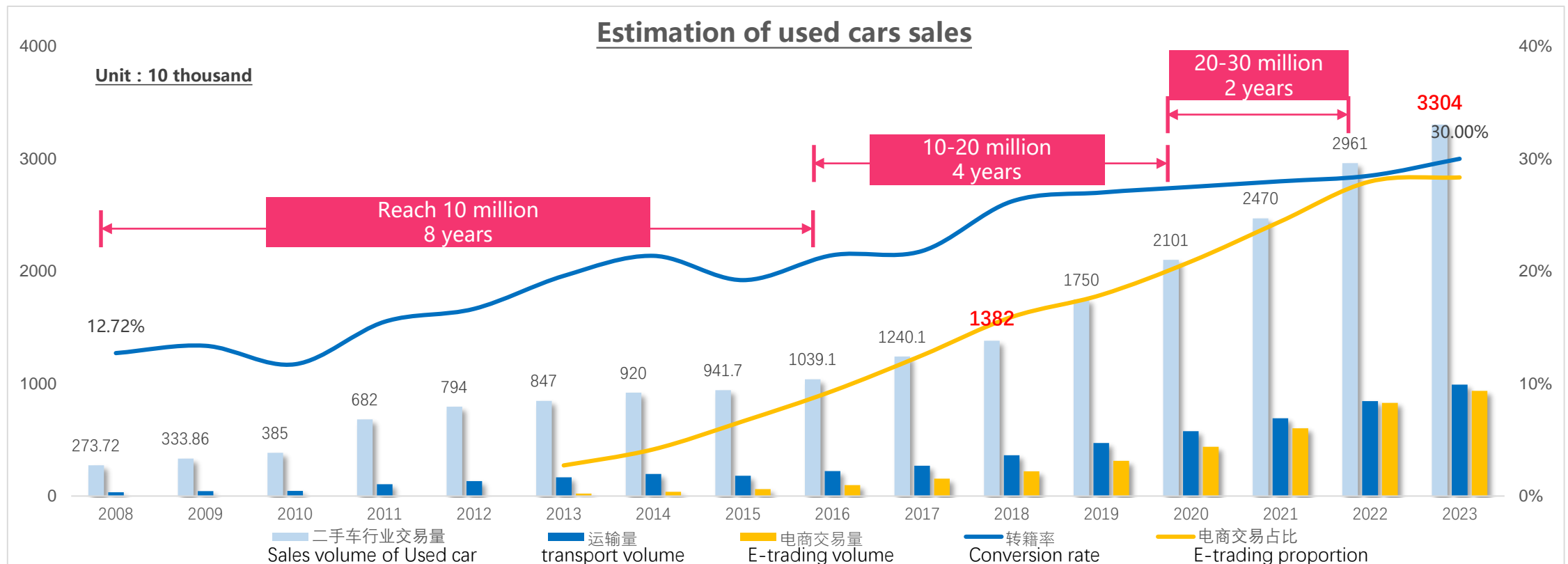
- The new energy vehicles' compound annual growth rate has reached 80.6% from 2014~2018. China NEV sales in 2018, 4.5% of the total domestic automobile share, takes up about 60% of the total global sales of NEV.
- Expected to be 2.04 million vehicles in 2019.



Source : CAAM

Used cars: A new blue sea market

- In 2016-2023 is a high-speed development period for used cars. Current used vs new car sales ration less than 1:2 (13.8 M vs 28M)
- Volume of used cars will reach 33.04 million in 2023, taking up about 8.3% of the total car ownership.



Export of Used Cars: Policies for Supporting Used Cars' Export

- On May 2019, Chinese government announced the policy of lifting used car export restriction & the list of the first batch of provinces/cities list.
- Export of used cars will exceed 3 million in the next five years (to 2023)
- This new policy will create huge demand on international logistics service , excellent opportunity for international players

The first batch of used car export business in provinces and municipalities is published as below:

- Beijing
- Tianjin
- Shanghai
- Zhejiang (Taizhou)
- Shandong (Jining)
- Guangdong
- Sichuan (Chengdu)
- Shanxi (Xi An)
- Qingdao
- Xiamen



中国车企海外布局 Chinese OEMs overseas factories 海外工厂



注：以上各地区品牌数量根据各官网公布地区进行统计，为不完整数据；品牌按字母排序

Introduction of Changjiu Group



Founded in 1992, Changjiu group is dedicated in serving for value chain of automobile industry. Changjiu owns more than 160 subsidiaries and 15,000 employees, with headquarter based in Beijing.



Auto Logistics

The biggest Third party logistics enterprise in China

- Transported 3+ million vehicles in 2018
- Owns one of the biggest trucking fleets & 5 ro-ro ships
- Servicing 60+ OEM brands



Dealership

List of china automobile dealer: No.12

- Owned 100 4S shops,
- sales of more than 190,000 vehicles,
- total turnover 33.9 billion,



Auto Financing

Professional and reliable financial service for Auto value chain

- Business involves impawning supervision, finance lease, asset management, supply chain finance,
- cooperated with 8,500+ dealers, over 53% market share



Trailer Manufacture

Committed to becoming the top enterprise in modification area

- Owned factories in Jilin and Chuzhou, Total capacity over 11,000 units.
- Authorized by German Volkswagen, the first modified vehicle dealer in Caravell Series in China



Auto Aftermarket

National high-tech enterprises committed to making the spare parts transaction easier.

- Brand parts and other parts online selling, with 800,000+ SKU
- One of the most successful online trading platform

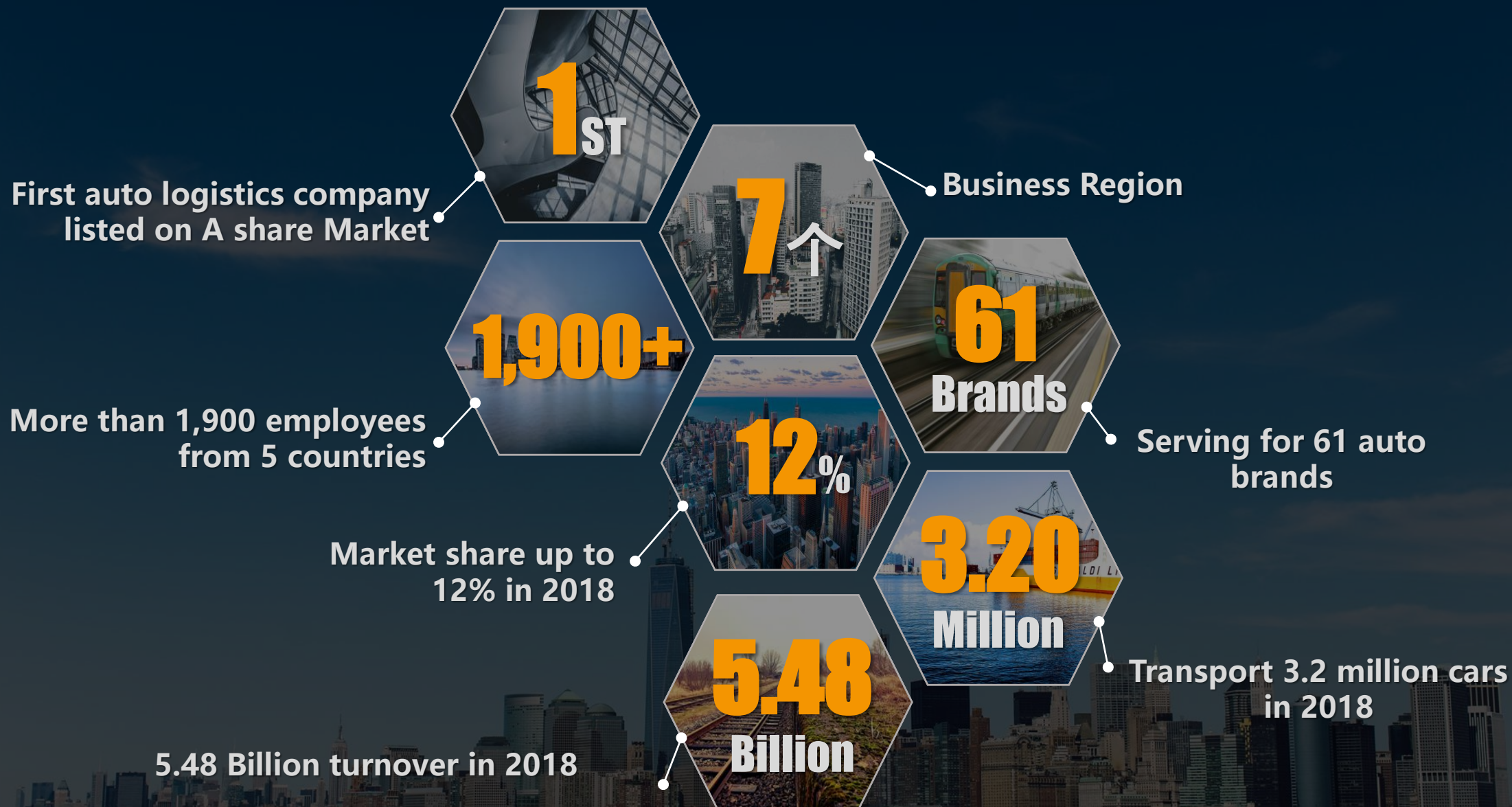


Auto Regenerate

The arrangement of recycling economic

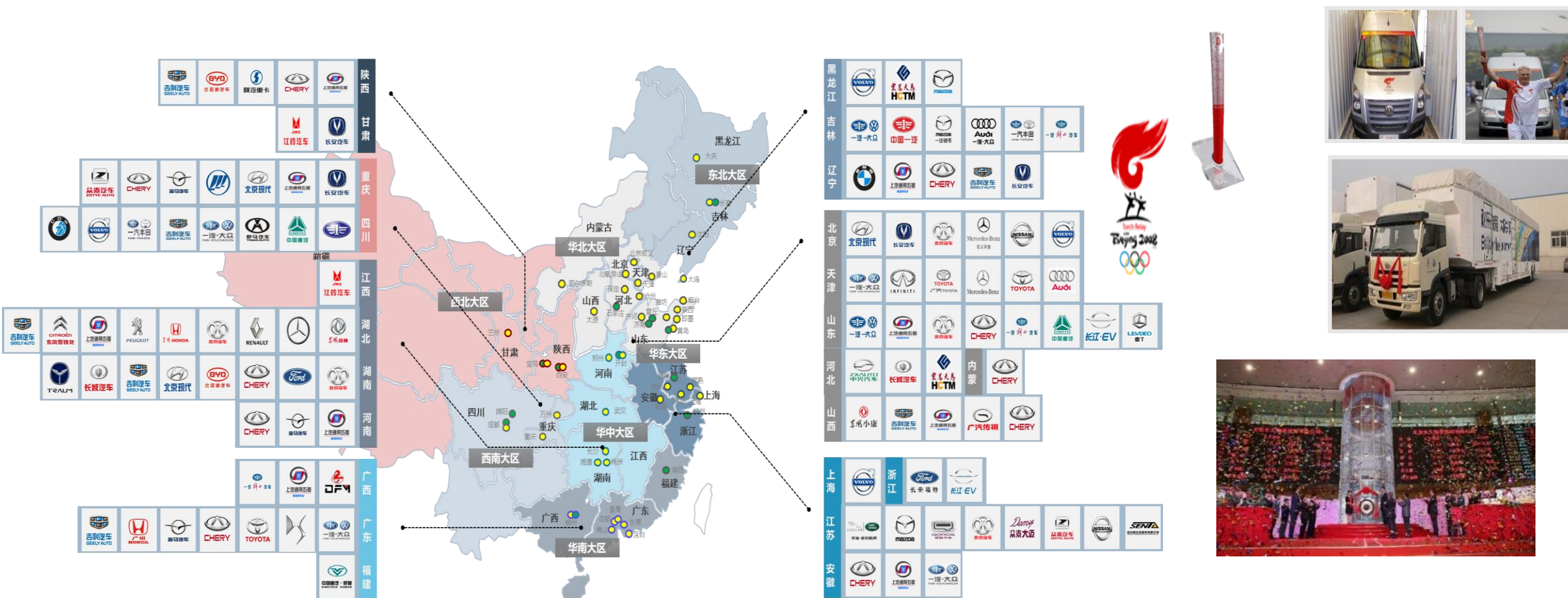
On the principle of "disassembly finely, scientific recycle", making auto disassemble and parts remanufacture as core business,

Key Figures of Changjiu Logistics



Changjiu Logistics' Dominant Position: Domestic distribution

Changjiu Logistics (CJ) is one of the first Automotive 3PL listed Company in China. 3PL Services dominating six main areas included **Finished-Vehicle Transportation and Fleet Management, Automotive Components Logistics, Multimodal Transportation, Warehouse Management, International Automotive Supply Chain Value-added Services and Supply Chain Financial Services.** CJ is proud to be the **ONLY** logistics service provider participated in **2008 Beijing Olympic torch-relay.**





2017 年06 月 02 日，长久物流董事长薄世久和泽布鲁日港主席 Joachim Coens 在比利时布鲁塞尔签约战略合作协议
Signed Strategic Co-operation Agreement on 06 June 2017



杜伊斯堡场站（德国）
Duisburg Railway Station (Germany)



长久德国（汉堡）
CJ Logistics GmbH (Hamburg)

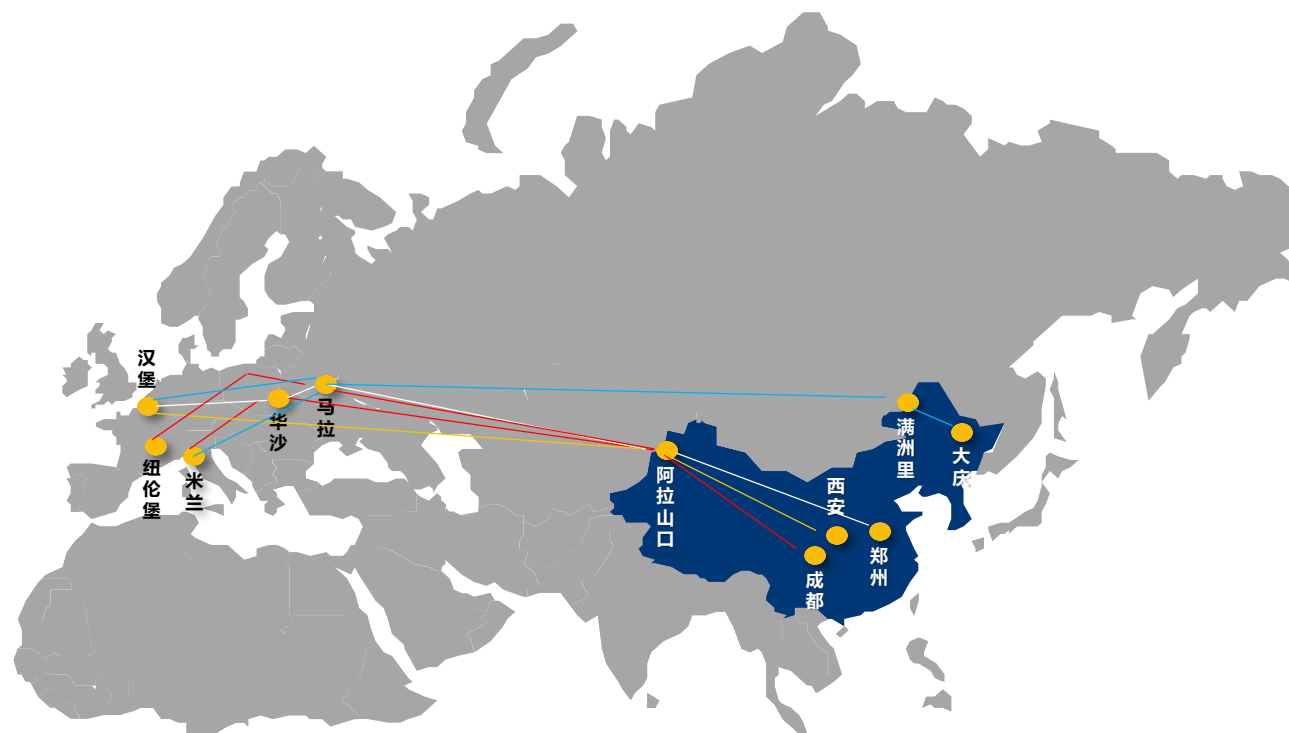


ADAMPOL 整车运输与存储
Fleeting Management & VDC



马拉班列场站（波兰）
Malaszewicze Railway Station (Poland)

Sino-Euro Railway Express Service – Industry Pioneer



Occupied route	Transit time	Brand
Daqing-Hamburg	15 days	
Zhengzhou-Hamburg	15 days	
Xian - Hamburg / Duisburg	15 days	
Bremerhaven-Chengdu	14 days	



Volume

30000+

Lead time

22-24 days

Market Share

>50%

Damage Rate

<8‰

Changjiu Logistics : Middle East & Africa Strategy

Changjiu – Glovis
Shipping Line

- Middle East
- Africa
- India

Sino International Train

- Iran
- Pakistan



The next Changjiu Foreign Branch?



Thank you!