

Yang Ming Marine Transport Corp. 2023 Investor Conference



2023.06.07

Legal Disclaimer

- The information contained in this presentation, including all forward-looking information, is subject to change without notice, whether as a result of new information, further events or otherwise, and Yang Ming Marine Corp. (the “Company”) undertakes no obligation to publicly update or revise the information contained in this presentation.
- The financial, business, and Q&A statements of the company made by this presentation may differ from actual future results.
- Investor should not regard the above forward-looking information as legally binding but as information subject to change. No guarantees regarding the completeness, accuracy, and reliability of information contained are made explicitly or implicitly. They are not intended to represent complete statement of the company, industry or future development.

Outline

- 1、 Container Shipping Overview
- 2、 Business Information
- 3、 Financial Results
- 4、 Operational Future Prospects



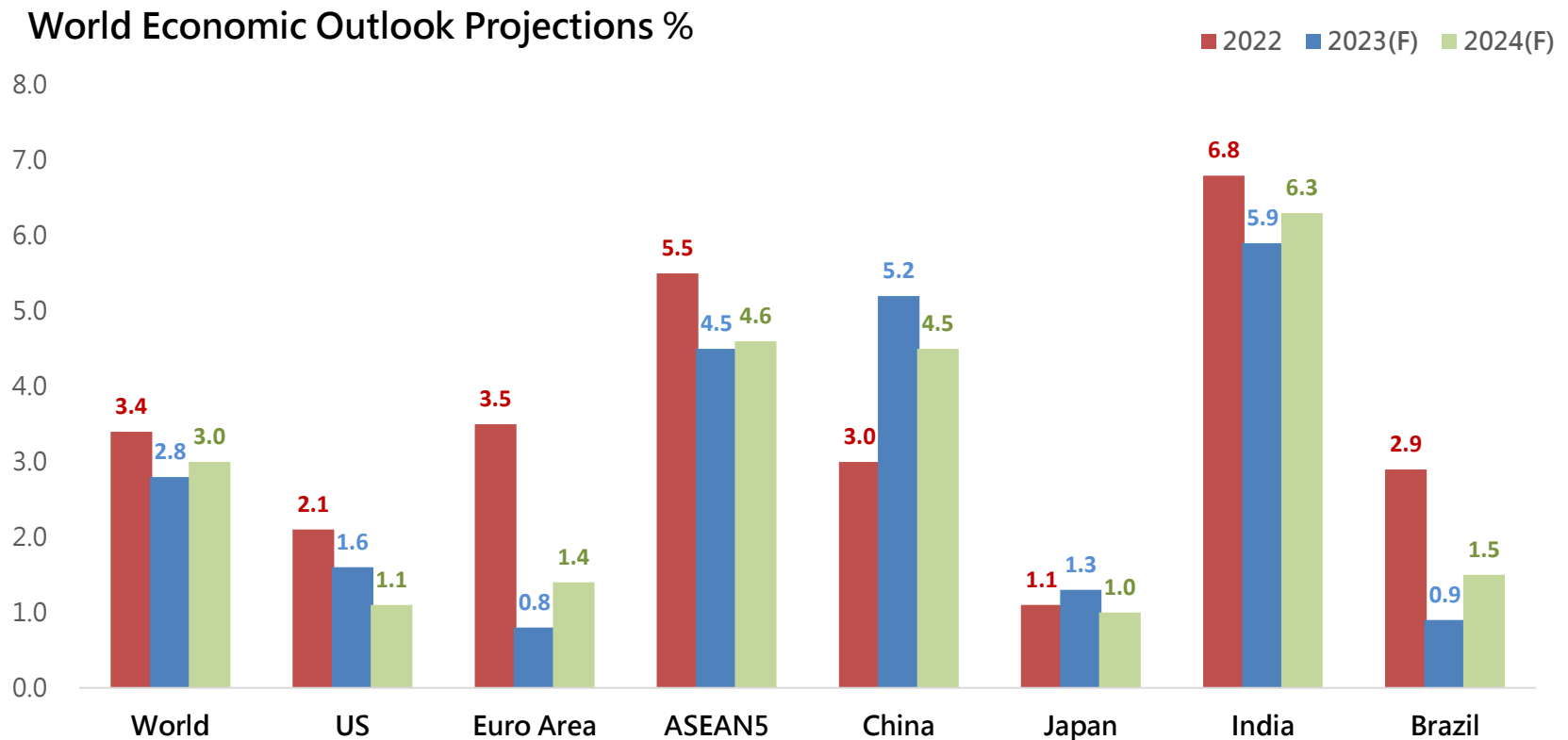
Container Shipping Overview



YANG MING

Economic Outlook




IMF expects global growth of 2.8% this year, slightly cut of 0.1 percentage point than the fund' s estimates published in January.



Source: IMF, World Economic Outlook , Apr 2023.

Supply and Demand

Drewry, Alphaliner and Clarksons research forecast supply will exceed demand from 2023 to 2024.

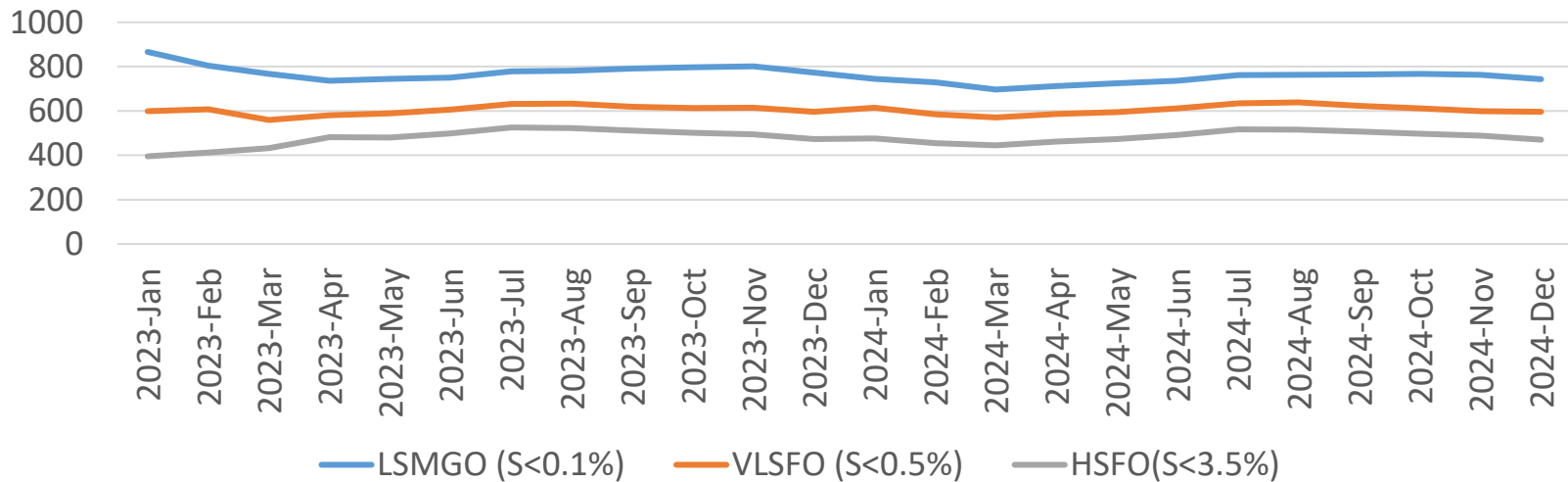
		2022	2023(F)	2024(F)
	Supply	4.2%	4.7% (3.5%)	6.3%
	Demand	0.5%	1.0% (1.2%)	3.1%
	Supply	4.1%	8.3% (8.2%)	8.9%
	Demand	0.1%	1.4% (1.4%)	2.2%
	Supply	4.0%	6.9% (6.7%)	5.8%
	Demand	-5.1%	-2.1% (-2.2%)	3.3%

資料來源: Alphaliner Monthly Monitor, Apr. 2023 ; Clarksons Container Intelligence 2Q 2023.
Drewry Container Forecaster New Monthly Supplement, Apr 2023;

Marine Fuel Oil Price Outlook Singapore market price

- The US and Europe banking crisis, the downward demands in Europe and US markets, worries about China's economic outlook after lifting epidemic control and Fed tightened monetary policy. Recently above factors may curb oil demand and put pressure on oil prices.
- The Ukrainian-Russian war, geopolitics and the resulting sanctions, and the OPEC+ unpredictable production cuts agreement may be maintained until the end of 2023. US would also start repurchasing oil for the Strategic Petroleum Reserve (SPR). All of above would be expected to continue affecting the market and push oil prices higher.
- To reduce greenhouse gas emissions, the IMO meeting (MEPC 80), which is expected to be held in July 2023, will continue monitoring the updates and impact of carbon emission reduction policies and the development of new energy sources on the fuel market.

Singapore Fuel Price Forecast (Source : S&P Global Platts) May/ 01



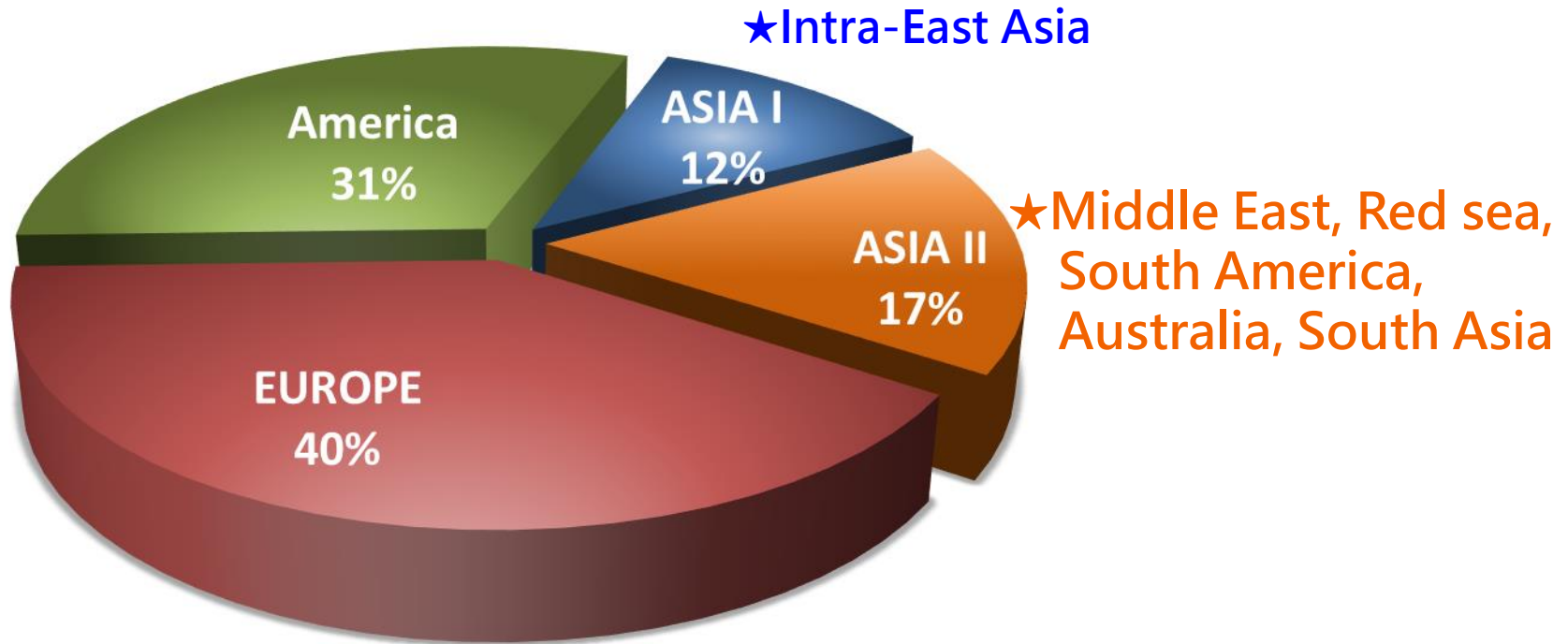
Business Information



YANG MING

The Proportion of Consolidated Operating

★AWE、PSW、PNW



★Middle East, Red sea, South America, Australia, South Asia

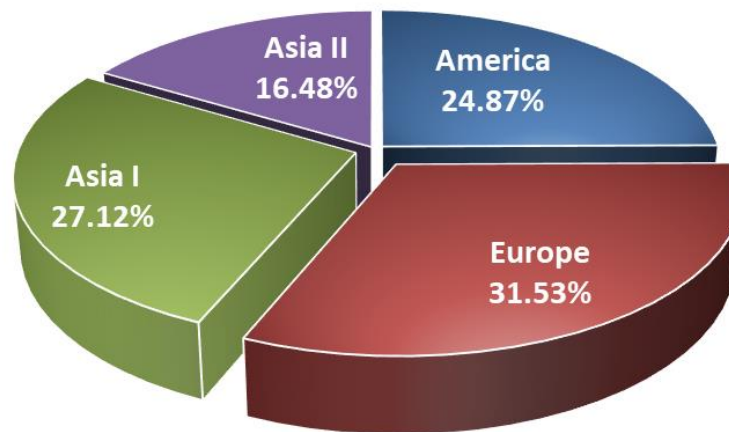
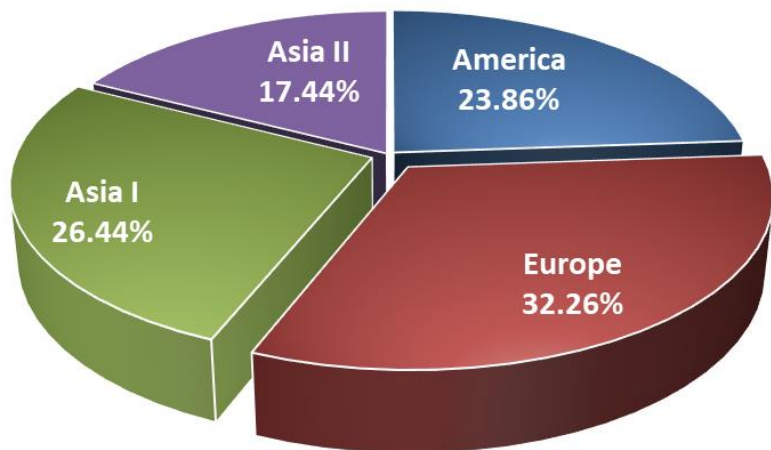
★NCP、MED、TA、IEU

Data interval:202301~202303

Lifting Volume Analysis - Lifting Volume in Year 202301~03 decreased by 5% YOY

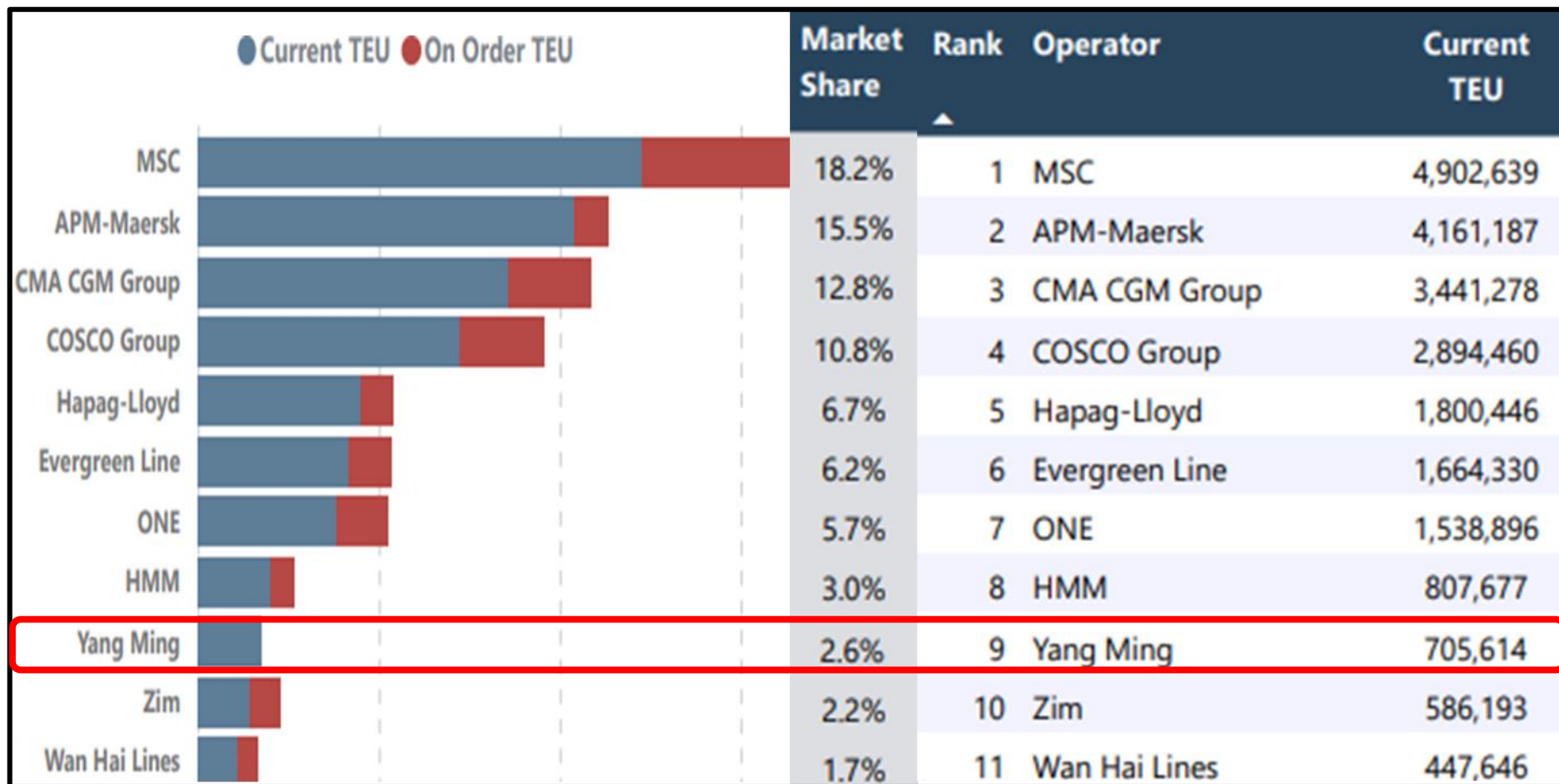
FY2023Q1 : 1.04 million TEU

FY2022Q1 : 1.09 million TEU



Capacity Ranking

As of May 2023, Yang Ming's fleet capacity is ranked 9th in the world.



Source: Alphaliner, May 2023

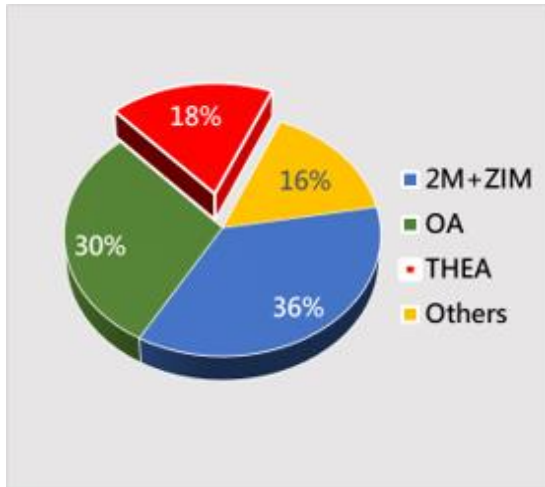
Trade Capacity Breakdown by Alliance

relatively balanced on trade capacity

- Three Major Alliances account for 84% of market share, very identical to Q1-2023.
- 2M+ZIM and OA remain Top 2 in terms of global capacity portion, at 36% and 30% respectively. THEA followed by 18%.

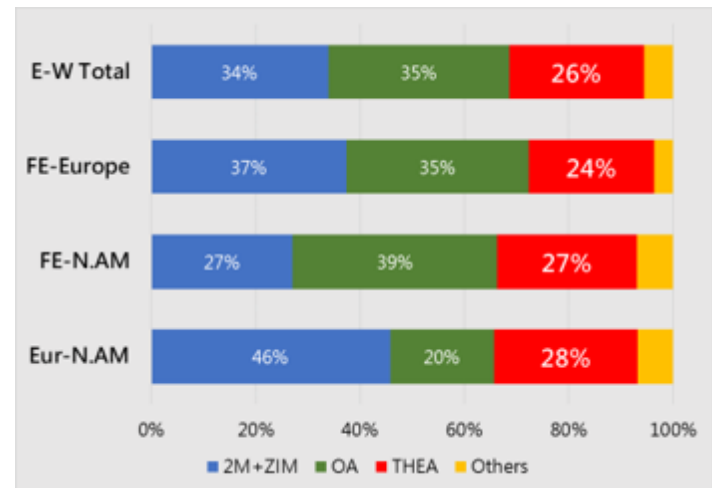
- As for East-West Market share (weekly capacity), THE alliance increased market share to 28% in Eur-N.AM while slightly decreased in FE-Europe and FE-N.AM, accounts for 26% in total E-W trade.

Global Capacity Share by Alliance



Source: Alphaliner, Monthly May 2023

E-W Trade Weekly Capacity Share by Alliance



Source: Alphaliner, MarketSharesEW, 2023/05/16

Financial Results



YANG MING

The Proportion of Consolidated Operating Revenue of Yang Ming Group



Logistics
3.35%



Bulk
2.92%



Container Shipping
93.56%

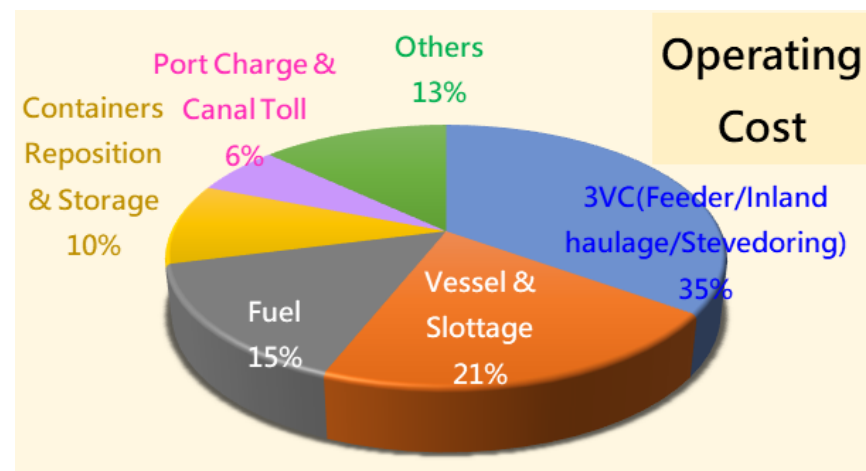
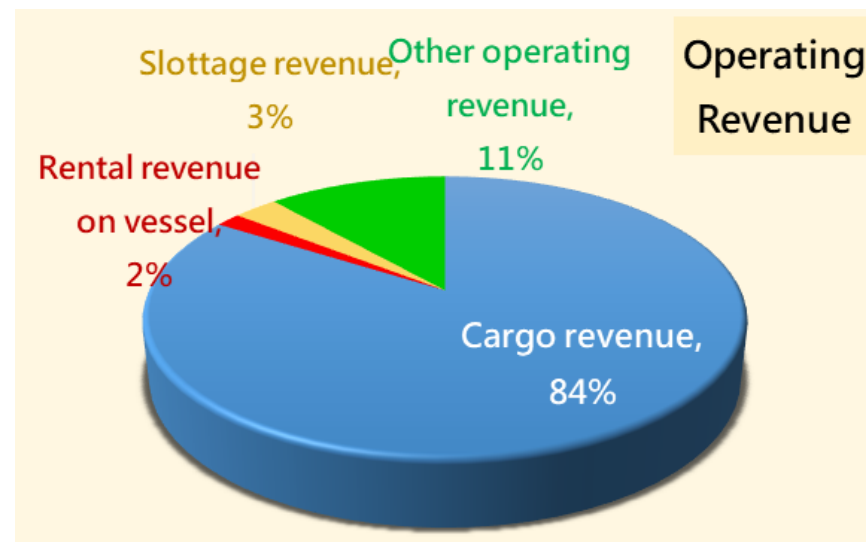


Wharf
0.17%

Consolidated Income Statement

Unit : NT\$ Million

Items	FY2023Q1
Operating Revenue	36,953
Gross Profit	3,417
Operating Income(Loss)	1,470
Net Income(Loss)	3,462
Profit(Loss),attribute to owners of the parent	3,401
EPS	0.97

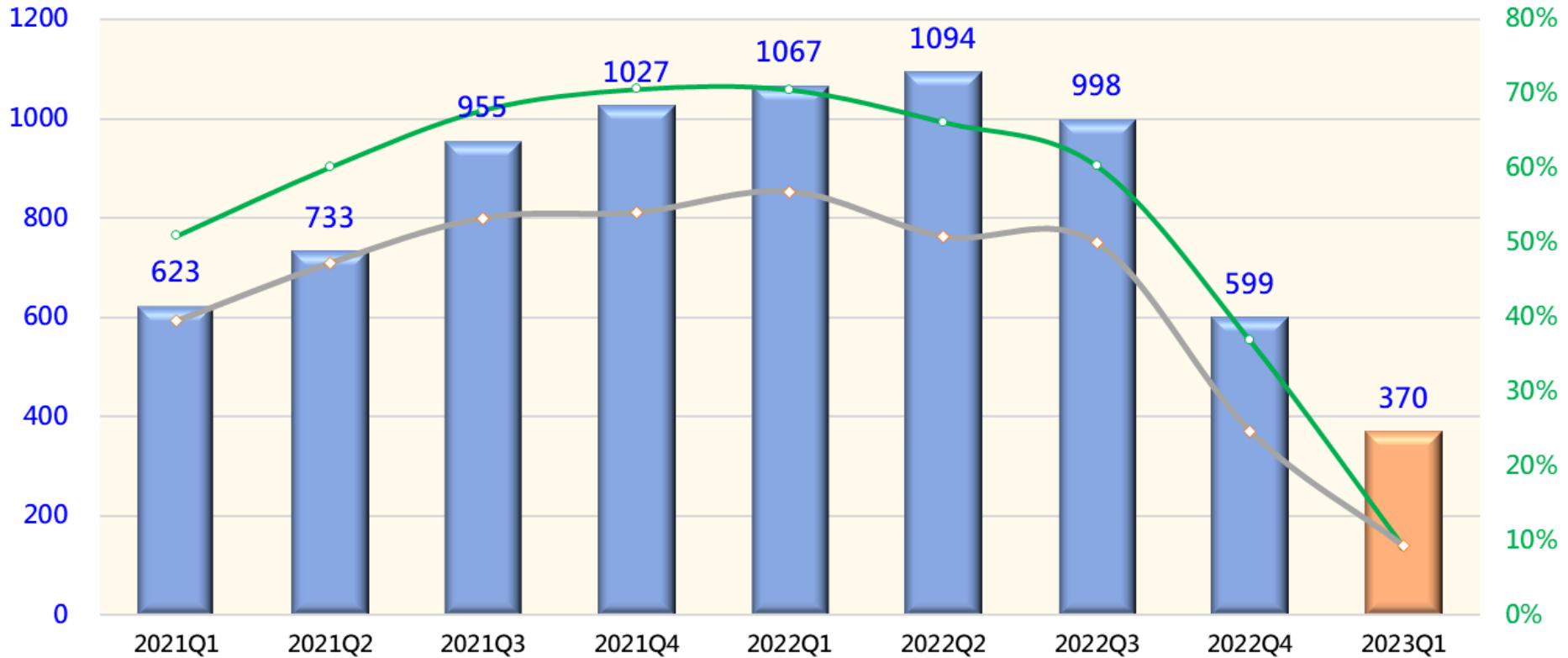


Consolidated Operating Income, Gross Profit(Loss) Margin and Net Income(Loss) Margin

Data interval:2021Q1~2023Q1

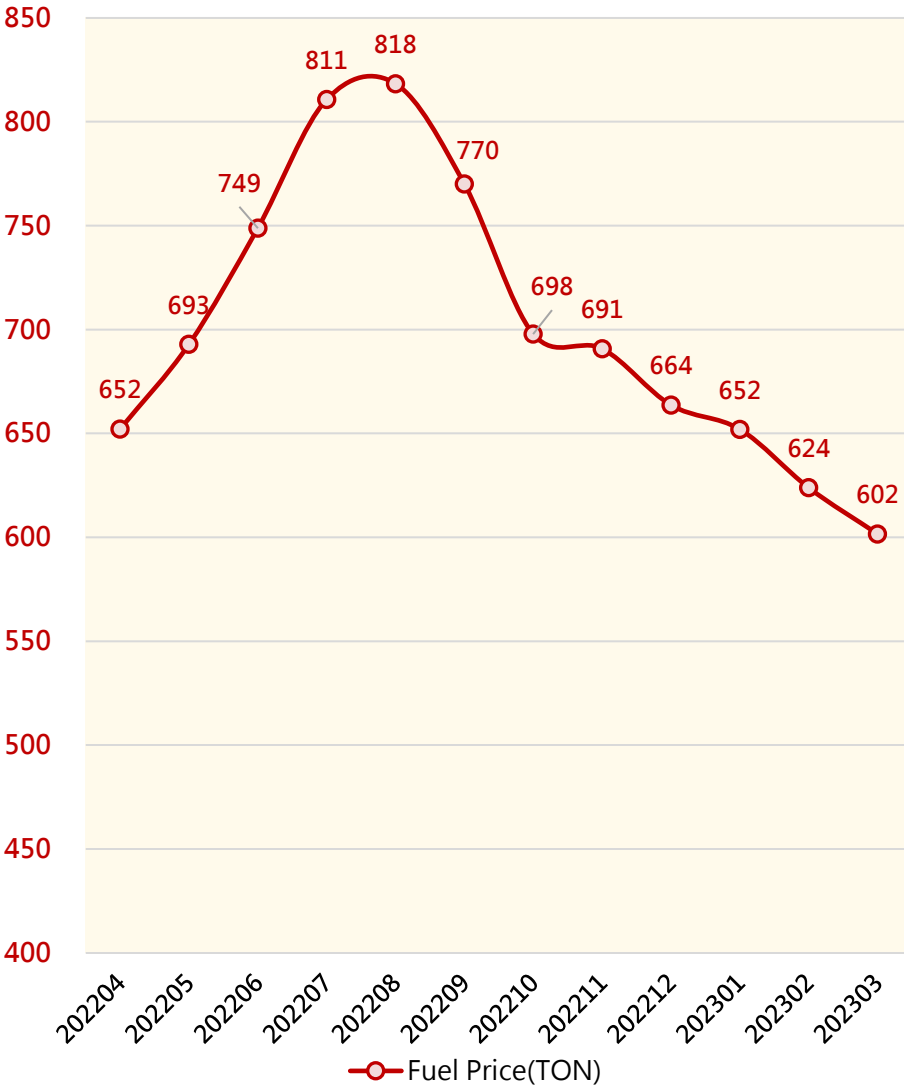
Unit : NT\$100 Million

Operating Revenue Gross Profit(Loss) Margin Net Income(Loss) Margin

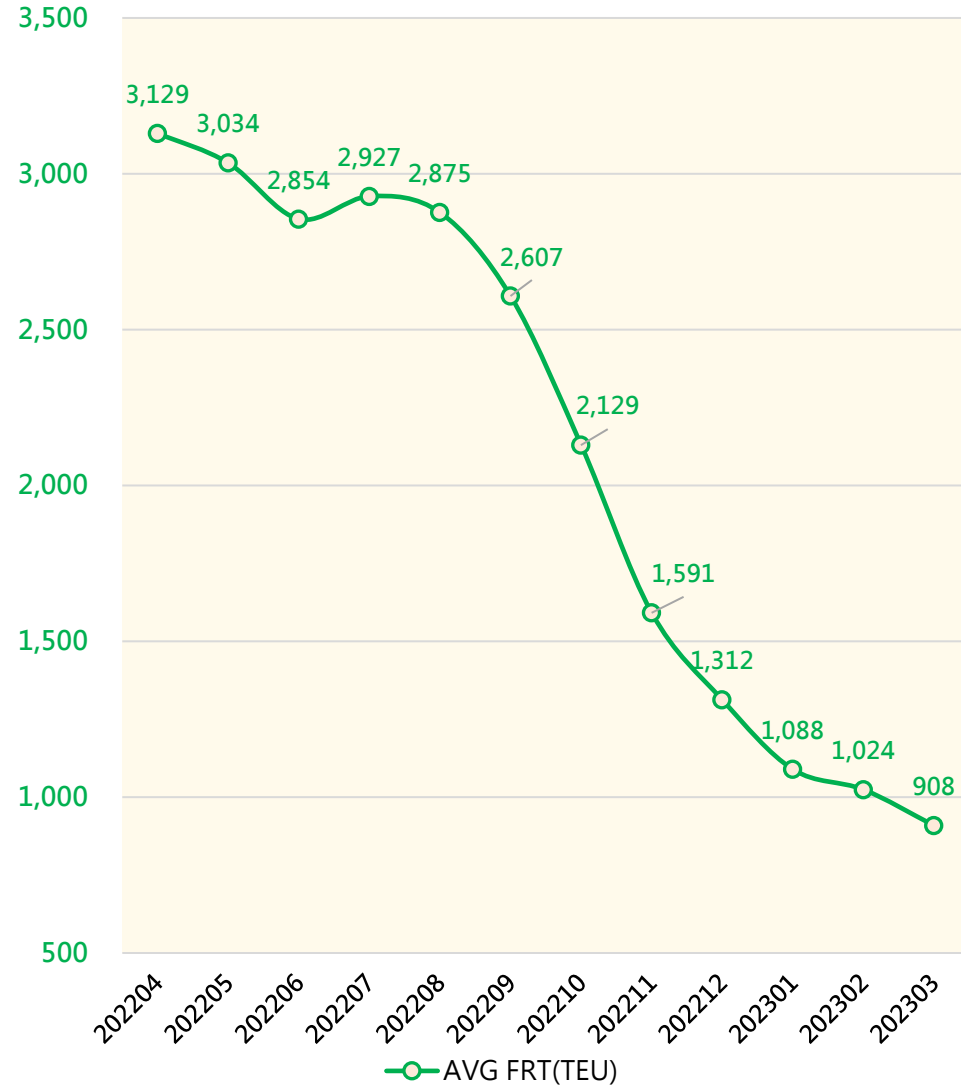


Fuel price and Average FRT

Unit :
USD/TON

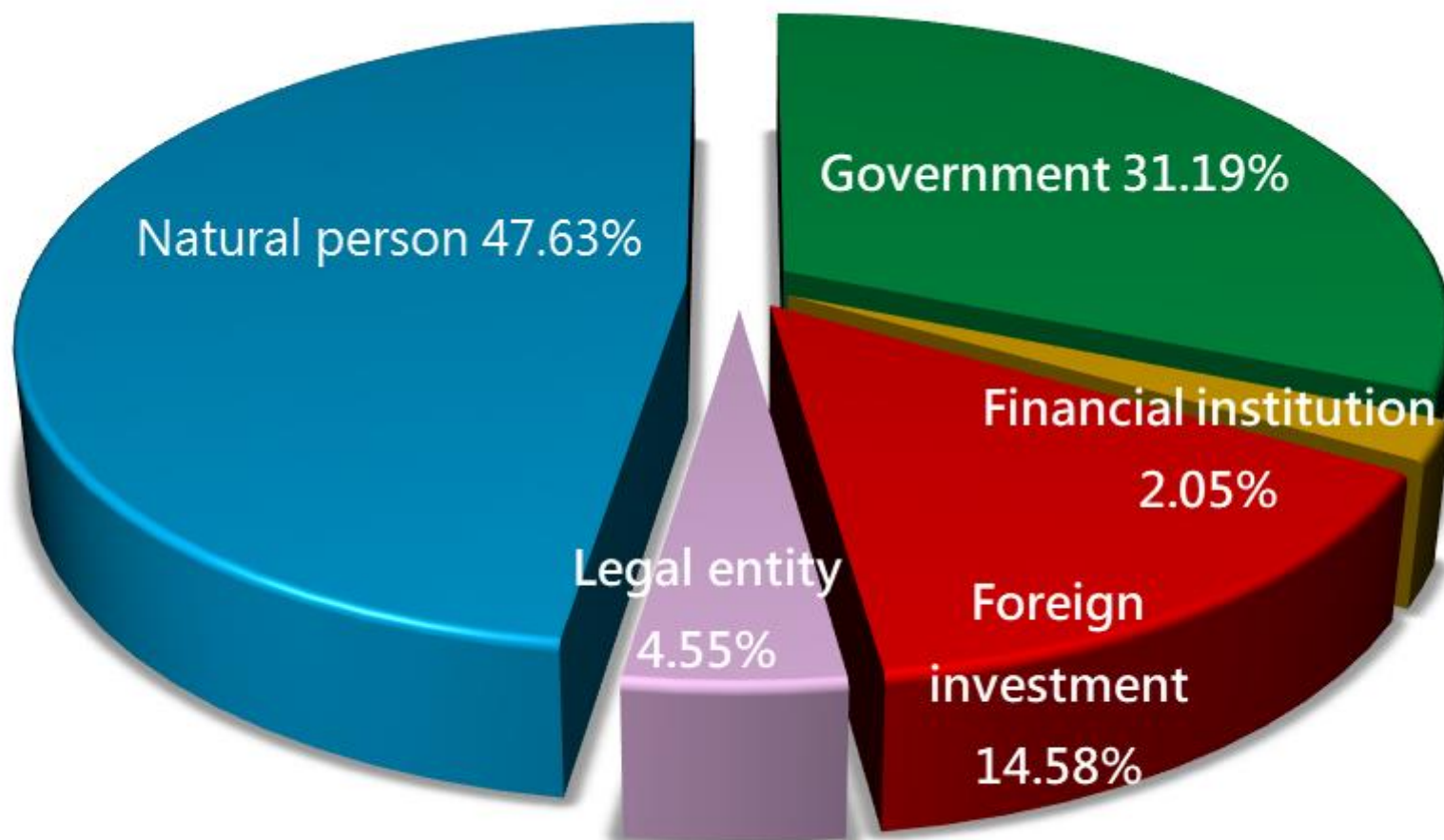


Unit :
USD/TEU



Structure of Shareholders

The latest closing date was Mar 28,2023



Operational Future Prospects



YANG MING

Service Rationalization-Strategies

East-West Network

- Invest in greener and more energy-efficient ships to replace existing vessels and enhance cost advantage.
- Extend Far East-Europe trade coverage by adding Tianjin-Xingang and Wilhelmshaven.
- Improve on-time performance by rationalizing U.S. East coast port calls.

Other East-West Network (Non-Alliance)

- Optimize product design and port rotation of Non-Alliance East-West services to reassure product stability.
- Commitment to operate Intra North Europe-Mediterranean regional trade to ensure short-sea service quality and coverage.
- Take decarbonization and environmental friendliness into account for service design and operation to strengthen environmental sustainability.

North-South Network

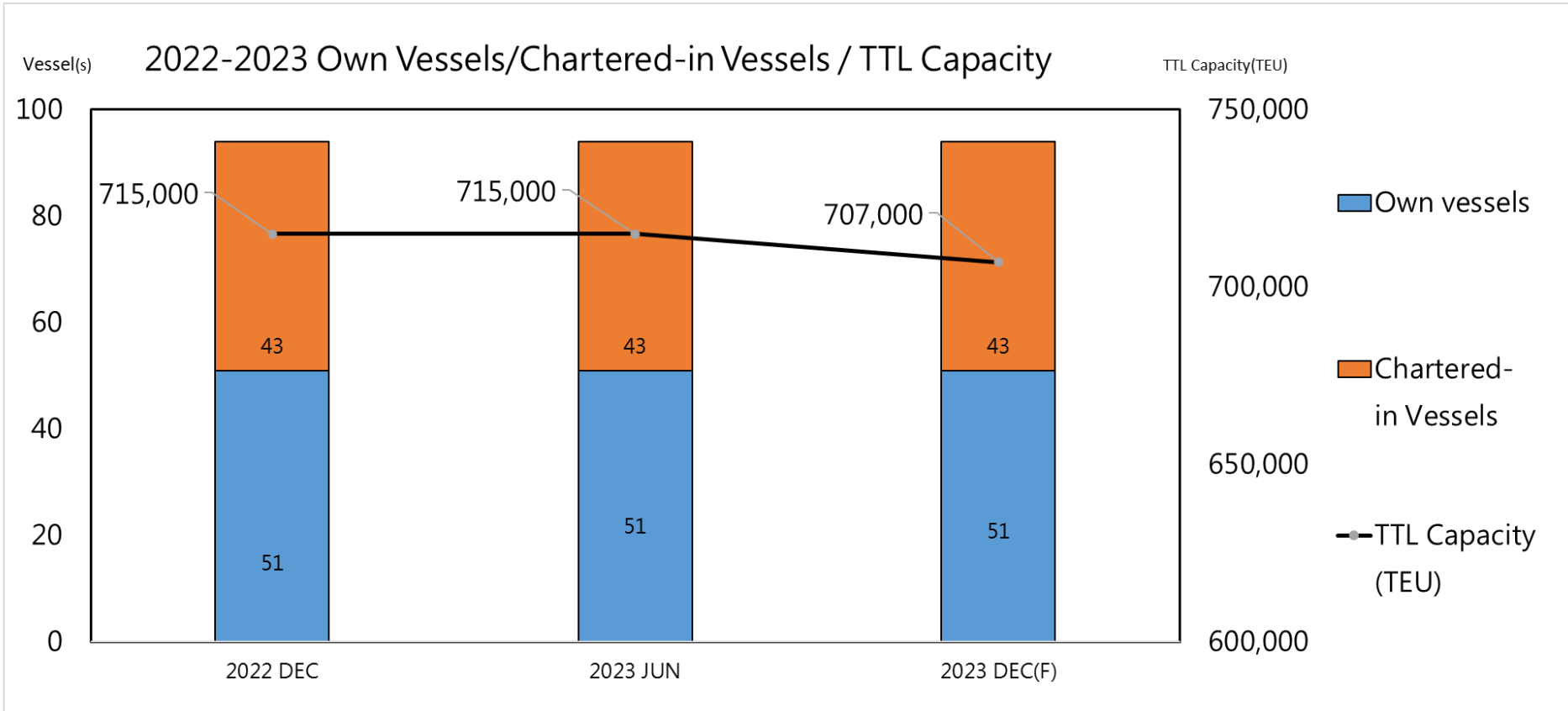
- Continue to operate and offer delicate and exquisite services connecting South America, Indian subcontinent, and Australia trades.
- Pursue more cooperation with carriers to broaden service coverage scope.
- Take decarbonization and environmental friendliness into account for service design and operation to strengthen environmental sustainability.

Intra-Asia Network

- Develop regional business through slot exchange to increase the service coverage.
- Adjust service swiftly and flexibly according to business performance and market changes.
- Take decarbonization and environmental friendliness into account for service design and operation to strengthen environmental sustainability.

Yang Ming's Fleet Capacity and New Delivery

- Up to June 2023, there are 94 vessels in Yang Ming's fleet, and total capacity is around 715,000 TEUs



- 19 Fleets are scheduled to conduct maintenance in Y2023 for ship-energy saving.
- 12 fleets are planned to install scrubber in Y2023 for bunker cost saving.

2023H2:

The recovery of global economy and demand is still dragging by uncertainty caused by war in Ukraine, hiking inflation and interest rate. In addition, the continuous deployment of new building vessels is widening the gap between supply and demand. The container shipping industry will continue to face lots of uncertainties and challenges for the second half of this year.

Q&A

