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2024-Q3 Investor Conference

Yang Ming Marine Transport Corp.

2024 / 09 / 25

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02 Business Information

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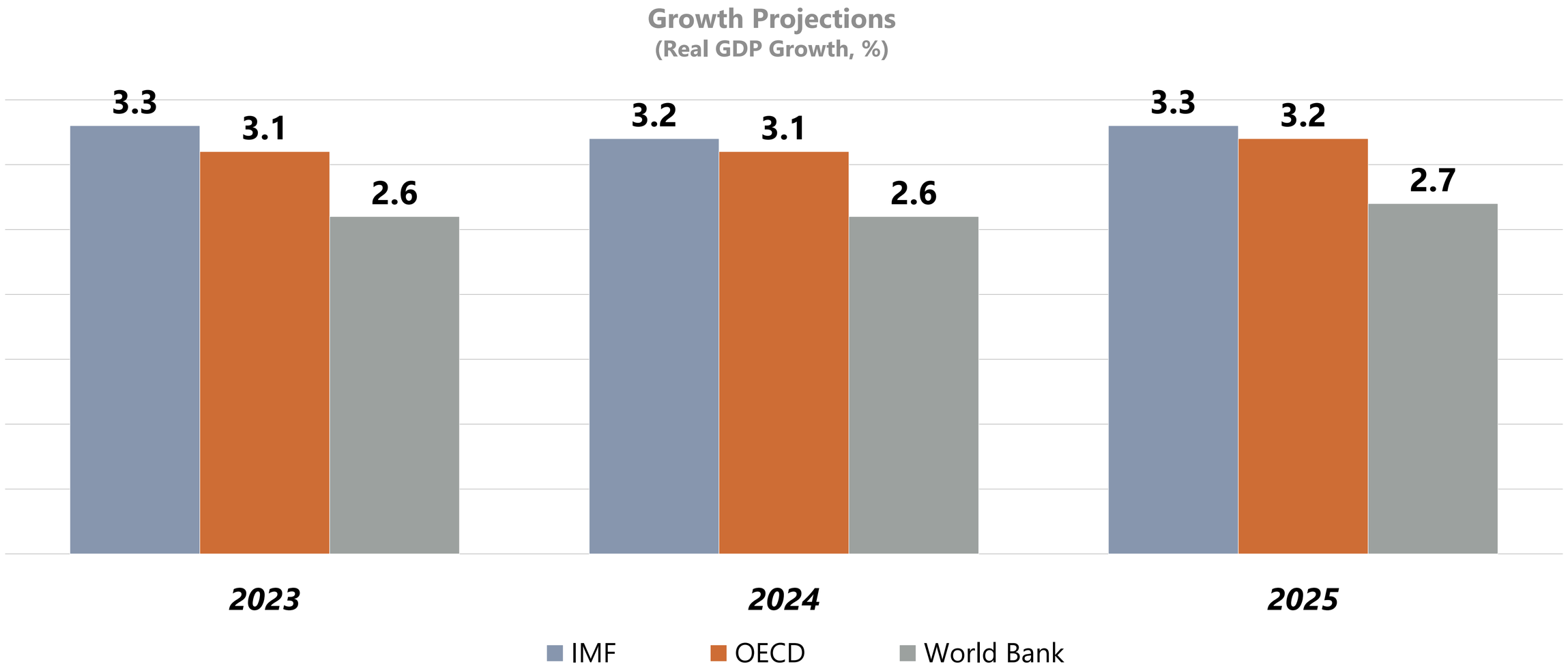
04 Operational Future Prospects



01 Container Shipping Overview

Global economy grows moderately but remains full of uncertainties

The IMF, OECD, and World Bank all project continued global economic growth, though with weakening momentum. Inflationary pressures and geopolitical factors contribute to significant uncertainties for economic growth.

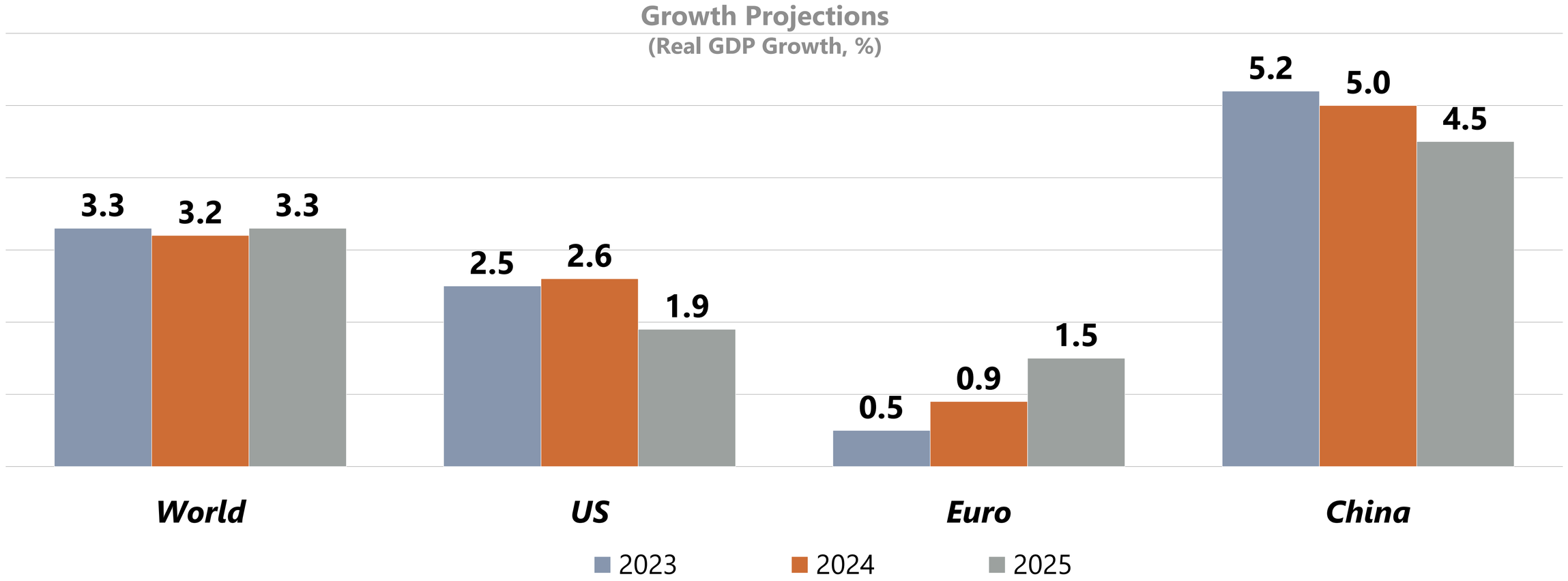


Source: IMF, World Economic Outlook, July 2024; OECD, Economic Outlook, May 2024; World Bank, Global Economic Prospects, June 2024

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Major economies are growing slow

Private consumption expenditure in the U.S. for the first quarter was lower than expected, leading to a downward revision of the economic growth forecast to 2.6%. In the Eurozone, strong growth in the services sector during the first half of the year has resulted in an upward revision of the economic growth forecast to 0.9% for this year. Meanwhile, China's private consumption rebounded in the first quarter, with strong exports, leading to an upward adjustment of the economic growth forecast to 5% for the year.

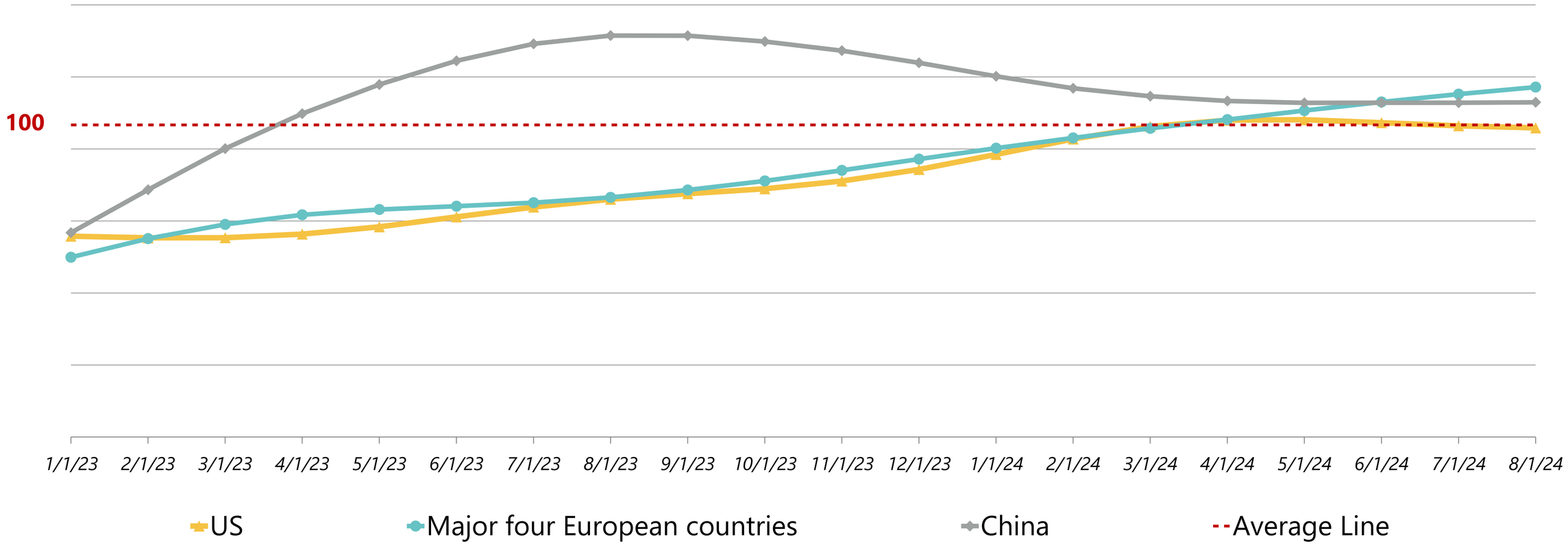


Source: IMF, World Economic Outlook, July 2024

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Composite Leading Indicator

Data released in September shows that the U.S. has experienced three consecutive months of decline, with the latest indicators falling below the long-term average of 100, indicating a sluggish economy. In contrast, the indicators for Europe's four major economies (France, Germany, Italy, and the UK), as well as China, continue to rise, reflecting economic expansion.



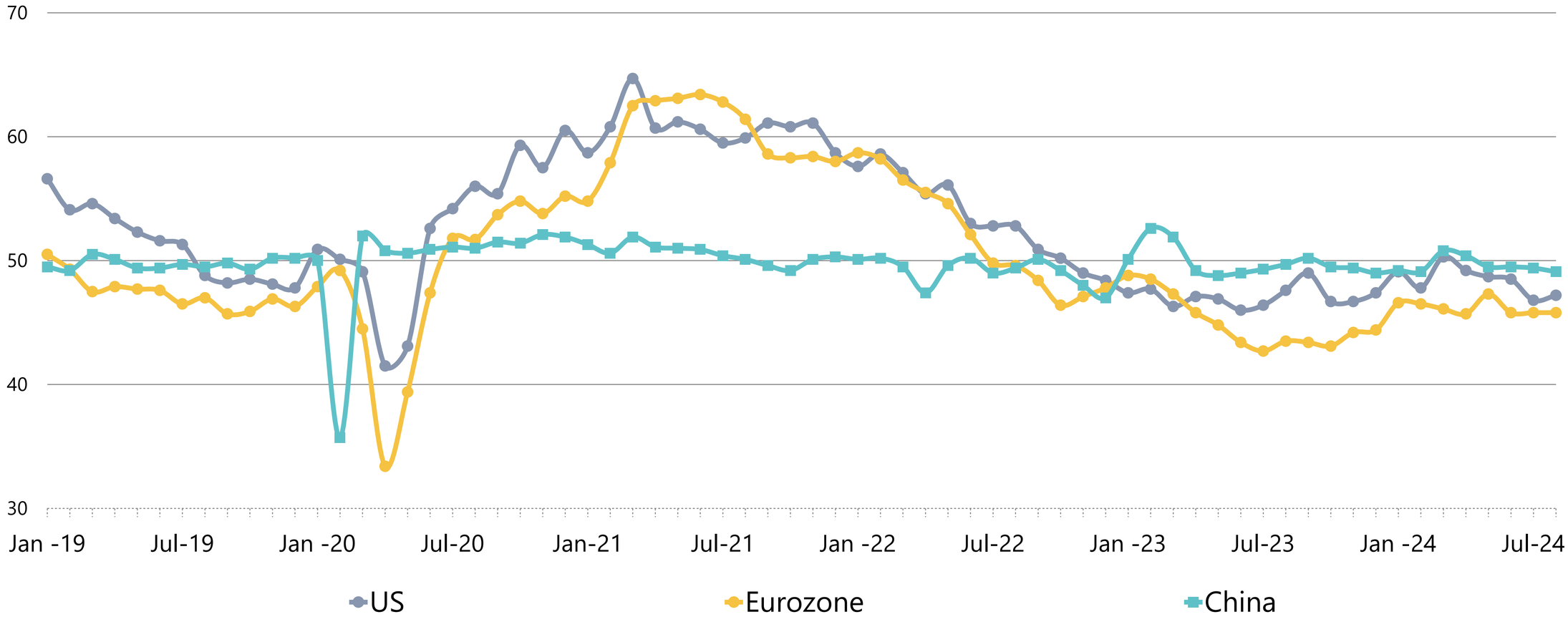
*The Four Big European Countries are: France, Germany, Italy, and United Kingdom

Source: OECD, Composite Leading Indicator, Sep. 2024

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Manufacturing PMI

According to the latest PMI data for August released by various countries, the U.S. PMI index showed a rebound but remains in contraction territory, indicating that manufacturing activity has not yet fully recovered. The Eurozone's PMI continues to fall within the contraction zone, with sluggish manufacturing activity. China's PMI declined for the fifth consecutive month, reflecting weak demand.

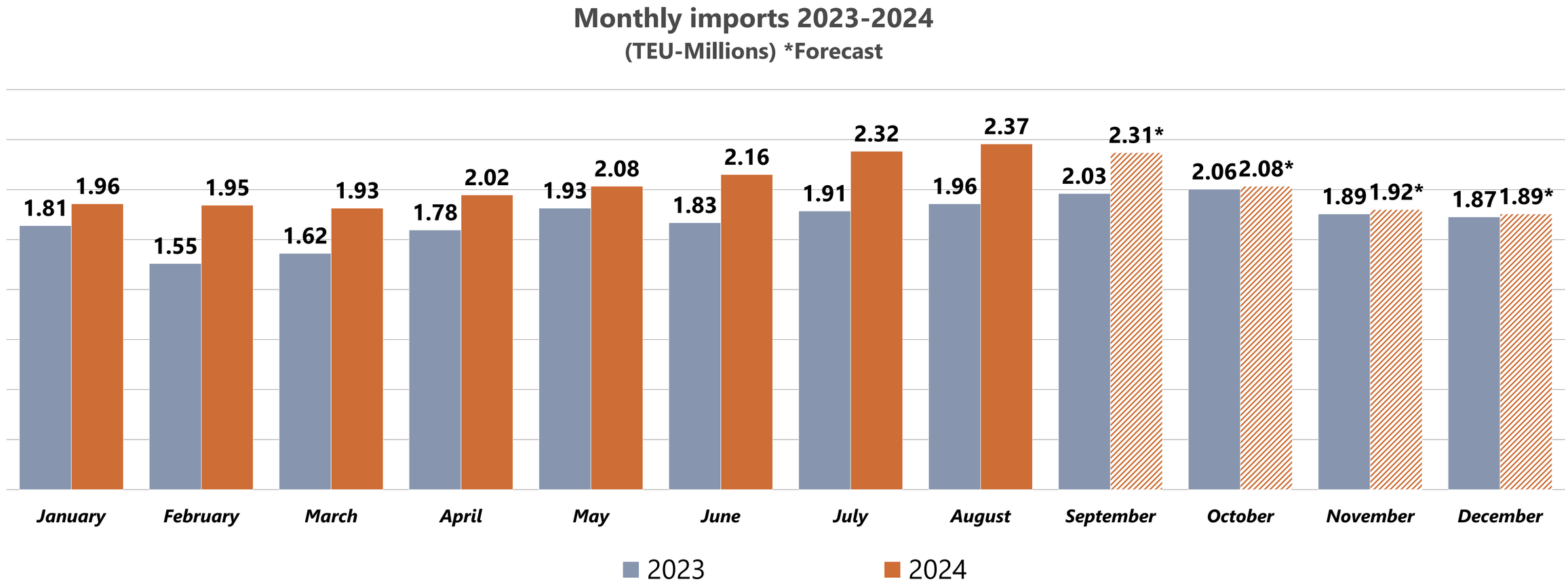


Source: Institute for Supply Management (ISM); IHS Markit; National Bureau of Statistics of China

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The import volume trend at major U.S. container ports

The National Retail Federation (NRF) and maritime consulting firm Hackett Associates report forecasts a downward trend starting in September 2024. However, the import volume at major U.S. container ports in September is still expected to grow by 14% compared to the same period last year.



(註) U.S. ports：Los Angeles/Long Beach, Oakland, Seattle and Tacoma on the West Coast; New York/New Jersey, Port of Virginia, Charleston, Savannah, Port Everglades, Miami and Jacksonville on the East Coast, and Houston on the Gulf Coast.

Source: NRF/Hackett Associates Global Port Tracker 、September Import Cargo to Remain Elevated Ahead of Possible Port Strike

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Supply and Demand

The scheduled deliveries for this year are projected to reach an all-time record of 3 million TEU.

		2023	2024 (F)	2025 (F)
Drewry	Supply	**8.1%**	**11.1% (9.9%)**	**3.9%**
	Demand	**0.3%**	**4.7% (3.9%)**	**2.6%**
Alphaliner	Supply	**8.1%**	**10.5% (9.8%)**	**5.8%**
	Demand	**-0.3%**	**3.0% (3.0%)**	**2.5%**
Clarksons	Supply	**8.3%**	**10.2% (8.0%)**	**4.9%**
	Demand	**0.7%**	**5.1% (5.5%)**	**2.9%**

Source: Alphaliner, Monthly Monitor, Aug 2024; Clarksons, Container Intelligence Quarterly, Q3 2024; Drewry, Container Forecaster Monthly, Aug 2024

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Marine Fuel Oil Price Outlook

According to the Brent Crude forecast by Financial Institutions and EIA, price is varied between US$73~$95 per barrel. Driving factors would be the tension in middle East, and the demand/stock in China and U.S.

Institution	2024Q4	2025Q1	2025Q2	2025Q3	Update Date
Standard Chartered Bank	$87	$89	$92	$95	2024/08/27
Morgan Stanley	$75	$75	$75	$75	2024/09/09
Goldman Sachs Group	$85	$83	$81	$81	2024/08/26
JPMorgan Chase & Co	$80	$82	$77	$73	2024/09/05
EIA	$85.97	$88.66	$86.33	$85	2024/08

Source: Bloomberg 、 U.S. Energy Information Administration (EIA)

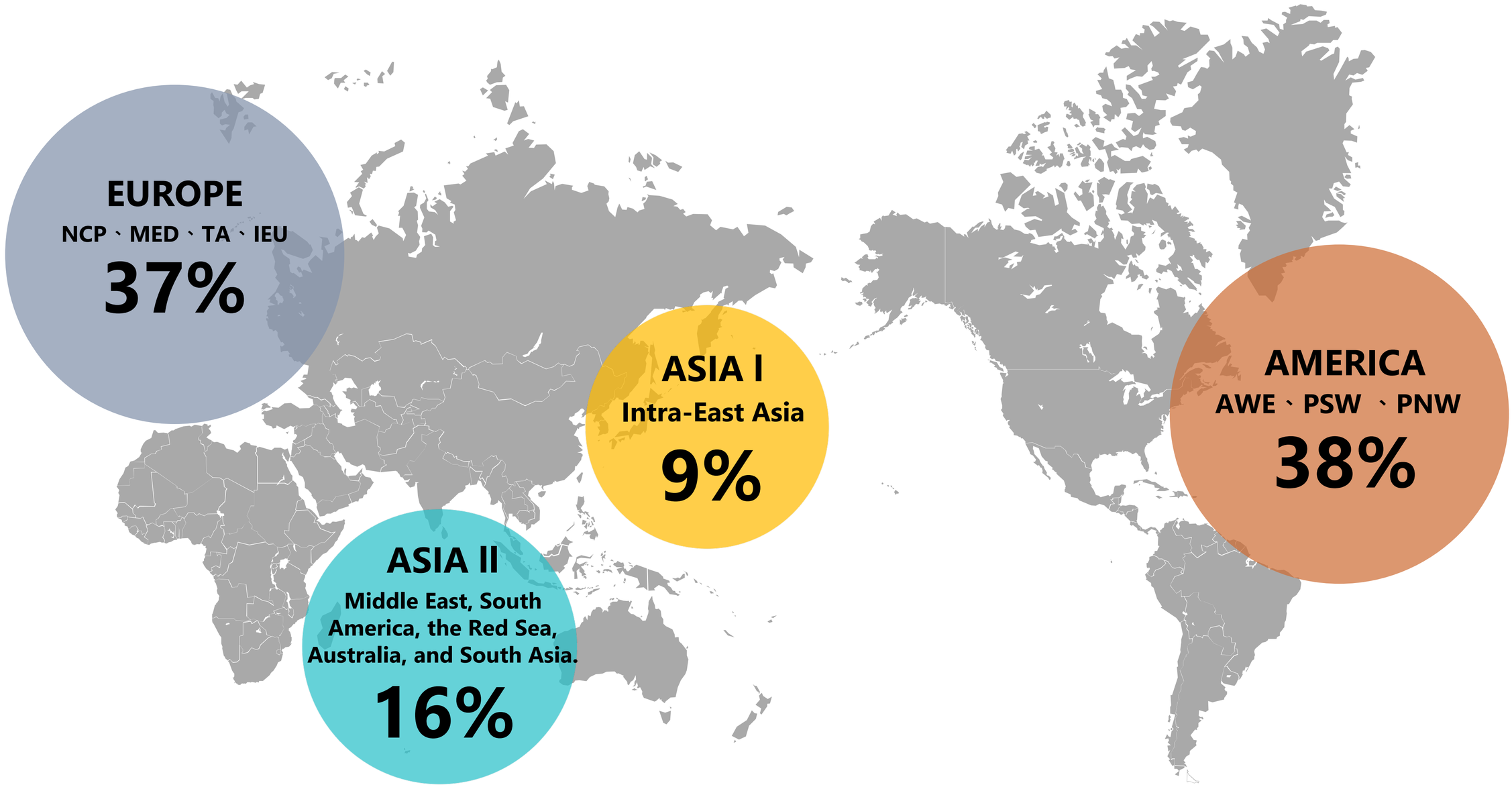
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02 Business Information

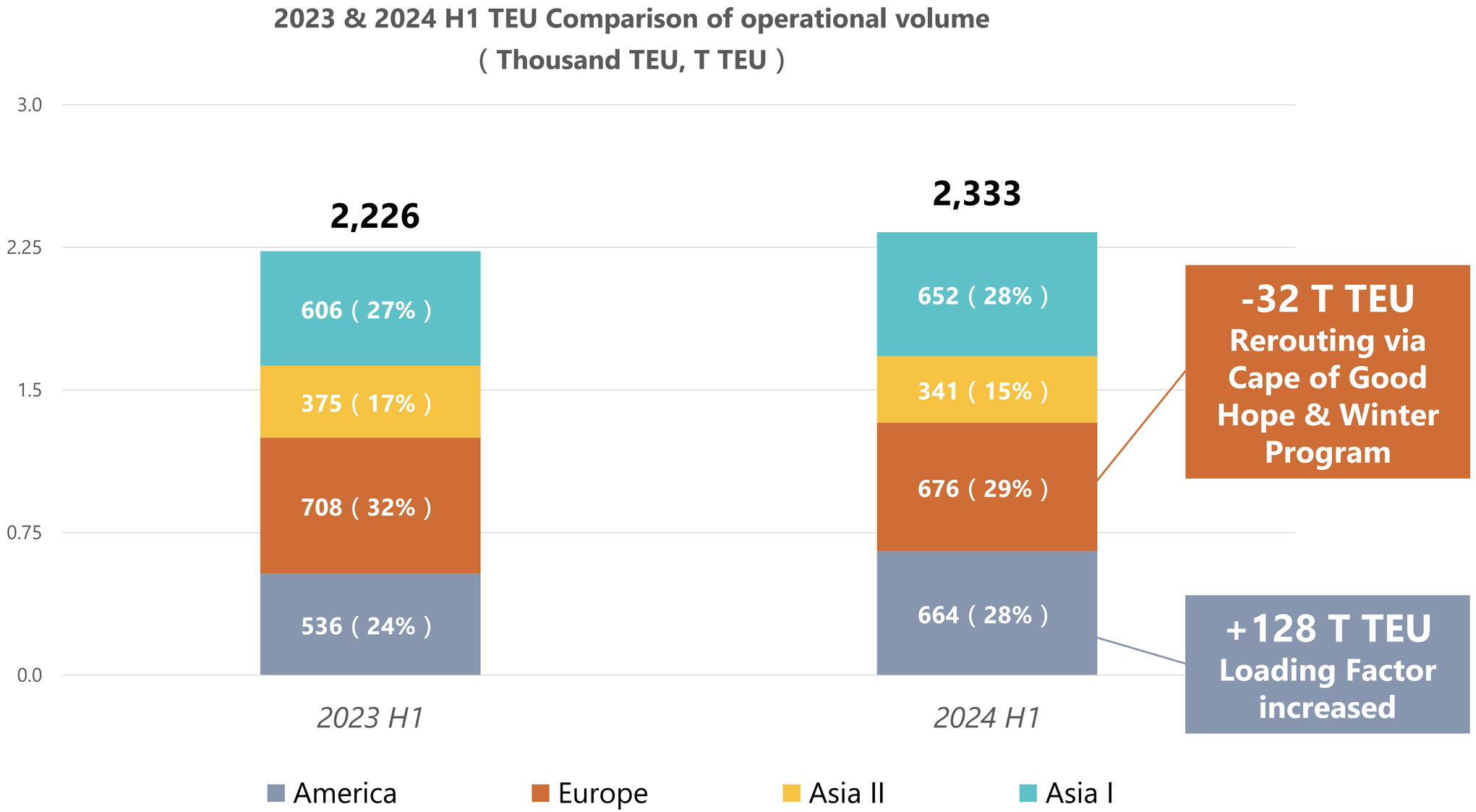
The Proportion of Consolidated Operating



Data interval:202401~202406

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Lifting Volume Analysis

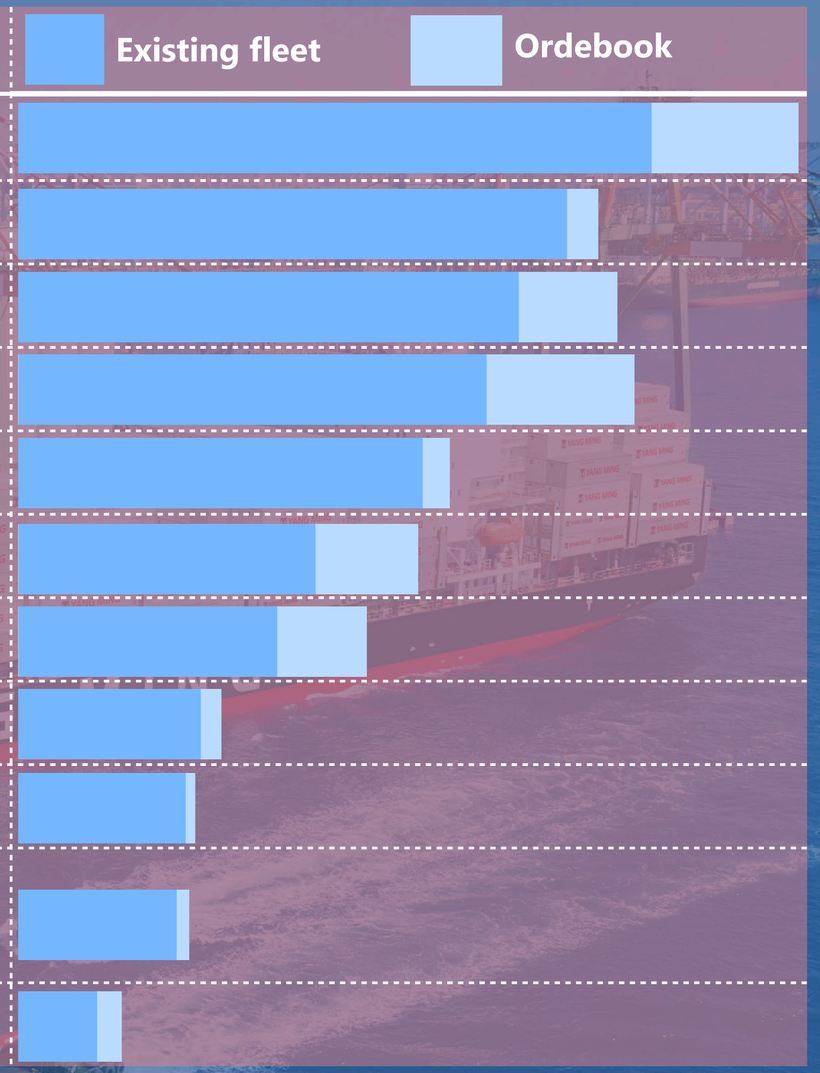


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Capacity Ranking

In September 2024, Yang Ming is the world's tenth-largest carrier

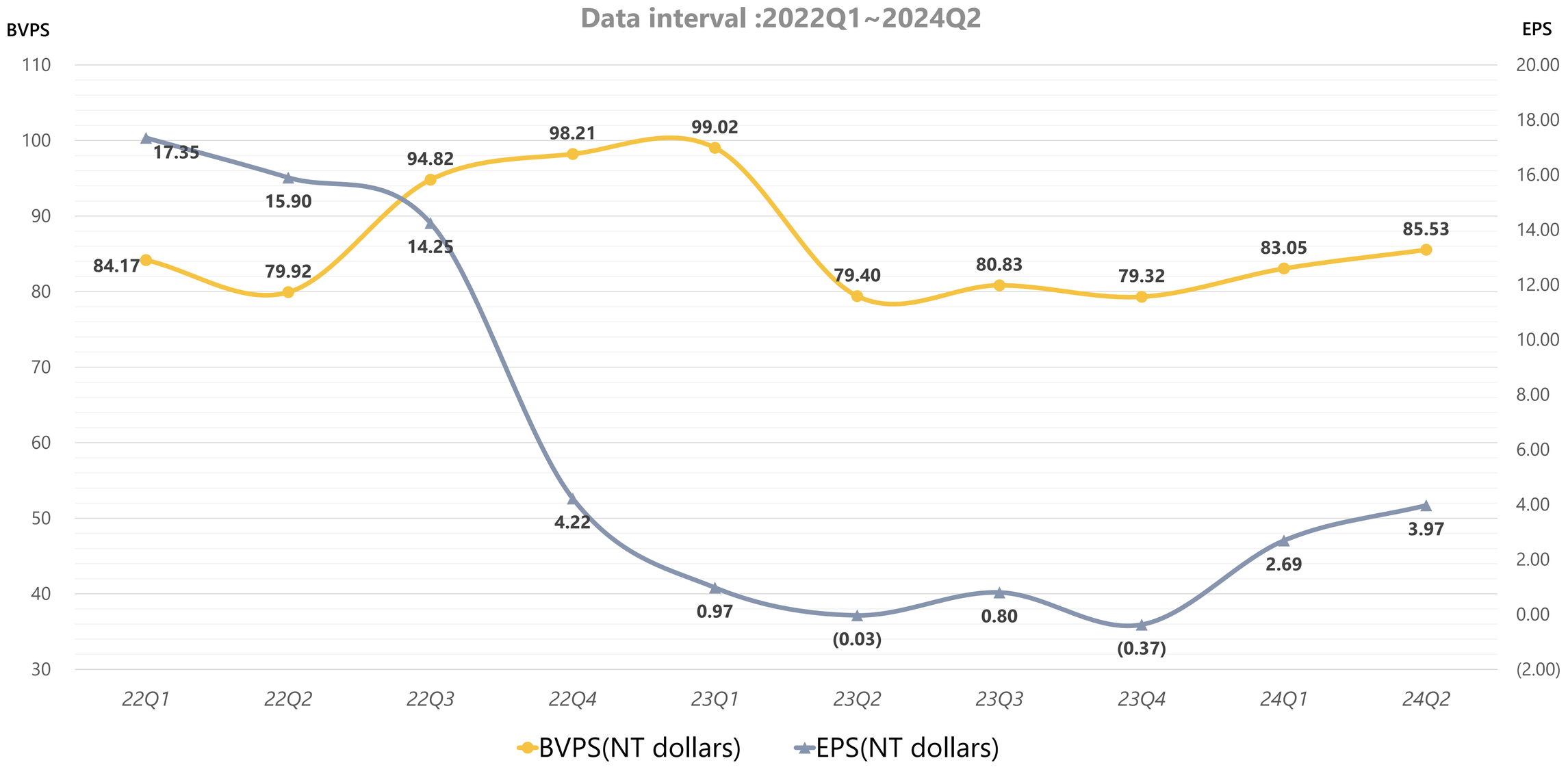
Rank	Operator	Teu	Share
1	Mediterranean Shg Co	6,095,955	20.0%
2	Maersk	4,359,002	14.3%
3	CMA CGM Group	3,829,873	12.5%
4	COSCO Group	3,264,463	10.7%
5	Hapag-Lloyd	2,247,064	7.7%
6	ONE (Ocean Network Express)	1,935,168	6.3%
7	Evergreen Line	1,720,561	5.6%
8	HMM Co ltd	868,227	2.8%
9	Zim	752,509	2.5%
10	**Yang Ming Marine Transport Corp.**	**706,822**	**2.3%**
11	Wan Hai Lines	525,923	1.7%



Source: Alphaliner TOP 100 / September 2024

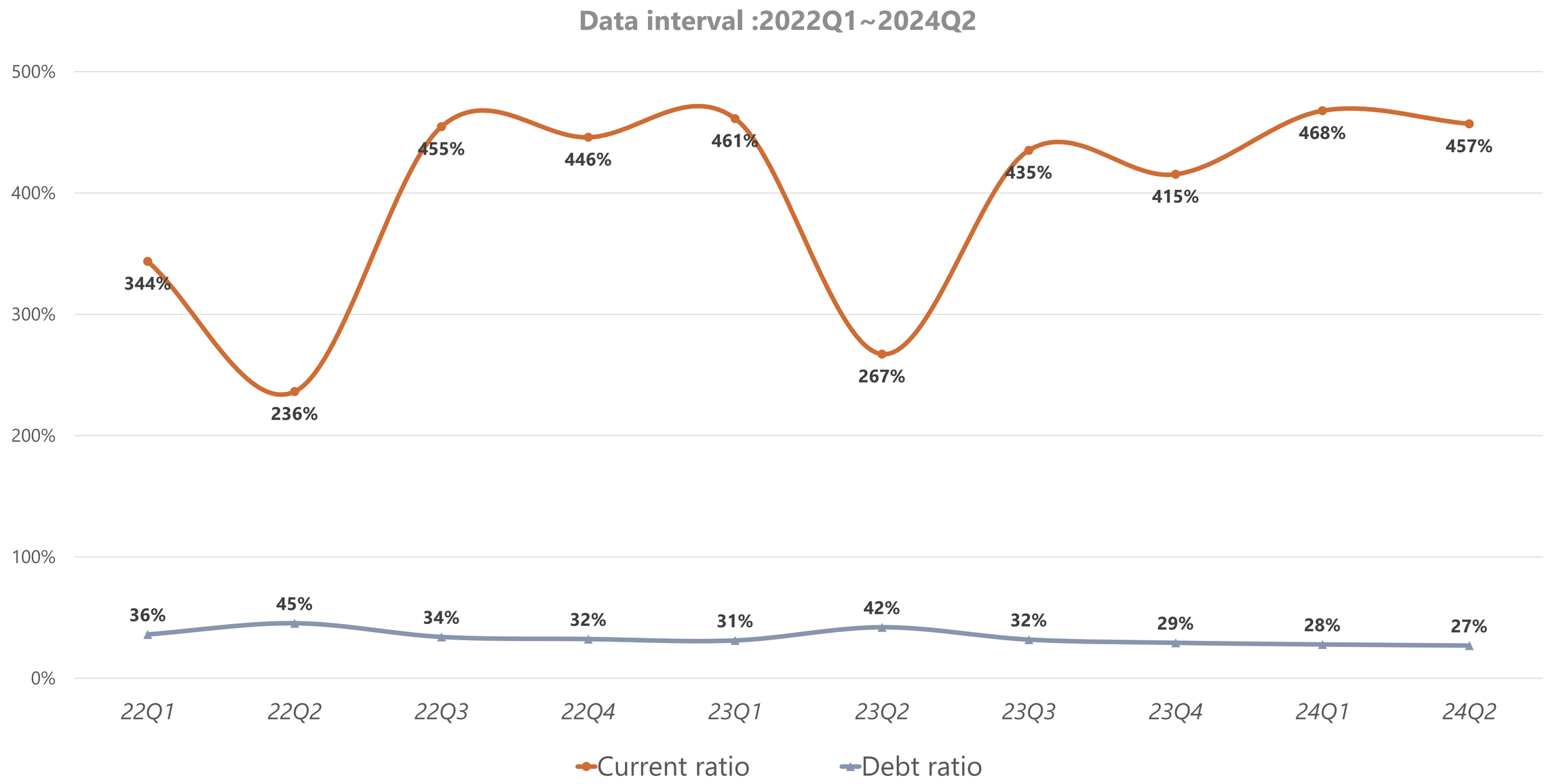
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Book Value per Share and Earnings per Share



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Financial Ratios



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YM fleet Status

1 Yang Ming's fleet consists of 94 vessels with a total capacity of approximately 707,000TEUs in Dec 2024. The total capacity in 2024 is 267 TEU less than 2023 due to replacement of individual chartered vessels.

2 By Dec 2024, through the purchase of existing chartered vessels, the number of owned vessels will increase to 61 (+6 vessels, +4%), and the capacity will reach 347,210TEU (+72,790TEU, +10%).

Year	Y2023		Y2024		DIFF.	
Own Vessels	55	61%	61	65%	+6	+4%
Chatered-in Vessels	39	39%	33	35%	-6	-4%
TTL Vessels	94		94		-	-
Own Capacity(TEU)	274,420	39%	347,210	49%	+72,790	+10%
Chartered-in Capacity(TEU)	432,669	61%	359,612	51%	-73,057	-10%
TTL Capacity(TEU)	707,089		706,822		-267	-0.04%

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YM Container Status

Gradually increasing the proportion of owned containers and upgrading containers to enhance operational competitiveness.

Unit : TEU	2022	2023	2024
New build containers	75,200	41,800	30,500
Total Containers	1.12 million	1.10 million	1.14 million
Owned Container %	36%	39%	40%

2022/2023 number is based on 12/31 while 2024 number is counted on 9/10.

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03

Financial Results



The Proportion of Consolidated Operating Revenue of Yang Ming Group

93.9%

Container Shipping



H1 Revenue
NTD 963.91 Billion

Total Capacity
695,000

238
Global Agents

10th
in global shipping capacity rankings

27
Global operational locations



4.1%

Logistics
YES Logistics

Providing international freight forwarding, warehousing, transshipment hubs, and cross-border e-commerce logistics services.

95
operational container ships

1.9%

Bulk Shipping
Kuang Ming Shipping

12
Bulk Carriers



91
Weekly Service Routes

6,476
Global Employees



0.1%

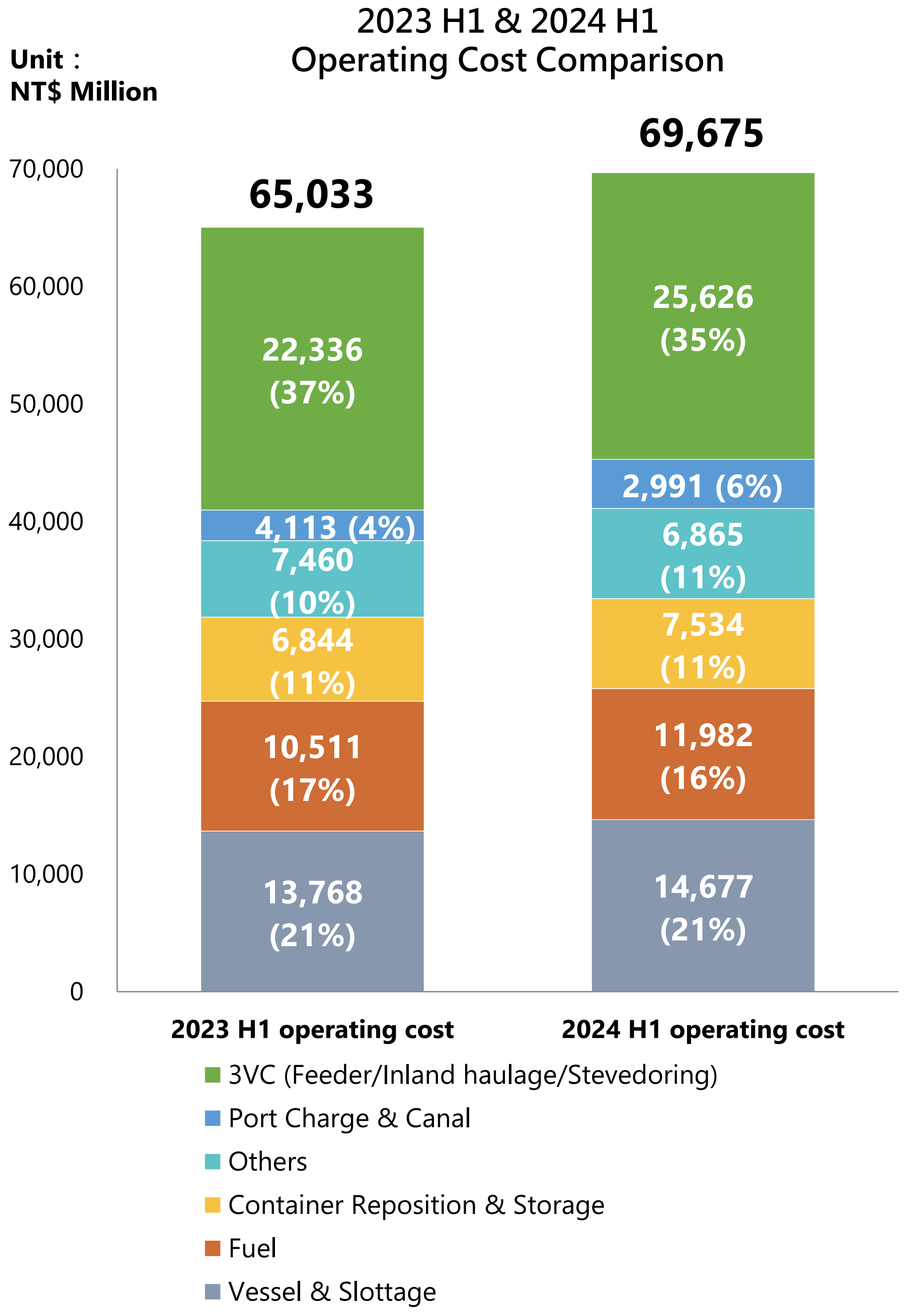
Stevedoring

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Consolidated Income Statement

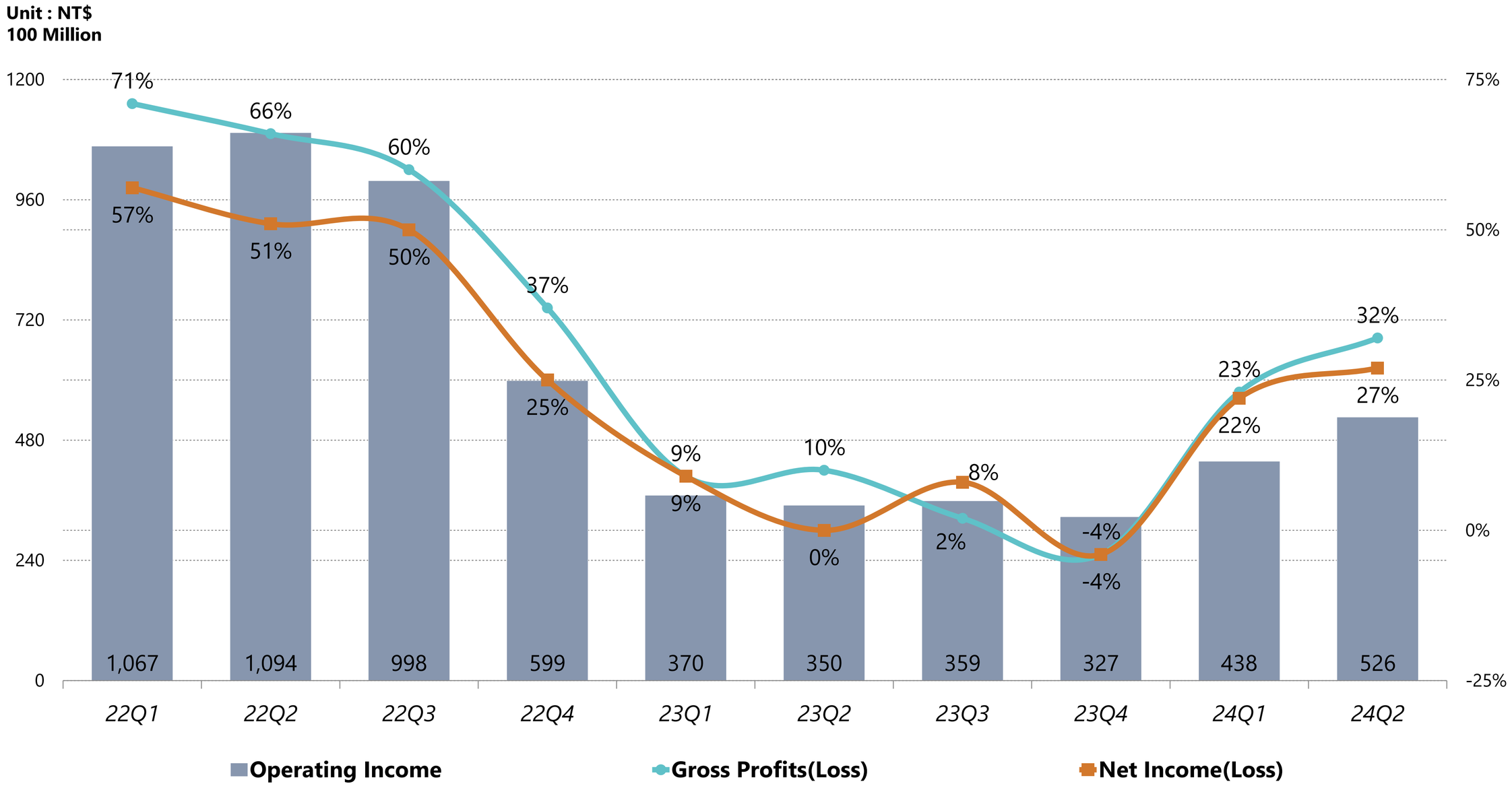
Unit：NT$ Million

Items	FY2024 H1	F2023 H1	Diff
Operating Revenue	96,390	72,000	24,390
Gross Profit	26,716	6,967	19,749
Operating Income(Loss)	22,021	3,042	18,979
Net Income(Loss)	23,419	3,449	19,970
Profit(Loss),attribute to owners of the parent	23,267	3,271	19,996
EPS(NT dollars)	6.66	0.94	5.72



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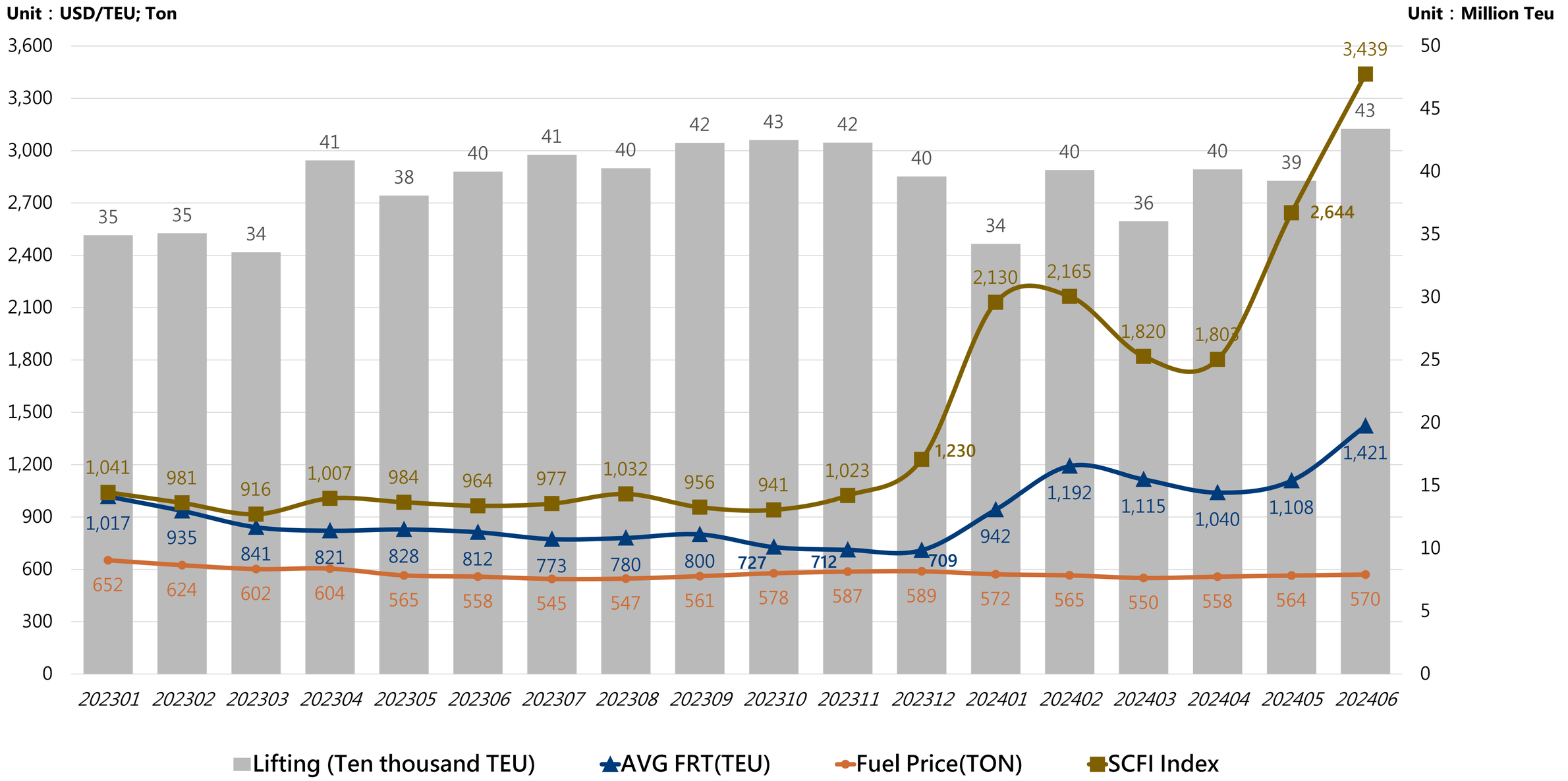
Consolidated Operating Income, Gross Profit(Loss) Margin and Net Income(Loss) Margin



Data interval:2022Q1~2024Q2

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Fuel price and Average FRT



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04



Operational Future Prospects

Operational Future Prospects

Premier Alliance

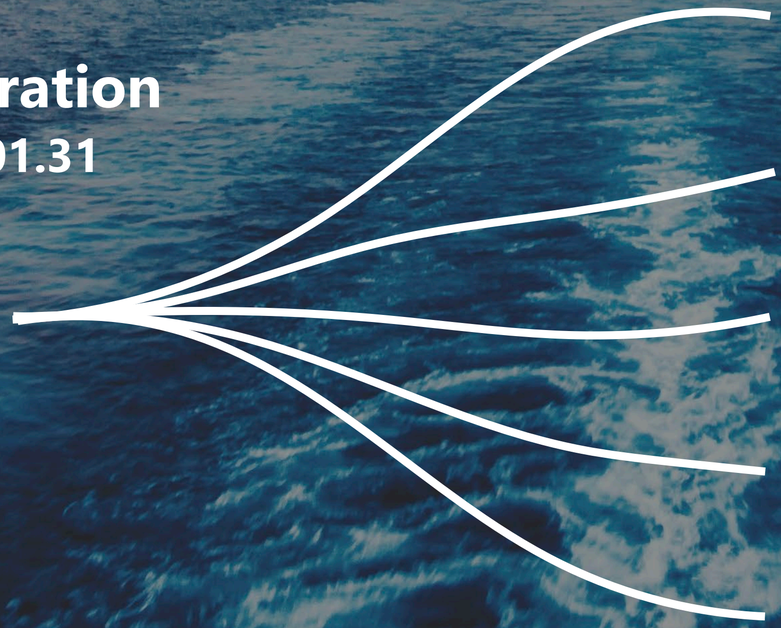
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ONE
OCEAN NETWORK EXPRESS

Cooperation duration
2025.02.01 – 2030.01.31

Global route coverage



- Far East/Southeast Asia - Northwest Europe
- Far East/Southeast Asia - Mediterranean
- Far East/Southeast Asia - East Coast of America
- Far East/Southeast Asia/West India - West Coast of America
- Far East/Southeast Asia - Middle East/Persian Gulf

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Operational Future Prospects

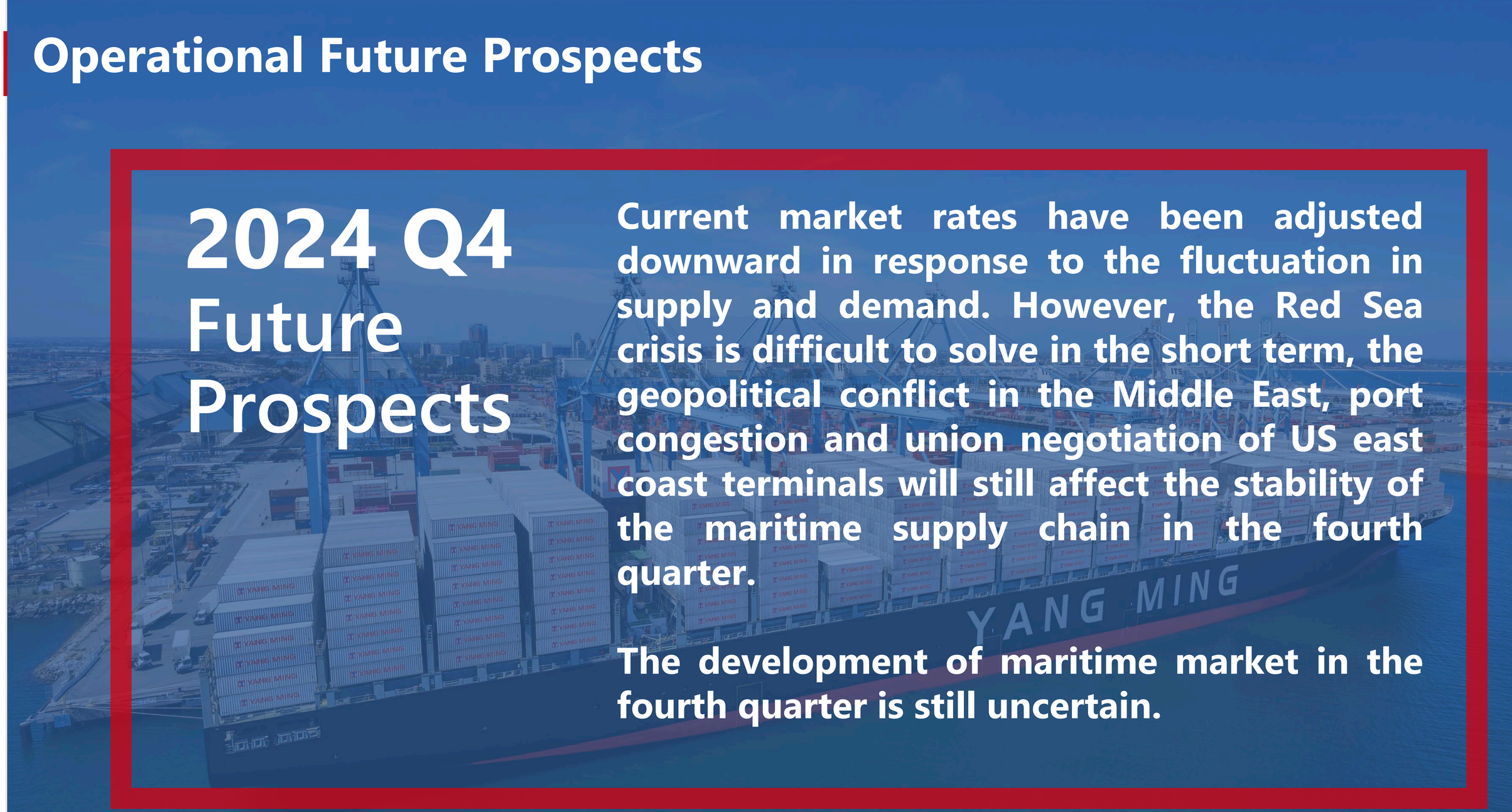
1 The number of services and port coverage are expected to increase by 2025 through alliances and slot exchanges with external partners.

2 The Red Sea route will resume operations depending on the development of the situation and resolution of the crisis.

Trade	No. of Services		No. of Port Calls		Service Characteristics	
	'24	'25	'24	'25	Frequency	Coverage
FE-NCP	4	6 (+2)	26	26 (+0)	**Increase**	**Remain**
FE-MED	3	4 (+1)	20	28 (+8)	**Increase**	**Increase**
FE-PSW	7	8 (+1)	24	25 (+1)	**Increase**	**Increase**
FE-PNW	4	3 (-1)	19	17 (-2)	**Streamline**	**Streamline**
FE-TPEC	4	4 (+0)	24	22 (-2)	**Remain**	**Streamline**
Middle East	2	2 (+0)	17	17 (+0)	**Remain**	**Remain**
*Red Sea	1	1 (+0)	8	8 (+0)	**Remain**	**Remain**
Total	25	28 (+3)	138	143 (+5)	**Increase**	**Increase**

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Operational Future Prospects



2024 Q4 Future Prospects

Current market rates have been adjusted downward in response to the fluctuation in supply and demand. However, the Red Sea crisis is difficult to solve in the short term, the geopolitical conflict in the Middle East, port congestion and union negotiation of US east coast terminals will still affect the stability of the maritime supply chain in the fourth quarter.

The development of maritime market in the fourth quarter is still uncertain.

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Operational Future Prospects

Main Calling Ports Update

Region	Country	Details of Activity
America	Canadian Rail	A strike lasting five days (8/22-26) in the Canadian railway ended on 8/26 with the intervention of the government. Railway operations have now returned to normal.
	Canadian Terminal	The competent authority (CIRB) held a hearing on 9/11-17 for the labour contract dispute between the foreman union (ILWU 514) in Canada west coast and the employer (BCMEA). Although ILWU 514 has voted for strike, there will be no job action before CIRB ruling. The terminal is currently operating normally.
	U.S East Coast Terminal	The six-year labour contract in the east coast of US will expire on 9/30 but a new agreement has not been reached. The labour union (ILA) has threated to strike if there is no valid agreement before the expiration of the current contract. The two sides continue to be in a stalemate.
Europe	German Terminal	The labour agreement between German trade union, Verdi, and the ZDS has been expired this May. Verdi goes on several strikes(8 to 48 hours)during past months and just announces they reached an agreement on a new collective proposal. A decision will be made on the member voting on 9/27.

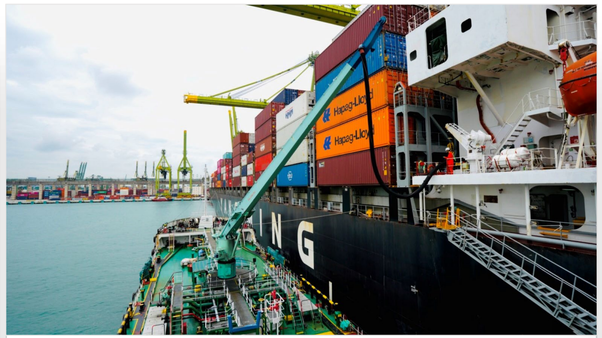
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Green Service Extension



Ready-made vessel optimization and modifications

Reducing fuel consumption and emissions through hull and propulsion system (including high-efficiency energy-saving propellers and bulbous bows, hull design based on practical range, engine power limitation modifications (EPL), and regular monitoring of operational vessel fuel consumption management, etc.).



Use of green fuels

Yang Ming's operational fleet has started using biofuels this year, which is expected to reduce the vessel's fuel lifecycle (well-to-wake) carbon emissions by 20% compared to traditional fuels. The company plans to continue investing in its own energy-efficient vessels that use alternative energy sources in the future.



Research on alternative fuels

The company is currently constructing five LNG dual-fuel container ships and will continue to monitor the technological maturity of alternative fuels for different types of vessels (such as methanol, hydrogen, and ammonia), the integrity of supply chain vertical integration, and the development of international environmental regulations.



Installation of shore power facilities on vessels

Operational vessels are progressively being equipped with shore power systems (AMP) on the port and starboard sides to reduce air pollution emissions during berthing time.

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Navigating Digitalization

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1

Establishment and application of low-Earth orbit satellite services for vessels

The company is participating in the "National Development Council 5G+ Low-Earth Orbit Satellite Testing Project," testing satellite and 5G equipment. In the future, we will continue to plan for the integration of low-Earth orbit satellites (SpaceX) and 5G for high-speed transmission to meet remote communication application needs.

2

Promoting digital services to enhance customer experience

The company has launched a LINE chatbot, document intelligence system, e-D/O (electronic delivery order service), electronic bill of lading for export, e-counter, mobile app E-Service features, and web customer booking functionalities, allowing customers to conveniently query and track cargo, as well as make online bookings anytime and anywhere.

3

Promotion of e-BL

The company has joined DCSA and plans to gradually promote e-BL starting in 2025, with the goal of achieving 100% adoption of e-BL by 2030.

4

Smart ship management

Through the Smart Ship Operations Center, various indices and real-time dynamics of vessels can be monitored instantly, and weather software is integrated to assist the fleet in planning the optimal routes and effectively managing the vessels.

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THANK YOU

Q&A

