



The FRESHEST Connector

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FRUIT

Remarkably resilient

Emerging markets

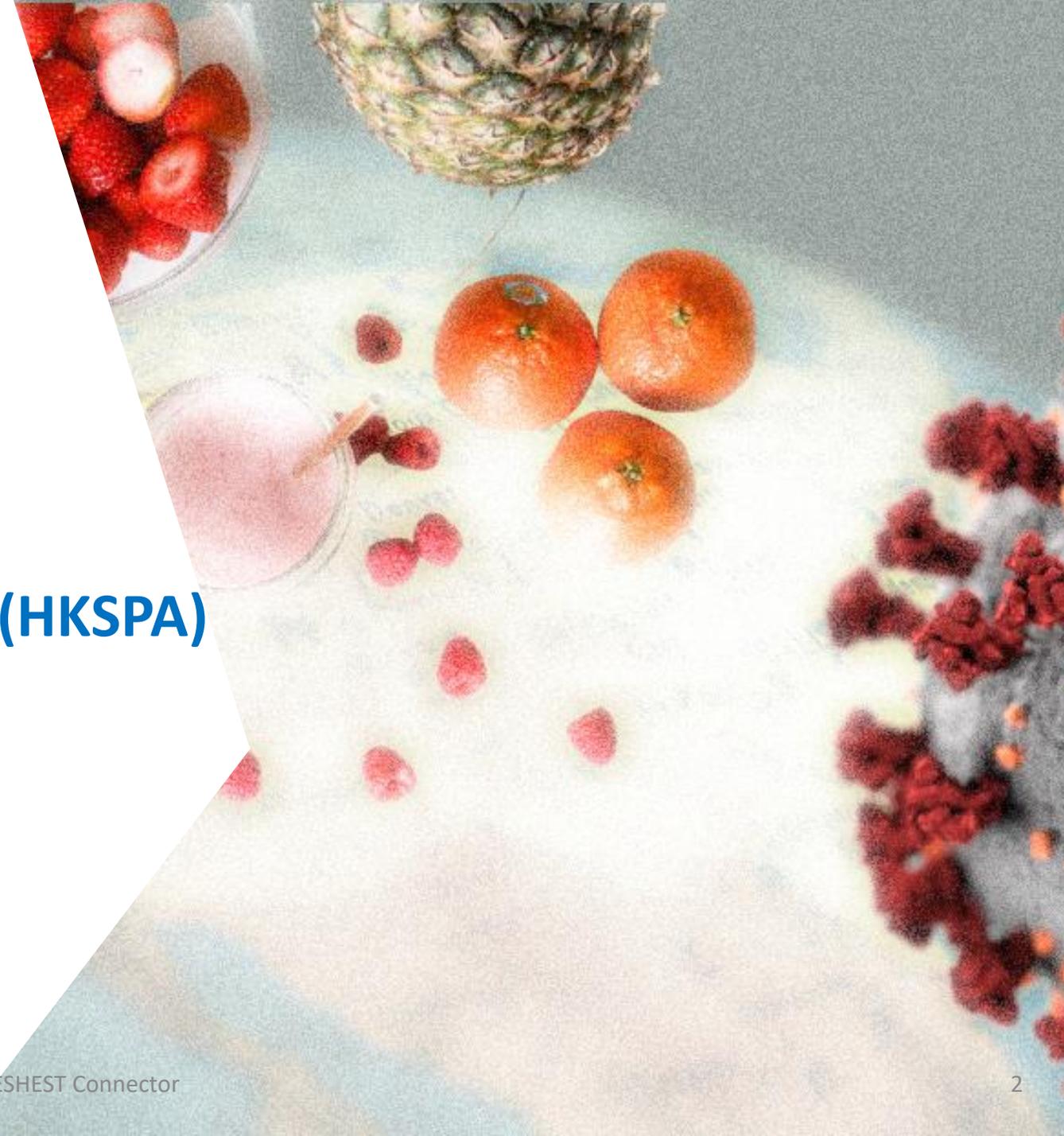
Supply Chain Disruption

HONG KONG SEAPORT ALLIANCE (HKSPA)

Ensures efficient operation

Sustains the future

Taps into the fast growing markets



Fruit is the bright spot of the container industry

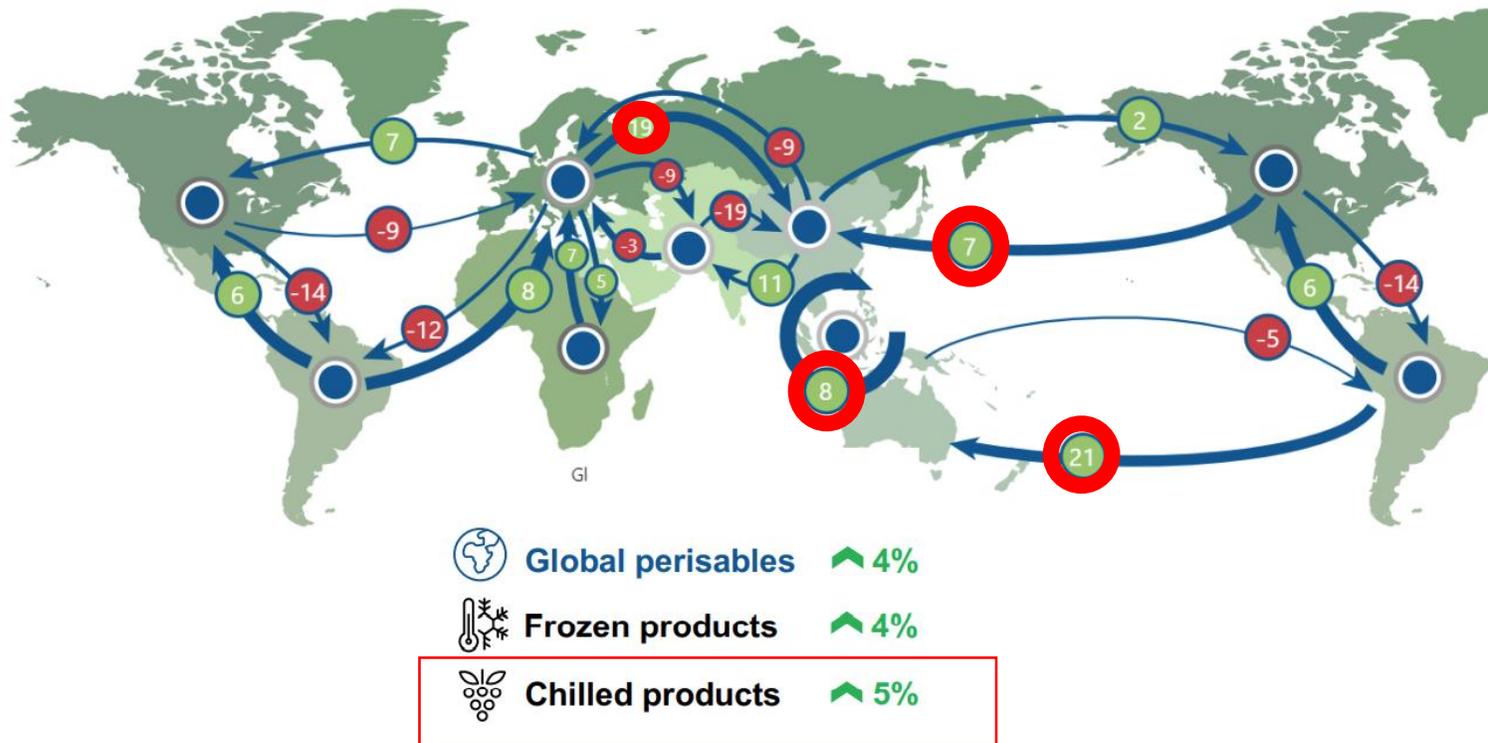
- 💡 **3.8M TEU** in 2019, accounts for **35%** of global containerized reefer traffic
- 💡 resilient during COVID **5%** growth 2020 YTD July
(vs -3% for dry cargoes)
- 💡 expected to record a CAGR of **4%** during 2019 -2024
(vs 2% for dry cargoes)



Source:
Drewry; Seabury;

Imports into Asia are the star performer

Perishables container trade growth, 2020 YTD¹
YoY growth, %



- ★ **Asia**, the largest import region
 - ☆ seaborne reefer trade imports share to increase from 50% in 2019 to **62%** in 2024
 - ☆ anticipated to continue as the leading region of perishables growing at an average rate of **4.4%** over the period to 2024

- ★ **China**, the largest fruit importer
 - ☆ **24%** growth in fruit imports in 2019
 - ☆ forecasted to increase around **9.5%** per year by 2025

- ★ **Hong Kong**
 - ☆ **5th** in terms of perishables container trade by destination (behind China, USA, Japan, Netherlands)

Source:
Seabury, Drewry, Livestreams: Fruitnet Live: China 2020
<https://www.statista.com/outlook/40160100/100/fresh-fruits/worldwide>

COVID placed unprecedented stresses on fruit supply chains

Border Closure

Port Closure

Quarantine measures

Transport restrictions

Demand side shocks

↑ price

↑ wastage

↑ delivery times



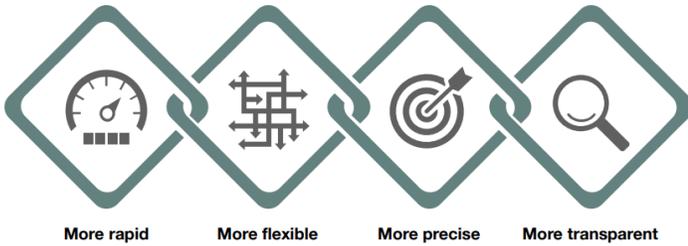
Schedule Change

Capacity Issues

Container Shortage



- Enhance resilience
- Diversify market
- Increase online purchase
- Collaborative supply chain relationships



HKSPA offers the FRESHEST

- ✔ **Unique value proposition**
- ✔ **Best in class capabilities**
- ✔ **Seamless connectivity**
- ✔ **Unhindered port operations**
- ✔ **Innovation for sustainability**

Hong Kong Seaport Alliance (HKSPA)

maximises combined capabilities in a “terminal - neutral” manner to preserve freshness of your fruits

15M TEU throughput in 2019

23 berths (8 mega vessel simultaneously)

12 barge berths

262 hectares of land

- Enhances operational and cost efficiencies
- Streamlines operation
- Better serve market needs
- Innovates service offerings and delivery



Your international shipping hub & key gateway to China

HKSPA's best-in-class capabilities for fruits



- 👍 **Our Expertise**
 - 👍 Reefer volume: **900K TEU**
 - 👍 Chilled & light chilled volume: **350K TEU**
- 👍 **Over 7,800 reefer plugs**
the most in South China
- 👍 **Expedited cargo release**
Container leaves terminal as fast as 15 mins after discharge

HKSPA keeps your international, regional and local markets open

Free Port Status and comprehensive service network allows easy market access



Unique **Free Port Status**

No barriers on trade

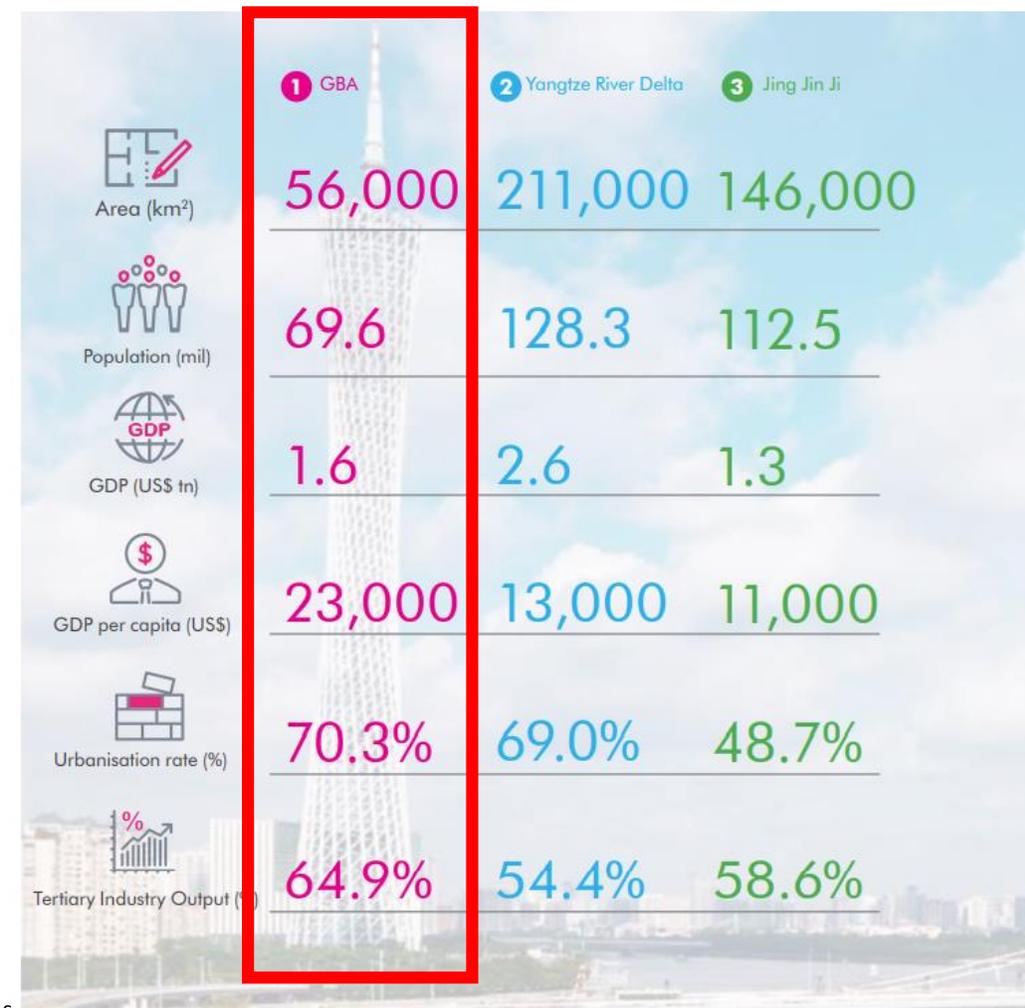
International **Credibility**

223 weekly liner calls



HKSPA is well positioned to embrace opportunities in China

- **China**
 - China fruit imports increased by **24%** in 2019 and is expected to grow by almost **60%** over five years
 - **60%** of Hong Kong's imported fruit are re-exported to China
- **Greater Bay Area (GBA)**
 - GBA is the largest Bay Cluster and its GDP is expected to **triple** by 2030
 - Hong Kong is positioned as the **international shipping and trading hub**
- **Guangzhou Jiangnan Wholesale Fruit and Vegetable Market**
 - The Market accounts for **70%** of the nation's fruit imported trading volume
 - **4 hours away** from Hong Kong



Source:
 Business talks: Greater Bay Area Bridging the future
www.pacificglobal.com
 CBRE <https://www.cbre.com.hk/en/about/media-centre/the-rise-of-the-greater-bay-area-as-the-worlds-largest-bay-area-economy>
 Fruitnet

HKSPA capitalises opportunities of China

Through multi-modal connectivity



Reaching major trading & consumption fruit markets in China in Hours



Over 100 daily barge calls handling 6M TEU barge transshipment per year



Connected to rail to penetrate to inland China

MAJOR CITIES	TRANSIT TIME (HRS)
Shenzhen	1
Donguan	1.5
Guangzhou	2
Zhongshan	2
Shanghai	24
Beijing	48

MAJOR PEARL RIVER PORTS	CALLS/WEEK	TRANSIT TIME (HRS)	DISTANCE HK (KM)
1. Huangpu	147	8-10	114
2. Foshan	70	9-11	133
3. Jiangmen	70	12	115
4. Shunde	63	8-12	105
5. Zhongshan	42	7-12	83
6. Nansha	42	9-11	85
7. Yantian	28	8-10	110
8. Zhuhai	28	7-13	61
9. Guangxi	28	35-40	600
10. Shantou	21	28-38	282
11. Zhanjiang	21	30-32	412
12. Shekou/Chiwan	21	6-8	32



HKSPA develops new alternatives to cater your fresh needs

Addressing your needs to cater large shipment and address possible trucking shortage



From **HKSPA** to
Jiangnan Fruit Market

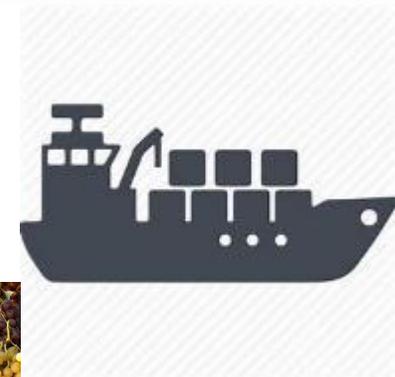


4 hours by truck



17 hours by barge

Barge to Nanhai and then truck to Jiangnan market



HKSPA's unhindered operations during COVID

minimizes uncertainty and eliminate shrinkage

- ✓ provides reefer capacity in times of other ports' closure and reefer plug shortage
- ✓ collaborates with shipping lines to divert and relocate their reefer shipments to Hong Kong
- ✓ catches up vessel schedule
- ✓ serves as empty repositioning hub

We ensure smooth supply chain & temperature controlled commodities reach final destinations in good condition



📄 Paperless

- 📄 *Electronic Release Order for imports*
- 📄 *Electronic Booking Confirmation Notice for exports*

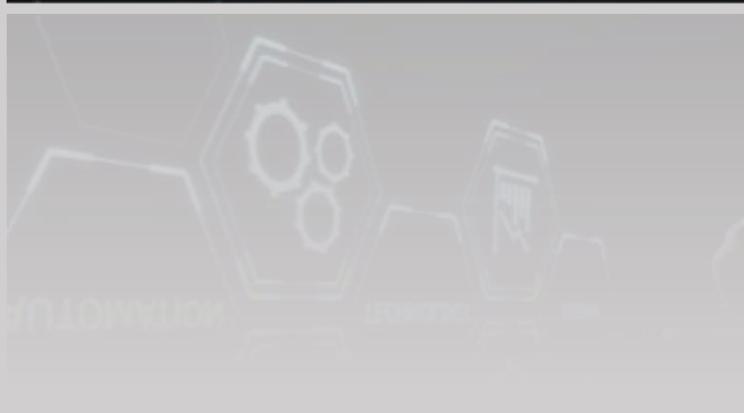
📄 Automation

- 📄 *Gate Automation – Remote Container Inspection*
- 📄 *Remote Reefer Monitoring*

📄 Transparency and Security

- 📄 *Track & Trace*
- 📄 *Improved compliance and data exchange - API, Blockchain*

📄 Faster processing - 5G





Our **VALUE** for
CHERRIES

HKSPA – Champion for Chilean Cherry Handling

We lead in terms of expertise, network and efficiency



- Over **80%** of China imported Chilean cherry goes via Hong Kong and HKSPA achieved **8%** growth in volume last season.
- **3** out of 4 Chile-Asia services call South China of which Hong Kong is the **first port of call** for all 3 service calls.
- **24** Cherry Express calls for Dec 2020 to Feb 2021
- **22 days** fast transit time from Chile to Asia

Operators	Routing	Transit time	1 st call arrival at HK
 	San Antonio > Hong Kong	22 days	22 Dec 2020(Tue)
   	Valparaiso > Hong Kong	22 days	4 Dec 2020 (Fri)
  	  	San Antonio > Hong Kong	22 days 31 Dec 2020 (Thu)

The HKSPA Renowned Fruit Express

unbeatable and the fastest terminal delivery process for you to capitalize the highest selling value

Shortest transit time

22 days direct from Chile to Hong Kong



Expedited pick up at port

Immediate pick up of containers after discharge

No customs clearance required

Speedy pickup by cherry traders

- **50%** within **6.5 hours**

- **75%** within **1 day**



4 HOUR EXPRESS SERVICE

From discharge to market



Seamless Cross Border Pre-Inspection

1 hour from HKSPA to China Inspection Company's new facility in Man Kam To



Express to Jiangnan Market

2 hours by truck via border



HKSPA enhances your resilience, sustainability & productivity

Keeps domestic, regional and international markets open

Secure and build on positive trade

Provide clear and transparent communication

Adopting an integrated approach with stakeholders

Contact us at marketing@hkseaportalliance.com