Kerry Express
(Thailand)
SET Opportunity Day
August 2021
BUSINESS OVERVIEW
As the leading and fast growing express delivery company in Thailand and the pioneer of convenient and express delivery solutions in Thailand, we offer a comprehensive range of integrated parcel delivery services to customers in the C2C, B2C, and B2B segments.

**Strong Network with Nationwide Coverage**
- **16,000** Service Locations
- **ALL 77** provinces in Thailand covered
- **9** Sorting Hubs

**Industry-Leading Service Quality**
- **1,000+** Distribution Centres
- **20,000+** Fleet of Vehicles under our Management
- **99.99%** Next-Day Delivery Service Coverage within Thailand
- **99%** of Parcels Delivered on Time

**Largest Payment-on-Delivery Express Company**
- **7bn (THB)** Average Monthly Transaction Value
- **<1.5%** of Parcels Returned

Source: Company Information.
Our Business Segments

C2C (Consumer-to-Consumer)
- Fastest growing segment of the Company with the largest client pool
- Received No.1 Brand Thailand Award in Delivery/Logistics
- Service Offerings:
  - Comprehensive service offerings including all of our SD, ND, AM 2D and 3D services
  - Innovative door-to-door ("D2D") service with courier pickup
- Nationwide Service Points
- Call Centre
- AI Chatbot
- Kerry Express Loyalty Program
- KE App

B2B (Business-to-Business)
- Serves the largest e-commerce platforms operating in Thailand
- Service Offerings:
  - Integrated logistics and e-commerce solutions: cross-border solutions, particularly customs clearance and last-mile deliveries, e-fulfillment services, express delivery, return management, and payment-on-delivery solutions
- Nationwide O2O Service Points
- Call Centre
- Dedicated CRM Team
- On-site Support
- Kerry Express Loyalty Program
- AI Chatbot

B2C (Business-to-Consumer)
- We are deep rooted in serving business customers from small to large enterprises and providing customised & value added services
- Service Offerings:
  - Streamlined delivery process with integrated logistics solutions, including pickup, packing, labeling and other value-added services
- Dedicated CRM Team
- On-site Support
- True OPPO Samsung Corporate Customers

Source: Company Information.
Our Service Offerings

- Parcels are collected within 2 hours of booking and delivered in the evening of the same day.
- Covers the Bangkok Metropolitan, Greater Bangkok areas and certain upcountry areas.
- Aim to offer nationwide coverage.
- BTS Express Service where parcels can be picked up and delivered along the BTS line.
- Delivery before noon on the next day.
- Covers major cities in Thailand.
- Core focus of our private express delivery service.
- Next-day delivery for any parcel dropped off or collected before cut-off time.
- Covers 99.9% of the areas within Thailand.
- 2-day and 3-day economy delivery services.
- Covers nationwide.
- Pick up parcels at customers’ doorsteps.
- Covers nationwide.
KEX Strategies and Plans

VALUES
- Honesty
- Innovation
- Service mind
- Teamwork
- Execution
- Positivity

VISION
Thailand’s forefront express delivery company focusing on delivering utmost quality products and services that exceeds customer expectations

MISSION
We are committed to providing quality services, enriching our society, caring for our staff and being responsible to our stakeholders and investors

STRATEGIES

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Q2–2021 Highlights

DEEPENING AN AGGRESSIVE PRICING APPROACH: KEX has continued to successfully penetrate the economy segment & farm product market by proactively offering promotional pricing and attractive sales campaigns both regionally and nationwide.

Q2/2021 resulted in continuous GROWTH IN DELIVERY VOLUME, NET PROFIT of THB 336 million and NET PROFIT MARGIN of 7.3%, driven by strong marketing and sales approach as well as improvement in operating efficiency.

DELIVERY PLATFORM UPGRADE IN PROGRESS: Service quality and network stability have been continuously enhanced in pursuit of standardised & streamlined first-mile, transit and last-mile handling of parcels.

KEX HAS REMAINED RESILIENT DURING THE PANDEMIC. Restricted measures & hygiene standards are imposed, including employees' intra-regional travel ban, contactless delivery, and back office's 100% remote work etc.
KERRY EXPRESS won the majority of the votes in all 5 regions of Thailand; Bangkok metro, Northern region, Northeastern region, Central region, & Southern region, reaffirming KEX’s strong market leadership.
BUSINESS DIVERSIFICATION
Business Diversification

Implementation Journey

Kerry Media
Kerry Can-Sell
Kerry Cool
Kerry LTL
Kerry Wallet
Kerry Wallet Introduction

An “Open Platform” as a one-stop lifestyle wallet (not payment), developed for Kerry solution and Kerry service points as well as for all online and offline shopping & payment platforms in Thailand

A Journey of Kerry Wallet

Kerry Wallet Introduction & System Development

Kerry Wallet Launch for KEX’s Ecosystem (10M MAU)

Use for Payment of KEX Services & COD to Retain Money Float within KEX

A Lifestyle Wallet for All Wallet and e-Payment in Thailand (Connecting One for All)
Kerry COOL & Kerry LTL

Kerry Cool

To establish Thailand’s forefront cold delivery platform driven by world-class technology, process engineering and ultimate user-experience

- Thailand’s cold chain market is anticipated to emerge owing to growing concerns of food safety and rise in demand for cold products delivery
- Yet, cold chain market is relatively small compared to the entire logistics market, both in delivery and warehousing
- Fresh Food industry accounts for 60% of the total cold chain market by weight, followed by processed food at 37%*
- 96% of cold chain transport companies are SMEs deploying mini-truck / pick-up truck*
- Top most common issues with to-consumer cold deliveries in Thailand involve around standardisation, reliability and service coverage
- “Hub and Spoke” operating model for enhanced efficiency

Kerry LTL

To establish Thailand’s first LTL delivery platform driven by world-class technology, process engineering and ultimate user-experience

- Definition: Large shipment (≥30 kg), that cannot be hand carried by one person, sometimes palletised and sometimes co-loaded by stacking
- LTL delivery market in Thailand is on a verge of emergence with expected positive demand growth**
- Groups of customers are willing to pay for professional LTL delivery services. Delivery goods include consumer products, electronic equipment, home improvement and furniture and automotive parts.**
- CZC&B2C are expected to grow at faster paces in line with growing consumer’s expenditure
- “Hub and Spoke” operating model for enhanced efficiency

Roadmap

- Q3/21: FS / JV Preparation
- 2H/21: Business Set Up
- Q4/21 - Q1/22: Business Commencement

*Based on market research by Frost & Sullivan & KEX
** Based on market research by YCP Solidiance & KEX
New Record of Volume with Quarterly Growth in Sales and Profit

Revenues (Sales and Services Income) (THB Million)

- Q2/20: 5,386
- Q1/21: 4,188
- Q2/21: 4,600

+9.8% QoQ
-14.6% YoY

Net Profit and Margin (THB Million, %)

- Q2/20: 365
- Q1/21: 303
- Q2/21: 336

19.7% 23.4% 21.4%

EBITDA Margin

+10.8% QoQ
-8.1% YoY

Segment Contribution (THB Million, %)

- B2C: 44.4% (5,386 mn)
- B2B: 1.6% (4,188 mn)
- Advertising income: 0.0% (4,600 mn)

Management Objective (RPP and CPP: THB; Parcel Volume: Million)

- Parcel Volume: +10.8% Volume Growth (1H21)
- Revenue per Parcel (RPP):
  - 2017: 50.0
  - 2018: 50.3
  - 2019: 70.3
  - 2020: 66.4
- Cost per Parcel (CPP):
  - 2017: 80.9
  - 2018: 72.1
  - 2019: 78.1
  - 2020: 74.3

- Q2/20: 4,188
- Q1/21: 4,600
- Q2/21: 5,386

QoQ: +9.8% -14.6% YoY: +10.8%

QoQ: +9.8% -14.6% YoY: +10.8%
Healthy Balance Sheet & Liquidity Position

### Key Ratios

- **Gearing Ratio**: 0.59
- **D/E**: 2.88
- **Current Ratio**: 0.59

### Financial Positions

**31 Dec 2020**

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<tr>
<th>Asset</th>
<th>Liabilities &amp; Equity</th>
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**30 Jun 2021**

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**31 Dec 2020**

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### Cash Flow

- **Cash (Dec 20)**: 9,697
- **CFO**: 1,348
- **CFI**: (5,077)
- **CFF**: (2,055)
- **Cash (Jun 21)**: 3,913

Current Ratio: 2.88

D/E: 0.59

Gearing Ratio: –
DISCLAIMER

Investment involves risks. Prospective should understand the characteristics of Securities and study information about Kerry Express (Thailand) Public Company Limited ("KEX" or the "Company") before making a decision to invest in Securities.

This Presentation is not intended to provide the basis for any investment decision, nor to substitute your own analysis and investigation, and should not be considered as a recommendation to any recipient of this Presentation. Some statements made in this presentation are forward-looking statements, which are subject to various risks and uncertainties. These include statements with respect to the Company's corporate plans, strategies and beliefs and other statements that are not historical facts. These statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "continue", "plan" or other similar words.

The statements are based on the assumptions and beliefs of the Company's management in light of the information currently available to the Company. These assumptions involve risks and uncertainties which may cause the actual results, performances or achievements to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Nothing in this Presentation is, or should be, relied on as promise or representation of the Company as to the future.
THANK YOU

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