



# E-COMMERCE FIRST-HAUL AIR FREIGHT TRANSPORT





# CAPACITY

E-COMMERCE FIRST-HAUL AIR FREIGHT TRANSPORT

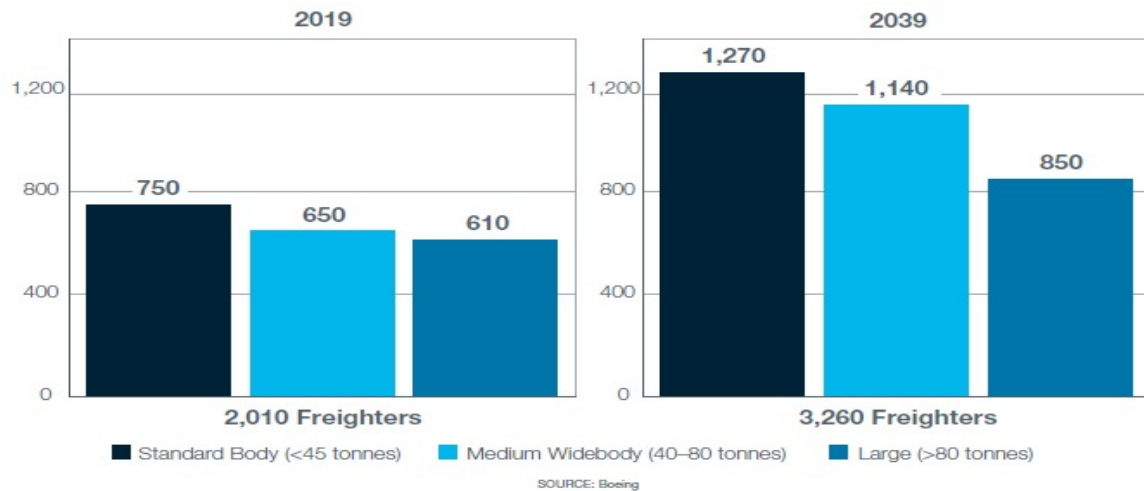




# Freighter

Most popular freighter: B747F/B777F/B767F/A330F

- Good loading & volume
- Oversized & Special cargo
- Long production cycle
- Not enough



Source: Boeing



Estimated new freighter to 2039 will be 1250

Is it **enough** ?



# Preighter

## Seats removed

- Simple conversion needed
- Loading control
- Manual operation
- Limited policy



## Seats remain

- Quick response
- Small size & Light weight
- Manual operation
- Limited volume



# Cargo flight with Pax

When we meet limitation of cabin loading.  
Low deck of PAX flight is one of solutions  
without passengers.

Pax flight without passengers

- More frequency
- Quick ground operation
- Only Low-deck volume
- Priority for heavy good





# HONGYUAN AIR NETWORK



We can offer all solutions...

- B747F
- A330P2F
- B787
- Preighter



# MARKET

E-COMMERCE FIRST-HAUL AIR FREIGHT TRANSPORT



# Cross Border Trading Commodity China <=> Europe



China→EU

- Basic Manufacturing
- E-commerce: Lower value



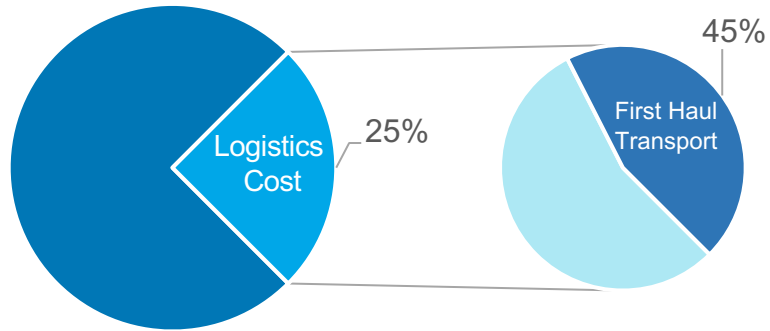
EU→China

- High-tech Manufacturing
- E-commerce: Higher value

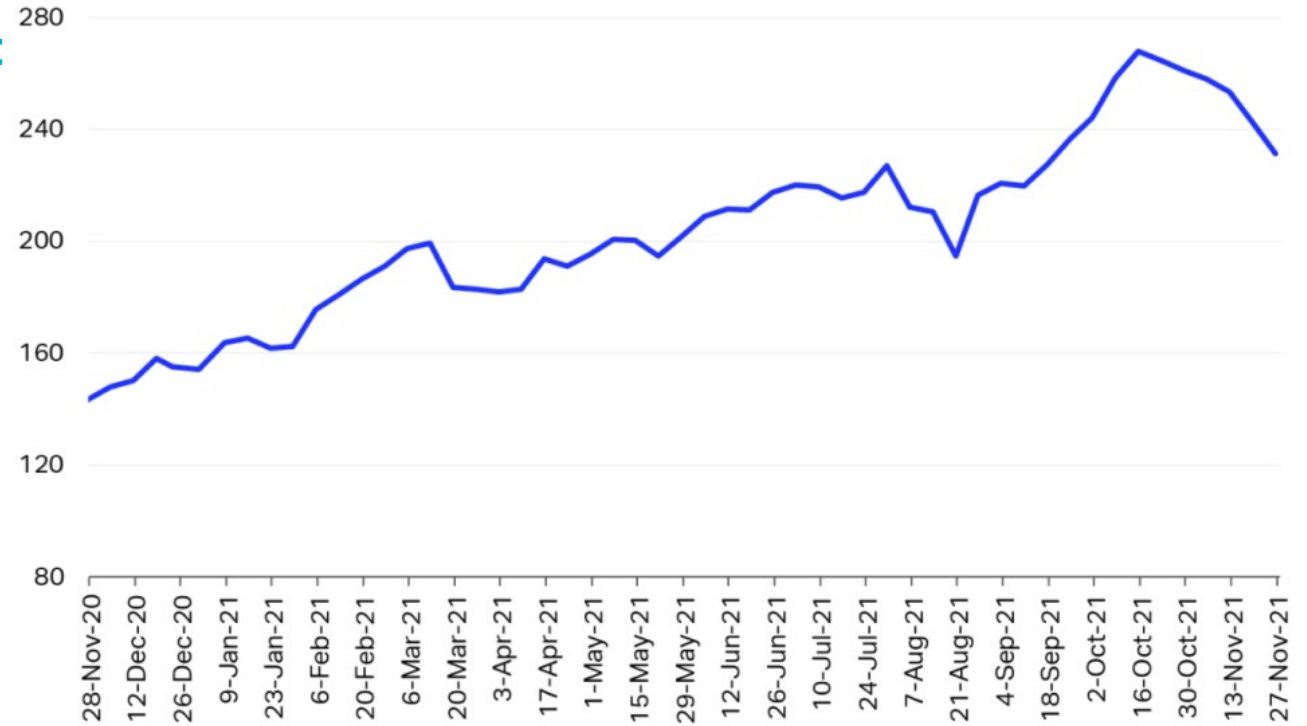


# E-commerce Logistics Cost Structure

- 25% Logistics Cost of Sales Value
- 45% First-Haul Transport of Logistics Cost
- Impacts of Fuel Price increase



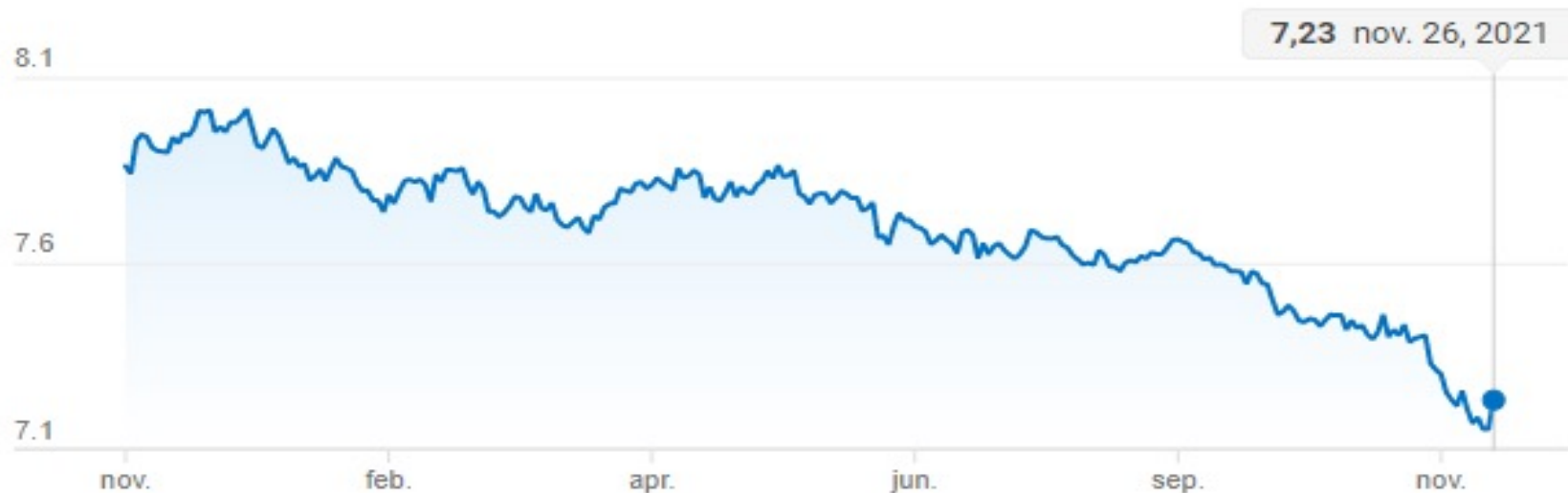
Jet Fuel Price Index (2000 = 100)



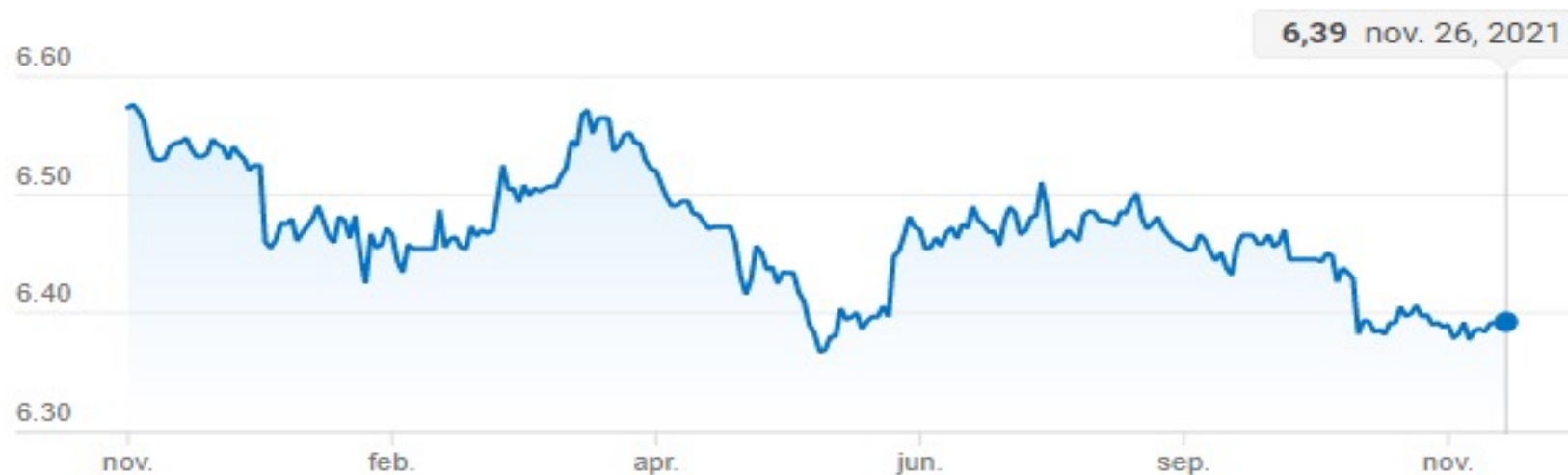
Source: Platts

# Exchange Rate

1 EUR to CNY



1 USD to CNY



# Post-Covid Era

- Recovery of Air Capacity in 2022 ?
- Evolution of E-Commerce Supply Chain Solutions
- One-Stop Shopping Logistics Solutions



We are offering completed transport solutions





DISRUPTIVE

# OPERATION

E-COMMERCE FIRST-HAUL AIR FREIGHT TRANSPORT











## Traditional Cargo

## E-commerce Cargo





# Traditional Cargo



ULD Build



Flight loading



ULD Breakdown



# E-commerce Cargo



## Traditional cargo & E-commerce cargo

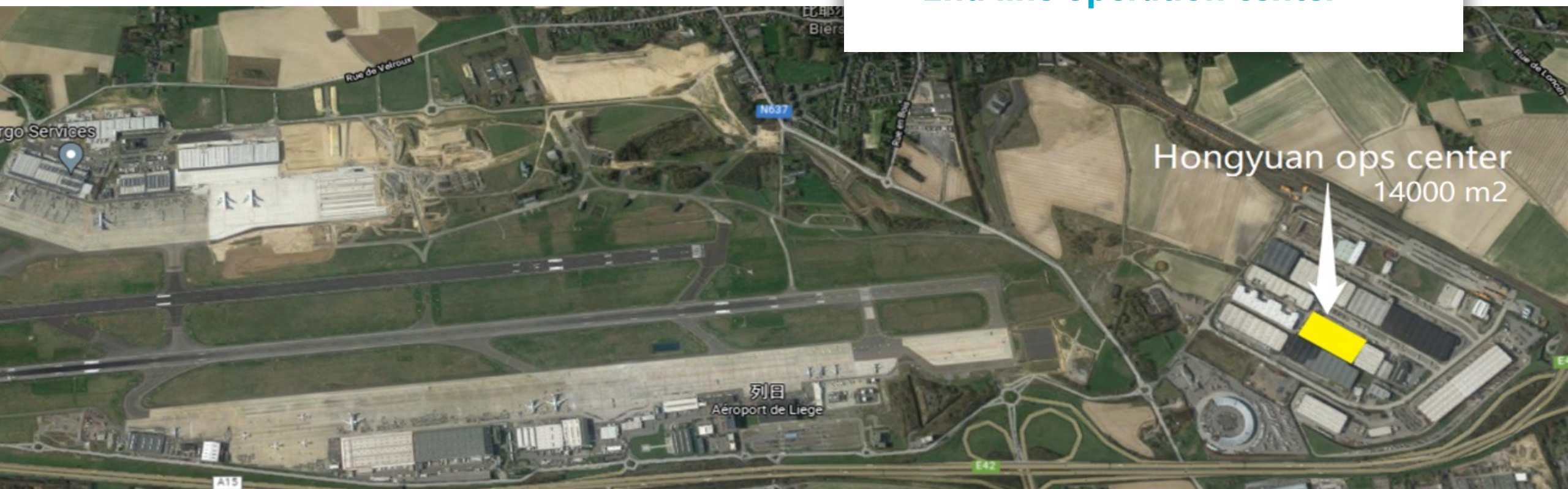
- Infrastructure
- Labor intensive
- Time consuming
- Low fault tolerance



## Traditional Handling & Hongyuan E-commerce Handling

### Infrastructure & Process redefinition

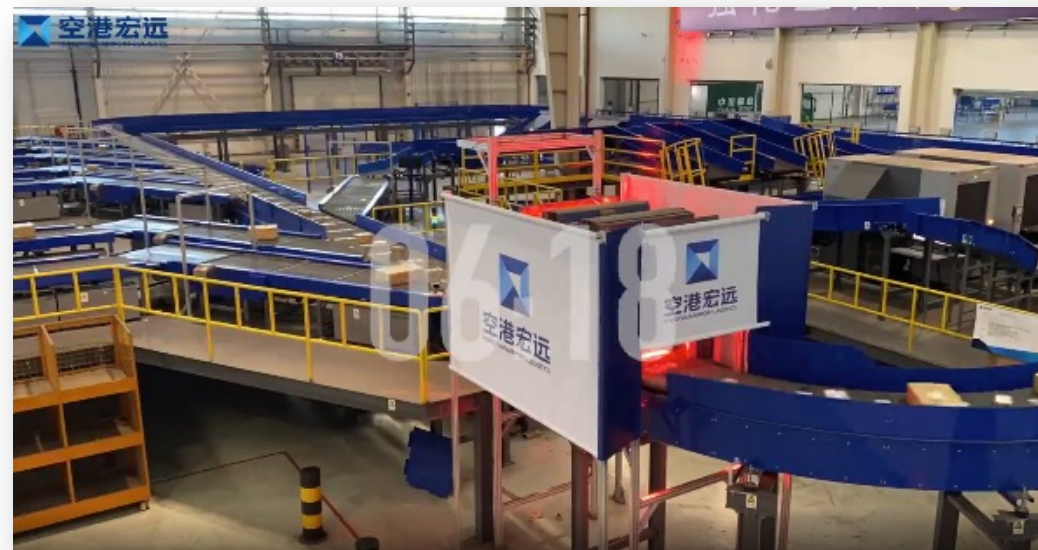
- 1st line fast in/out
- 2nd line operation center





## Traditional Handling & Hongyuan E-commerce Handling

- Infrastructure & Process redefinition
- Converted aviation auto-handling system
  - Scanning pcs/weight/dims
  - Sorting by Mawb/Hawb/Destination
- Fully integrated IT solution







# DIGITALIZATION

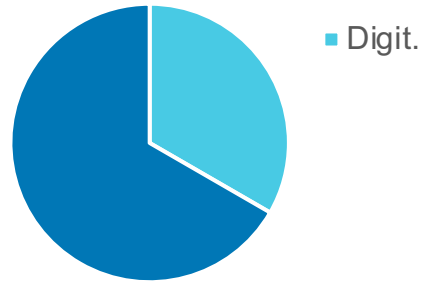
E-COMMERCE FIRST-HAUL AIR FREIGHT TRANSPORT





# Why Digitalization

Digital trade accounts for **1/3** of total merchandise trade



Under the global epidemic, B2C trade volume has increased by about **30%**

2018 Trade volume

**650 billion**

2020 Trade volume

**1 trillion**

## Global digital services trade exports in 2020 in the global epidemic

2020

Global digital services trade exports

**3.19 trillion**

Share of total global trade in services

**52%**

Share of all global trade

**12.9%**

Contribution of global services trade export growth

**98.3%**



# The Challenge Of Digitalization

## PART.1 Operational Digitalization

Improve the accuracy and timeliness of data collection

Systems are independent of each other and information entry is duplicated.

## PART.2 Settlement Digitization

Inconsistent operational and financial data

Documents are mostly reviewed manually

## PART.3 Customer Services Digitization

Untimely feedback on customer needs

Inadequate handling of customer data

**INVOICE**

INV. NO. 02 20 040325	DATE 30.04.21	CUST. NO. 000033009	VAT. NO. BE0749766032
--------------------------	------------------	------------------------	--------------------------

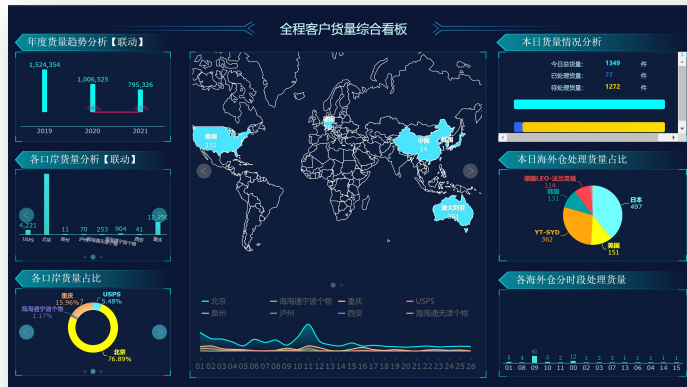
ALGEMENE VOORWAARDEN ZIE KEERZIJDE.  
CONDITIONS GENERALES VOIR VERSO.  
OUR GENERAL CONDITIONS ARE LISTED AT THE REVERSE SIDE OF THE INVOICE.  
PLEASE ADD INVOICENUMBER AS REFERENCE TO YOUR PAYMENT.

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT	VAT
00001	FREIGHT HOUSE LIST 30.04.21	155.000	OCC	13.50000	2.092.50	
	SUB TOT. FREIGHT HOUSE LIST	155.000			2.092.50	
00002	FULL DATA CAPTURE ON EXPORT SHIPMENTS (FMB) DURING THE PAST MONTH 30.04.21	14.000	OCC	13.50000	189.00	
	SUB TOT. FULL DATA CAPTURE ON EXPORT	14.000			189.00	



# Hongyuan is working hard to provide services to our customers and partners

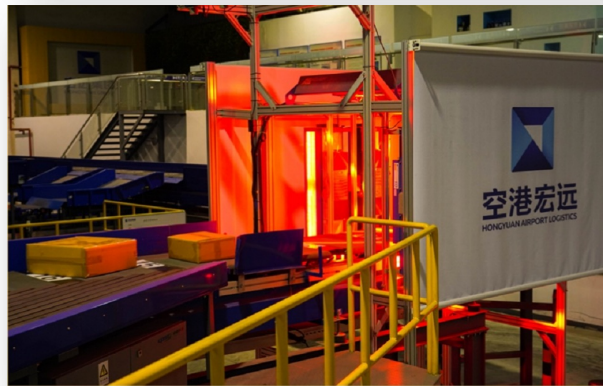
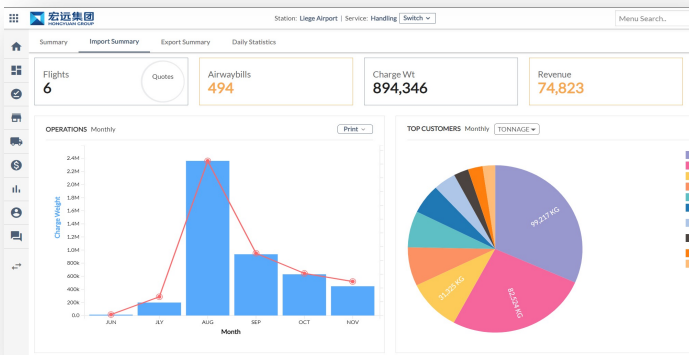
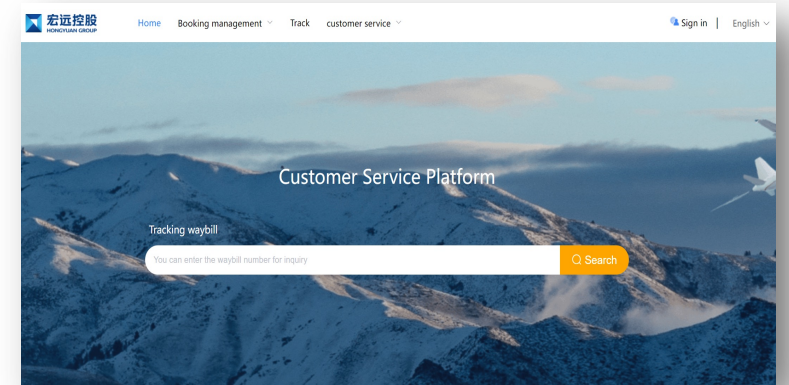
## Data analysis and forecasting



## Cross-border e-commerce site



## Customer Service Platform



MainBillNo	PlaceDelivery	DepartureStation	Destination
580-27930210	LGG	LGG	XMN

Site	State	Estimated/Actual Time	Flight	Pieces	Volume
LGG	Booked	2021-11-10 16:36	RU435/20211118	10	3750.00
LGG	Received	2021-11-17 16:05	RU010/20211117	10	3750.00
LGG	Departed on Flight	2021-11-18 21:48	RU435/20211118	10	3750.00
KHN	Arrived on Flight	2021-11-19 18:24	RU435/20211118	10	3750.00
KHN	Departed on Truck	2021-11-20 19:00	HYW8004/20211120	10	3750.00
XMN	Arrived on Truck	2021-11-21 14:00	HYW8004/20211121	10	3750.00
XMN	Received	2021-11-22 14:10	HYW8004/20211122	10	3750.00
XMN	Notified	2021-11-22 15:11	RU435/20211118	10	3750.00

Actual - ATD / ATA  
Estimate - ETD / ETA  
All Times Are Local.



# Our Contacts



## Liege Airport

Rue Louis Blériot 5, 4460 Bierset, Belgium

## Brussels Airport

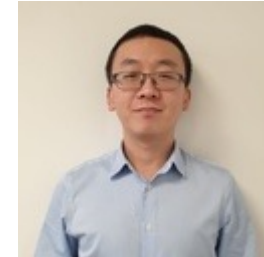
Brucargo Bedrijvenzone B712 1830 Machelen Belgium

### Commercial (EU-CN):

Luke Zhao

M: +32 470 684 907

[zhaobaizheng@pekhongyuan.com](mailto:zhaobaizheng@pekhongyuan.com)



### Commercial (Interline)

Sam Wang

M: +32 470 690 346

[sam.wang@hoyugroup.com](mailto:sam.wang@hoyugroup.com)



### Airport Operation:

ZHANG Yao

M: +32 484 723 880

[yao.zhang@hoyugroup.com](mailto:yao.zhang@hoyugroup.com)

