

AVANT-GARDE

The Case

- OOIL
 - Core business – OOCL
 - Other Businesses
 - OOCL Logistics
 - China Domestic
- 99.5% from OOCL

Insights

- Infrequent One-Off Cash Flows
 - War
 - Selling of Assets
- Infinite Resources of State-owned/Mega carriers
- Real cost vs Potential Savings
- Focus on Growth Areas
- Changing Paradigm
 - Economic, Social, Environmental
- Succession Planning

Moving Forward Sustainably

PLAN OF ACTION

Core Business (OOCL)

- Streamline
 - Charter
 - Finding out newer routes
 - Better-ties with Suppliers
- Increasing Revenue
 - Leasing
 - Focus on Profitable Routes
 - Leveraging Environmental-friendly Image
- Increased Responsiveness
 - Lead Time Management
 - Economic Cycle Forecasts

DIVERSIFIED BUSINESSES

- 0.5% Revenue Share
- Previous Successes
- Explore
 - Expand IT
 - Relevant Property Acquisitions
 - Terminals
- Focus on existing diversified business

DIVERSIFIED BUSINESSES

- Investment
- Capitalize on Debt-Equity Ratio
 - 18% DDIL vs 62% Industry
- Profit Margin
 - 4.6%
 - Highest among main competitors

SUCCESSION PLANNING

- Grooming Family Talents
- Gauge. Train. Succeed
- Identifying Lynchpins in Management
- Focus on Profitability not Emotions

RESULTS

Being Competitive With Mega-Carriers

- Infinite Resources vs Internal Competence
- Focus on Profitability not Market Share
- Standard-setter

BUSINESS STRUCTURE

- Risk Diversification
 - Expand into growth areas
 - Better capability to mitigate effect of economic cycle
 - No sacrifice of high profits of the good years
- Even Cash Flows
- Leaner and Responsive

Long-term Goal

FULLY-INTEGRATED VALUE CHAIN

Tying Everything Together

- Become Core Competitive
- Expanding Horizons
- Even-out Cash Flows
- Building Leadership
- Becoming Sustainable in a Changing Landscape

THANK YOU!