

LAAM 2026

Kaku Kuo - EMC TPE LOG

27th , March, 2026

Annual Performance Review of Central & South America Operations



Topics



IoT Smart Dry, Reefer & E-Ship



2025 Review & Agency Evaluation



Container Sales Review & 2026 Target

1.1 IoT Smart Dry



Signed Subscription Service Contract (300,000 units).

Installation 140,000 IoT devices.

Installation 300,000 IoT devices.

2024 Nov.-Dec.

2025 Jul.

2025 Aug.-Dec.

2026 Jan.-Feb.

2026 Mar.-Jun.

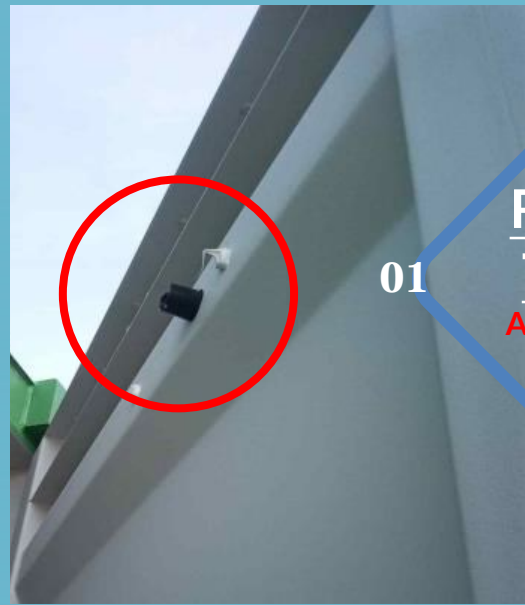
2026 Jul.-Dec.

Signed Subscription Service Contract. Complete 10,000 units installation.

installation of 90,000 IoT devices.

Installation 215,000 IoT devices.

2026 Target: complete **300,000** IoT devices



01

Real-time Tracking
Actively monitor GPS location



02

Cases follow-up
detect door status, illumination, heavy impact

03

Temp. Monitoring
High temp., instantaneously temp. increase



05

Data Analysis
Analyze container flow to improve container turnover.

04

Innovation
Promoting EVER DRY SMART

* E-Ship Equipped

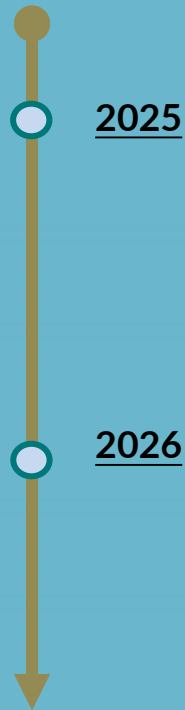
1.2 IoT Smart Reefer



By the end of Mar. 2026, the Group already have 48,000 units equipped with IoT device(98% completion)

Installation Progress

- Complete 16,503 units IoT installation. (Including 8,000 new built reefer)
- Target to complete 11,800 units IoT installation. (Including 11,000 new built reefer)



Cost Saving

Smart PTI streamline the reefer release process. Reduce PTI expense.

Abnormal monitor

Constantly detecting abnormal alarms. Allow promptly attention to malfunction.

ShipmentLink

Optimize reefer services by providing real time temperature data to customer.

E-Ship

Coordinate with Marine Department. Combine reefer data and baplie. Facilitate the reefer monitor task for the ship crew

GPS

Real time GPS location tracking

ESG

Analyze electricity power consumption and carbon emission.

Health Care

Analyze reefer component's health condition through big data. Detect error before units breakdown

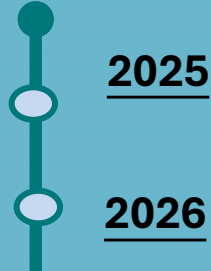
1.3 E-Ship



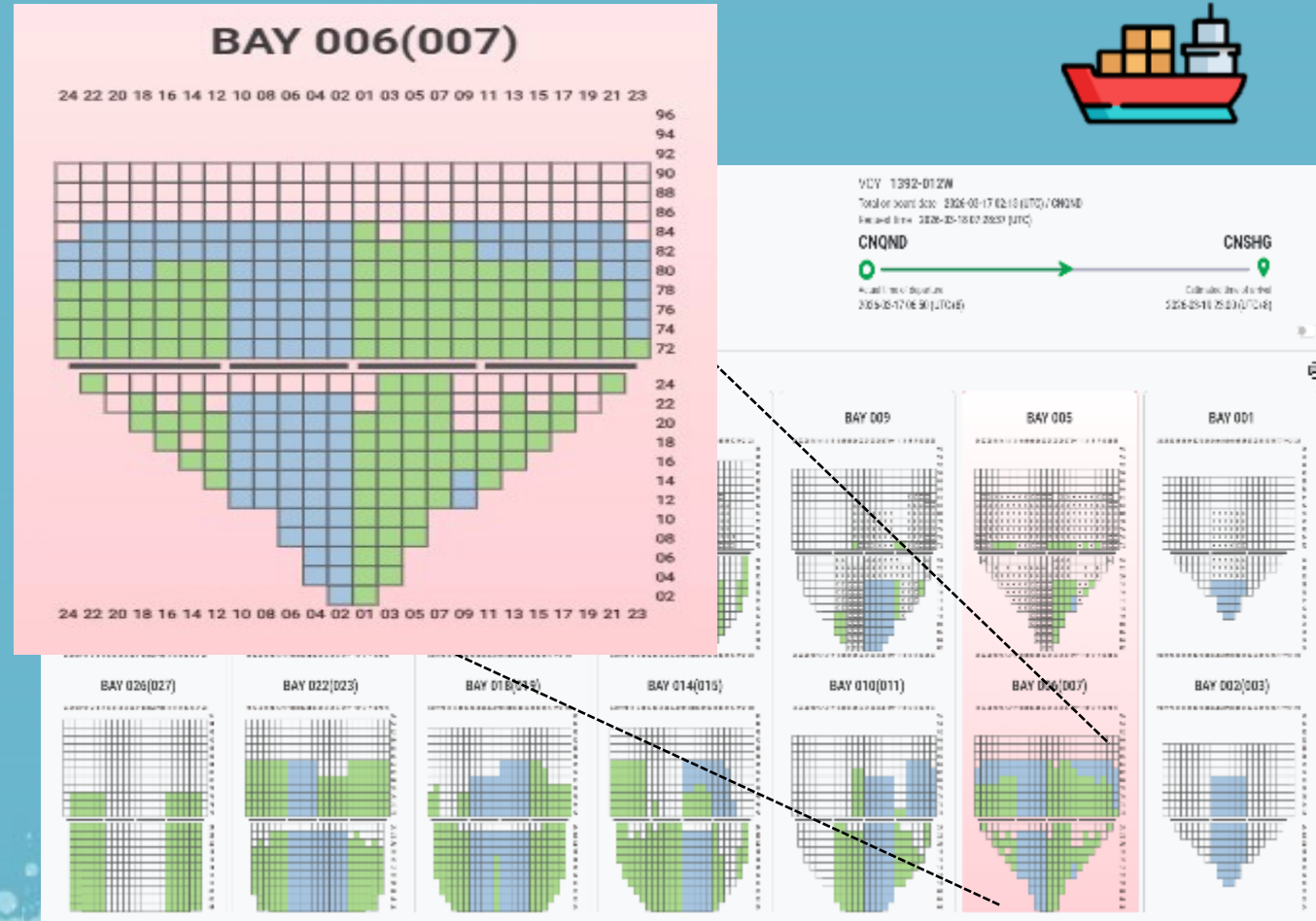
By the end of Mar. 2026, the Group already have 169 vessels equipped with NIB device(75% completion)

NIB (Network-In-Box) Installation Progress

- ❑ Complete 155 vessels NIB installation.
- ❑ Target to complete 68 vessels NIB installation.



Combine Reefer/Dry IoT data and baplie. Ship crew and Shore staff can monitor the actual running v.s. setting(Temp., Humidity, Ventilation) as well as the alarms/Abnormal through e-ship platform. Facilitate the full-time monitoring. Task.





1.4 Door status un-matched (DUM) case alarm by IOT

VSL:WSA/LISM0764-072W

● EGSU2295592 (MXMZO-TWKSG-MYJHR)

JAN/28
MXMZO EL

FEB/03
MXMZO
LOADING

**FEB/18-19
PECAL BERTH**

FEB/19
EGSU2295592
DUM RECEIVED



VSL: WSA/LOYL 0765-074W

○ EGSU3508795 (COBVT-CLVAL)

FEB/16
COBVT EL

FEB/20
COBVT
LOADING

**FEB/25-26
PECAL BERTH**

FEB/26
EGSU3508795
DUM RECEIVED

MAR/02
CLVAL D/FV

MAR/09
CLVAL S/FU
No cargo
shortage report



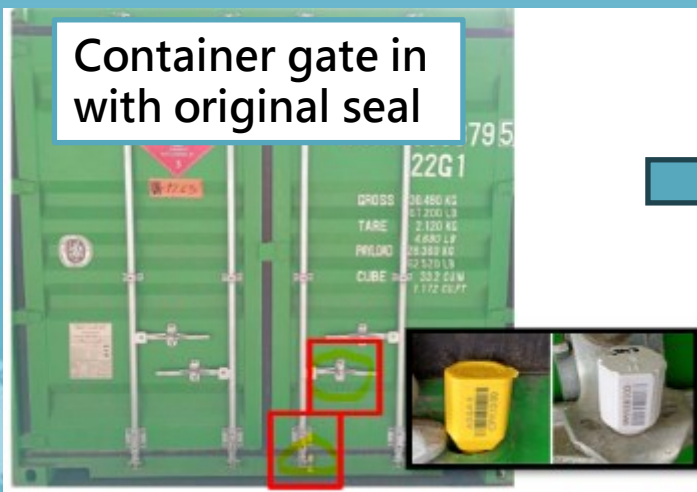
Case :Two containers were loaded on separate vessel from MXMZO and COBVT and put on deck (1st tier). IOT detected door open and door un-match alarm (DUM) received for those 2 container during PECAL port operation.(PECAL is not final POD for those 2 full containers).

Action plan:

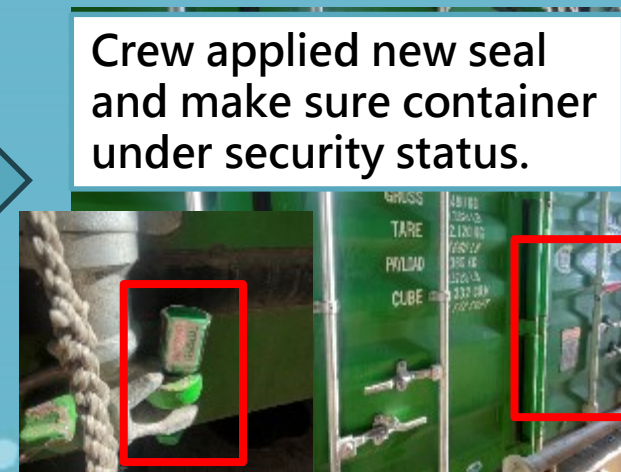
Vessel master informed and did physical check ,found seal of 2 units were confirmed missing and door locking bar were not in position. The incident is suspected to be attempted as **theft or smuggling case** by terminal worker. New seal applied by crew for both containers for cargo security and took photos to keep record.

Conclusion and Action:

IOT alarm scenario follow up SOP for such abnormal issue should be established after cross department discussing to deal with future case



Physical checked after received alarm . Found original seal missed and locking bar not in position.



2.1 2025 Review – Flow Balancing

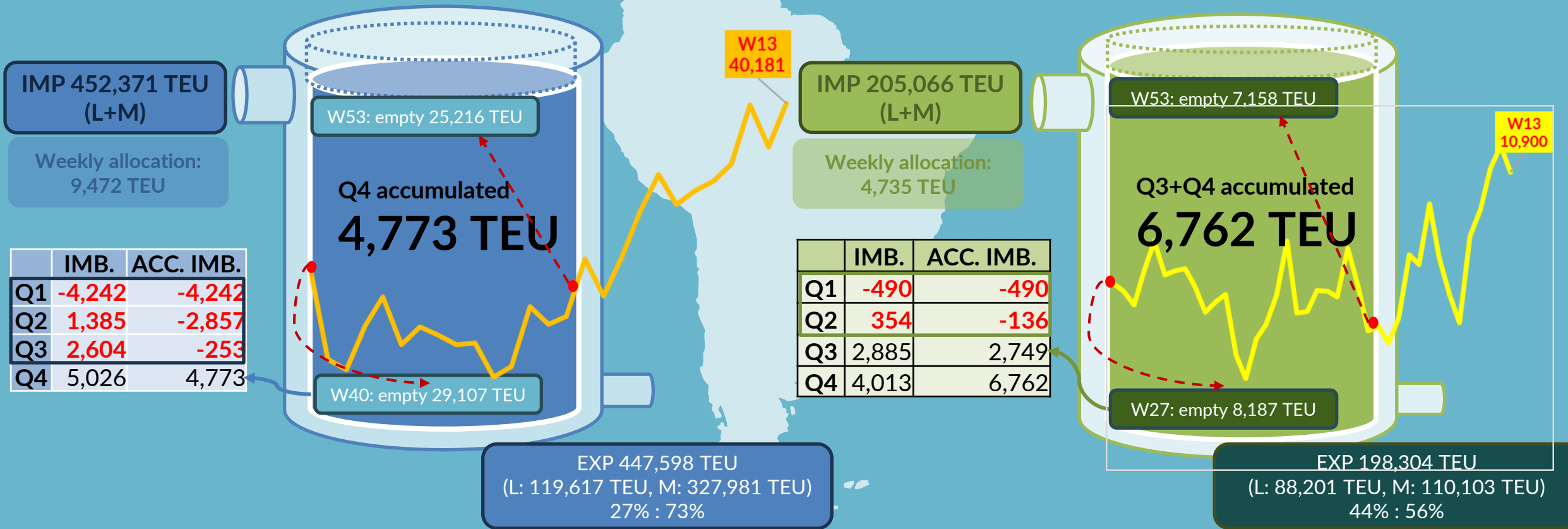


WCSA :

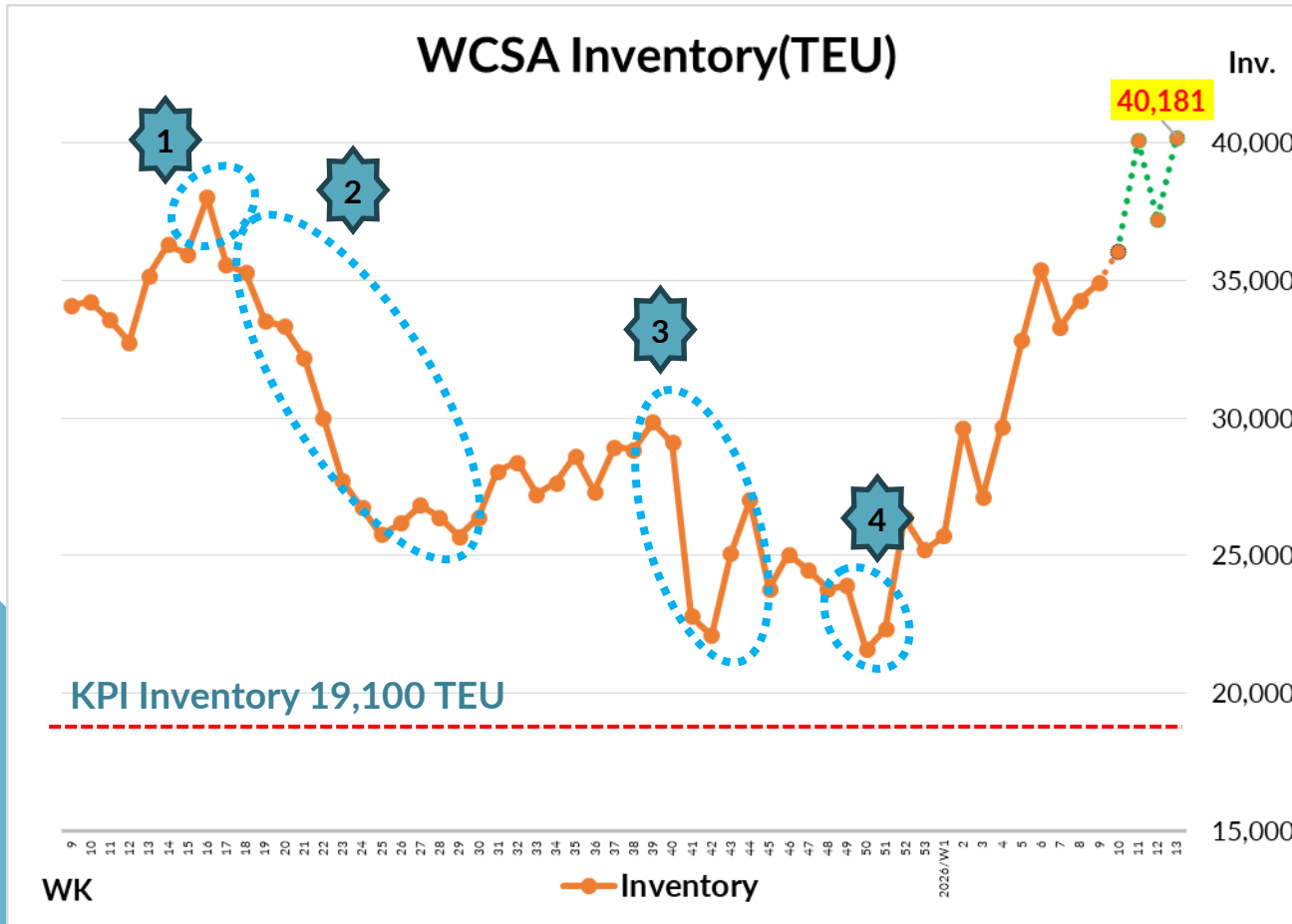
- IMP 452,371 TEU(L+M) vs. EXP 447,598 TEU(L+M).
Leave **4,773 TEU** imbalance in year 2025(exclude add-hoc)
- W10 Inventory: 32,500 TEU → 40,181 TEU(W13)

ECSA:

- IMP 205,066 TEU(L+M) vs. EXP 198,304 TEU(L+M).
Leave **6,762 TEU** imbalance in year 2025
- W10 Inventory: 9,993 TEU → 12,061 TEU(W13)

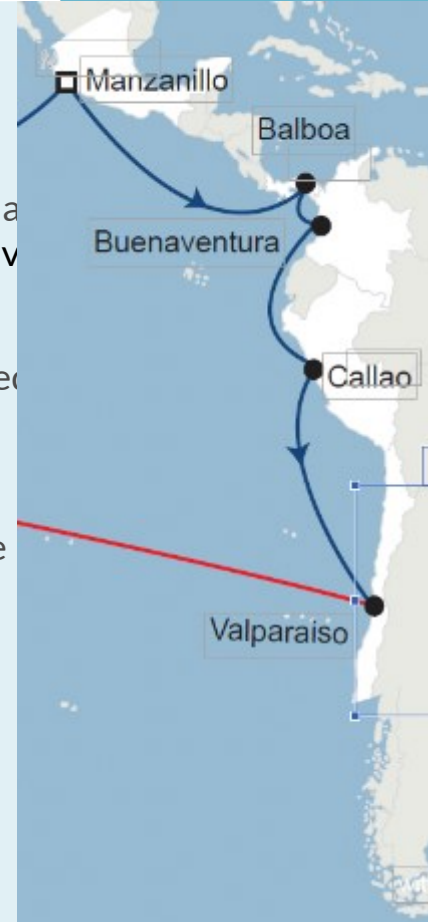


2.2 2025 Review – Flow Balancing(WCSA)

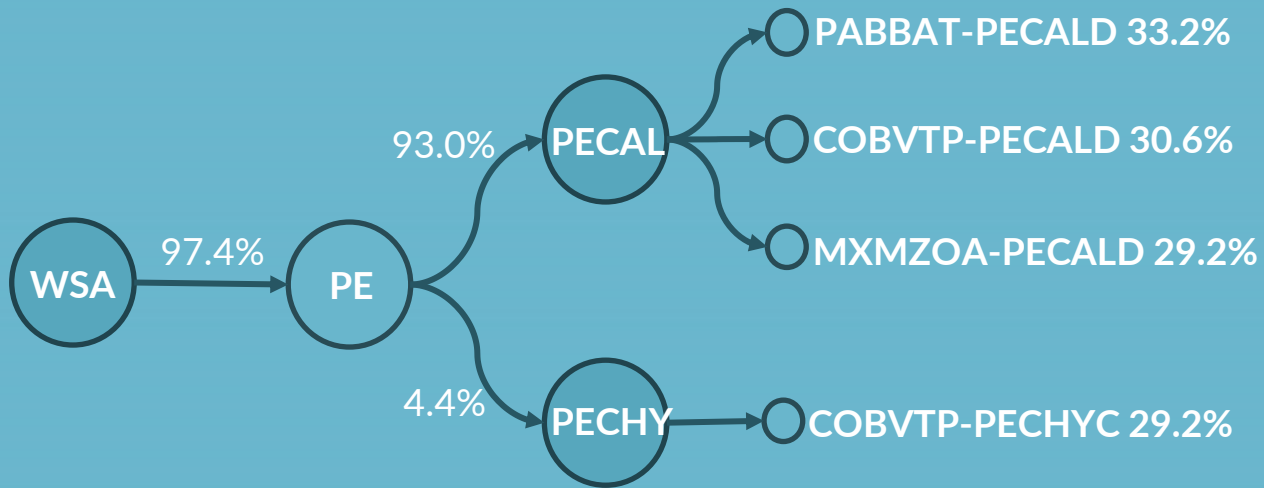


WCSA 2025 Highlights:

- 1 Blank sailings, schedule delays and cancellations (Total 11 weeks without WSA v
- 2 Evacuation plans were executed
- 3 OGWS and NUE voyages were cancelled (MX and PABBA).
- 4 Space swaps with MSC.



2.3 2025 Review – Flow Balancing(WCSA)

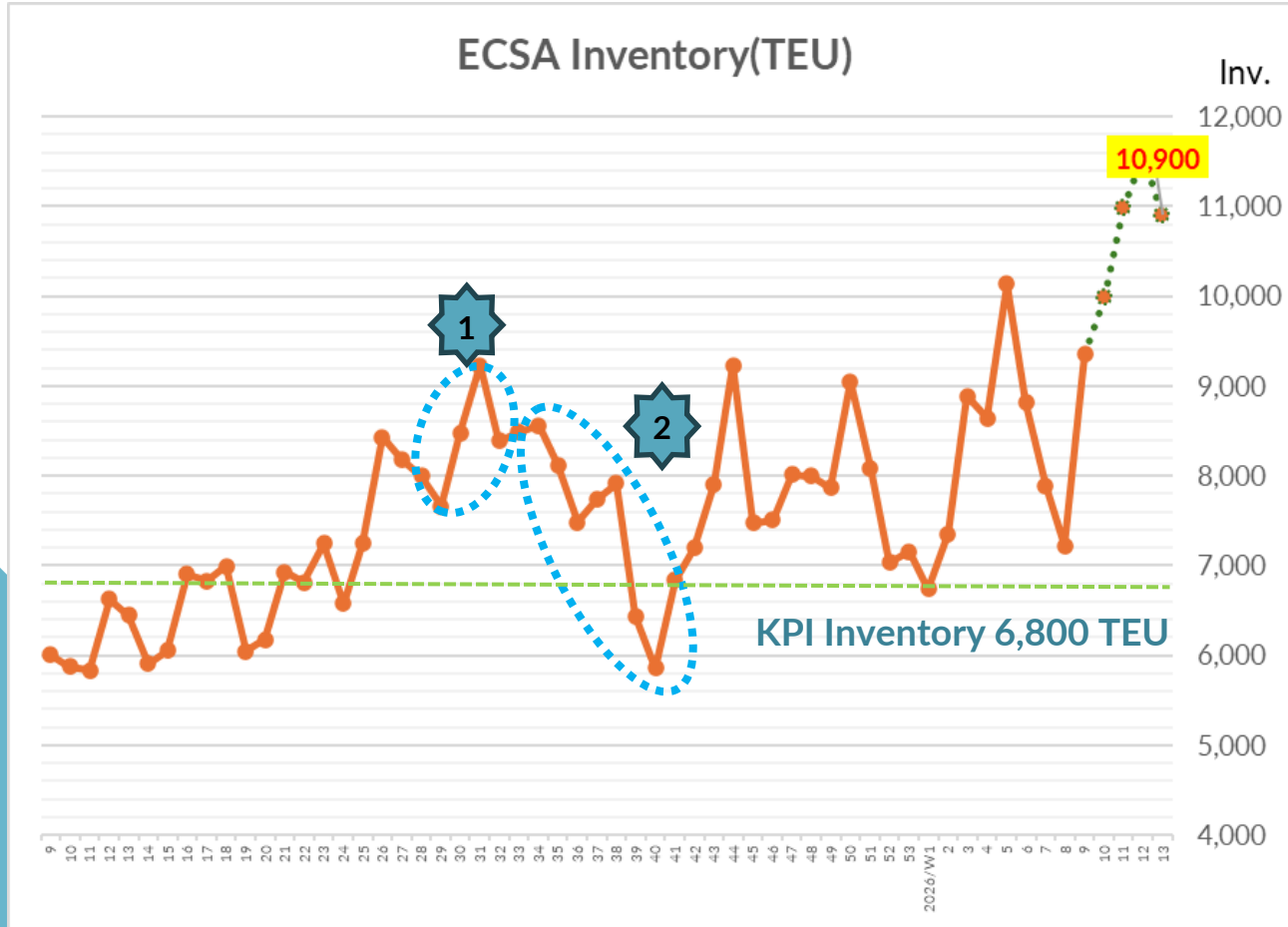


WCSA regional reposition:

Via WSA, empty containers of **COBVT**, **MXMZO**, and **PABBA** were repositioned to **PE** for export use or further reposition.

From	To	Line	Total(TEU)	Type	Box	%(TEU)
PABBAT	PECALD	WSA	6,042	2SD	1,386	8%
				4SD	2	0%
				4SH	477	5%
				4RH	1,849	20%
COBVTP	PECALD	WSA	5,579	2SD	2,537	14%
				4SD	17	0%
				4SH	1,332	15%
				4RH	172	2%
MXMZOA	PECALD	WSA	5,316	2SD	3,246	18%
				4SD	25	0%
				4SH	754	8%
				4RH	256	3%
COBVTP	PECHYC	WSA	796	4SH	398	4%

2.4 2025 Review – Flow Balancing(ECSA)



ECSA 2025 Highlights:

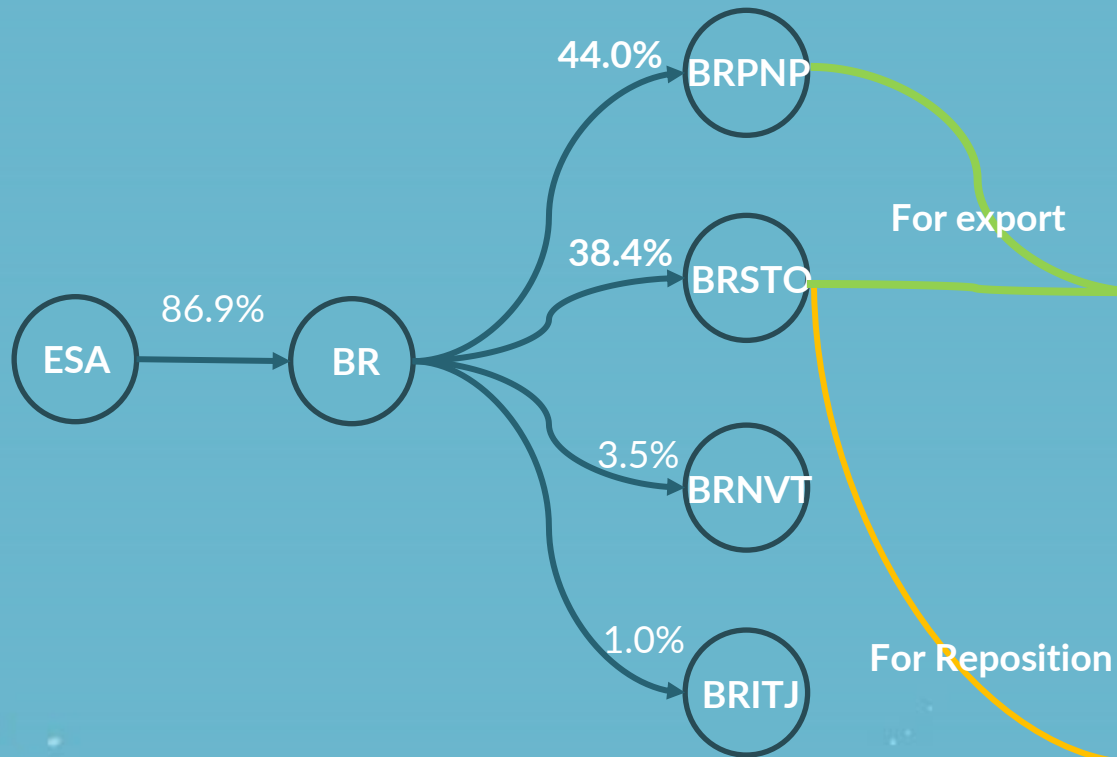
- 1 ESA/FEAT incident(W31), vessel detained in UY for four weeks.
- 2 ESA/FEAT add-hoc BRRIO plus ESA own vessel cycle, together with ESA/FINE add-hoc BRITJ.

2.5 2025 Review – Flow Balancing(WCSA)



ECSA regional reposition:

Via ESA, empty containers of BRRIO, ARBUE and BRNVT were repositioned to BRTSO and BRPNP for export use or further reposition.



From	To	Line	Total(TEU)	Type	Box	%(TEU)
ARBUE3	BRPNPP	ESA	1,182	2SD	190	5%
				4SH	174	9%
				4RH	322	17%
BRRIOR	BRPNPP	ESA	211	2SD	1	0%
				4RH	105	6%
BRNVTP	BRPNPP	ESA	132	2SD	32	1%
				4RH	50	3%
BRSTOP	BRPNPP	ESA	100	4RH	50	3%
UYMVDT	BRPNPP	ESA	28	2SD	28	1%
BRPNPP	BRPNPP	ESA	2	4SH	1	0%
ARBUE3	BRSTOS	ESA	102	2SD	102	3%
BRRIOR	BRSTOP	ESA	198	2SD	2	0%
				4SH	98	5%
BRNVTP	BRSTOS	ESA	36	2SD	32	1%
				4SH	2	0%
				4RH	20	1%
BRRIOR	BRSTOS	ESA	1,077	2SD	87	2%
				4SH	475	25%
UYMVDT	BRSTOS	ESA	10	2SD	10	0%
BRNVTP	BRSTOP	ESA	10	4SH	5	0%
ARBUE3	BRSTOP	ESA	10	4SH	5	0%
BRPNPP	BRSTOS	ESA	2	4SH	1	0%

2.6 2025 Review – Inventory Revolution



STRENGTHS – Extra-loaders

Strategic Evacuation:

Effectively used extra-loaders (OGEC/OGWS) to clear backlogs during peak seasons.



Agile Terminal Coordination:

Attribute to the efforts from Front-line offices & ELA team, proactively berth swaps to reduce the impact of frequent sailing skips.

THREATS – Port Congestion

- Severe terminals congestion in Mexico, Colombia and Brazil.
- Fuel price might be affected.



WEAKNESS – Unstable sailing schedule

Frequent ports omission by JV partners.



OPPORTUNITIES

– Container Dispose & Space Swap

Container Dispose :
21,742 TEU in year 2025.

Successful Partnership:

Leveraged MSC collaboration to bypass WCSA congestion, moving 2,800+ TEU.

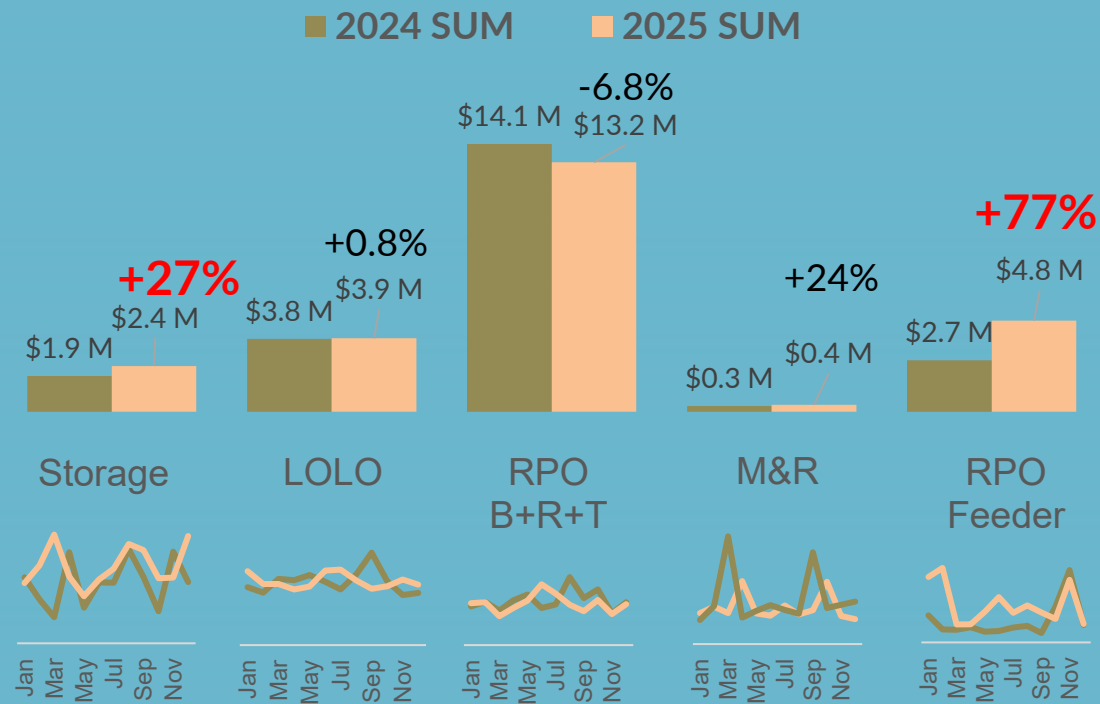
SPACE SWAPPED WITH MSC

Vessel	Voyage	POL	ATD	TEU
9MOS	QM531R	LZC	20250811	300
9MCD	FA538R	LZC	20251025	1,000
9MRA	QM546R	LZC	20251123	1,500

2.7 2025 Review – Expense Overview



2025 total expense: **\$24.6M**



Identified Risks - Areas for Improvement

- 01 **Stock Accumulation:** WCSA YoY average inventory increased **+25%** due to import-heavy flows.
- 02 **Feeder Dependency:** Surging FDR costs due to schedule instability in Nicaragua/Costa Rica.

Optimizing-

- 01 **Direct Return Empty(DRE):** If terminals allowed to return empty containers for loading with sufficient free terms, please maximum DRE to terminals to help cost saving of LOLO & BRT .
- 02 **Reload(street turn):** Promoting reload to convert import containers for export use in order to reduce the cost of empty LOLO & BRT.

2.8 2025 Review – DRE WCSA



Optimizing-

01

CO, EC - Terminals accept DRE

- ✓ Fully utilize the free pool.
- ✓ Be sure to negotiate with terminals to expand the free pool if empty containers increases.

02

MX, PE - Terminals **do not accept DRE**

- ✓ Free shunting from depots.
- ✓ Be sure to shuttle empties into terminal on time to fulfil evacuation plans.

03

CL - Terminal **does not accept DRE**

- Shunting with cost.
- Costly ST in terminal.
- Be sure to shuttle empties into terminal on time to fulfil evac plans and negotiate with lower shunting rate.



2.9. 2025 Review – DRE ECSCA



Optimizing-

01

AR, BRRIO - Terminals accept DRE

- ✓ Fully utilize the free pool.
- ✓ Be sure to negotiate with terminal to expand the free pool if empty containers increases.

02

BRPNP/BRNVT - Terminals accept DRE but suspended

- Terminals accept DRE, but suspended due to terminal congestion.
- Be sure to negotiate for accepting DRE.

03

UY/BRSTO - Terminals accept DRE but costly ST

- Shunting with cost.
- Costly ST in terminal.
- Be sure to shuttle empties into terminal on time to fulfil evacuation plans and negotiate with lower shunting rate.

2.10 2025 Agency Evaluation



- Overview -



Area 1 :

Better than average both on cost and management items, please **keep maintaining the good performance.**

Area 2 :

Better than average on Cost control, **need to enhance Management items.**

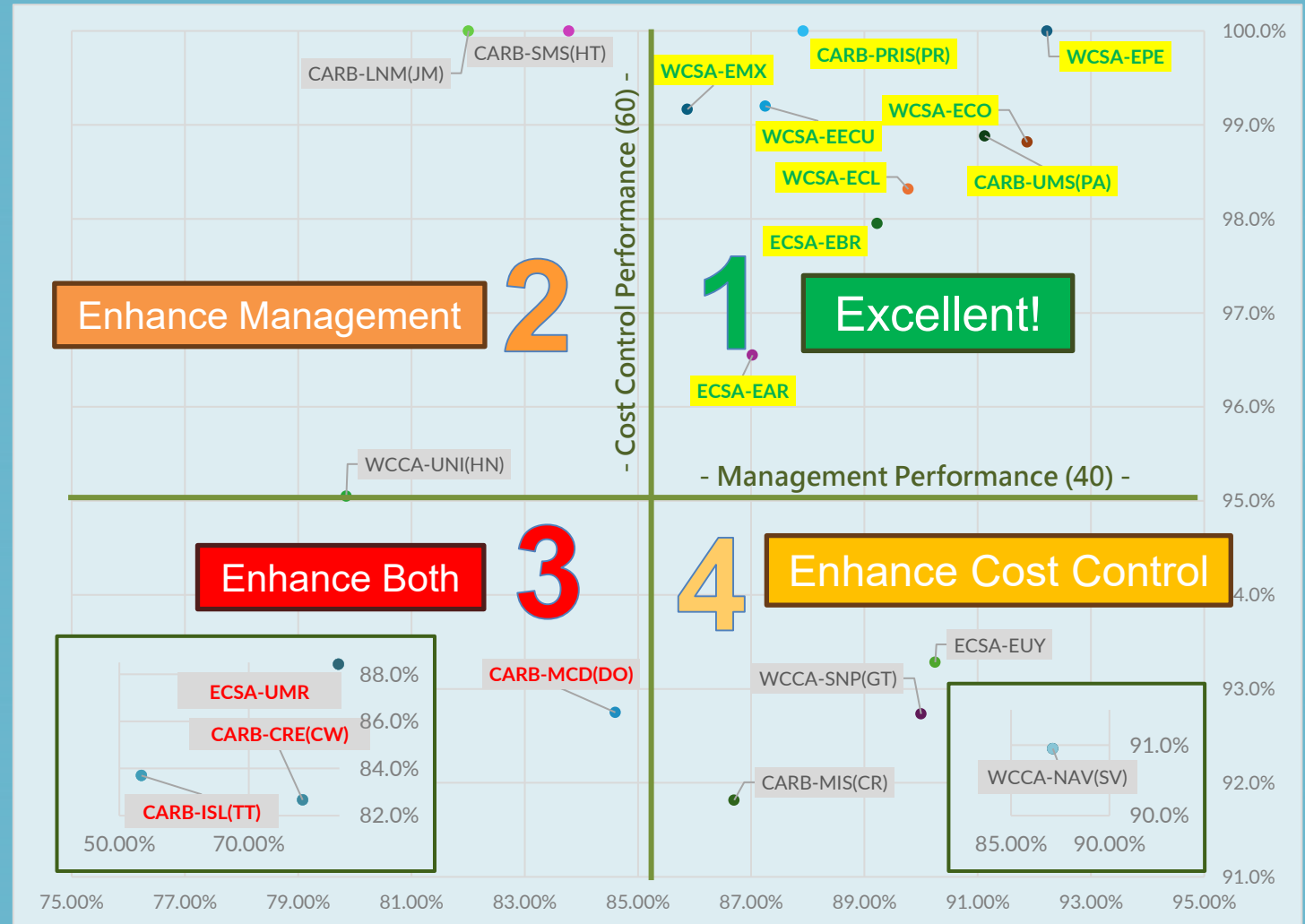


Area 3 :

Achievement ratio lower than average both on cost/Management items, **need to enhance on both.**

Area 4 :

Better than average on Management items, **need to enhance on Cost control.**

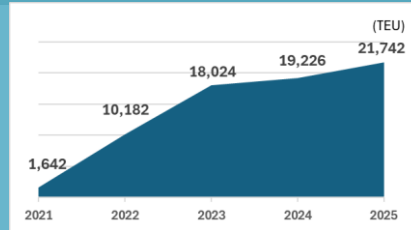


*** CSA Average achievement in 95.0% / 85.1% (Cost/Management Items)

3.1 Container Sales - 2025 Performance Review



- Latin America has delivered stable container sales performance (19 Countries), with key contributions from major markets.
- Actual sales are generally in line with expectations, despite supply constraints.



Performance exceeded expectations

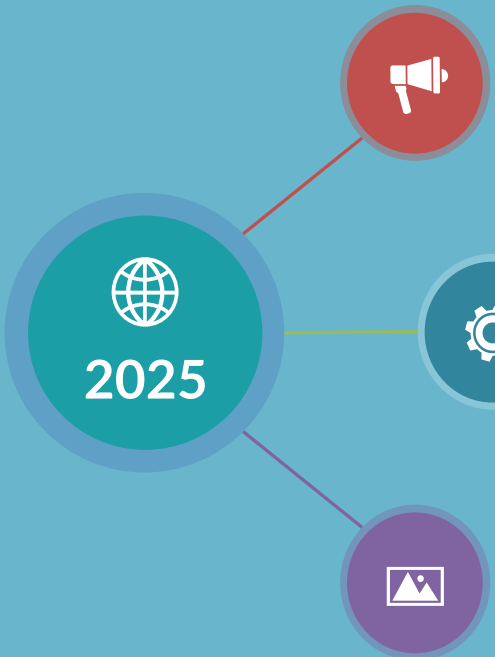
109% Total sales reached **21,742 TEU**, achieving **109%** of the annual target (20,000 TEU)

Key Contributors in Latin America

- Brazil (25%), Chile (16%), Peru (9%), and Panama (8%), remain the core markets, accounting for nearly 60% of total volume.
- Strong overachievement was recorded in Mexico (ACT:1,156TEU/ KPI: 700TEU=165%), Dominican Republic (ACT:1,581TEU/ KPI: 1,260TEU=125%)

Weak Markets

- Argentina (ACT:1,051TEU/ KPI: 1,200TEU=88%)
- Uruguay (ACT:1,148TEU/ KPI: 1,200TEU=96%)
- Costa Rica (ACT:385TEU/ KPI: 425TEU=91%) showed softer performance and will require closer monitoring and targeted actions.



3.2 Container Sales - Key Challenges & Actions



Inventory Constraint

- The main challenge continues to be limited availability of saleable containers, especially older units (over 10 years).



Policy Flexibility

- To address this, we have adjusted our sales policy, allowing greater flexibility in multi-container areas.
- Selective price flexibility has been applied to strategic and high-volume customers to sustain momentum, along with enhanced flexibility in selling younger containers(5~7 years) to better match market demand.

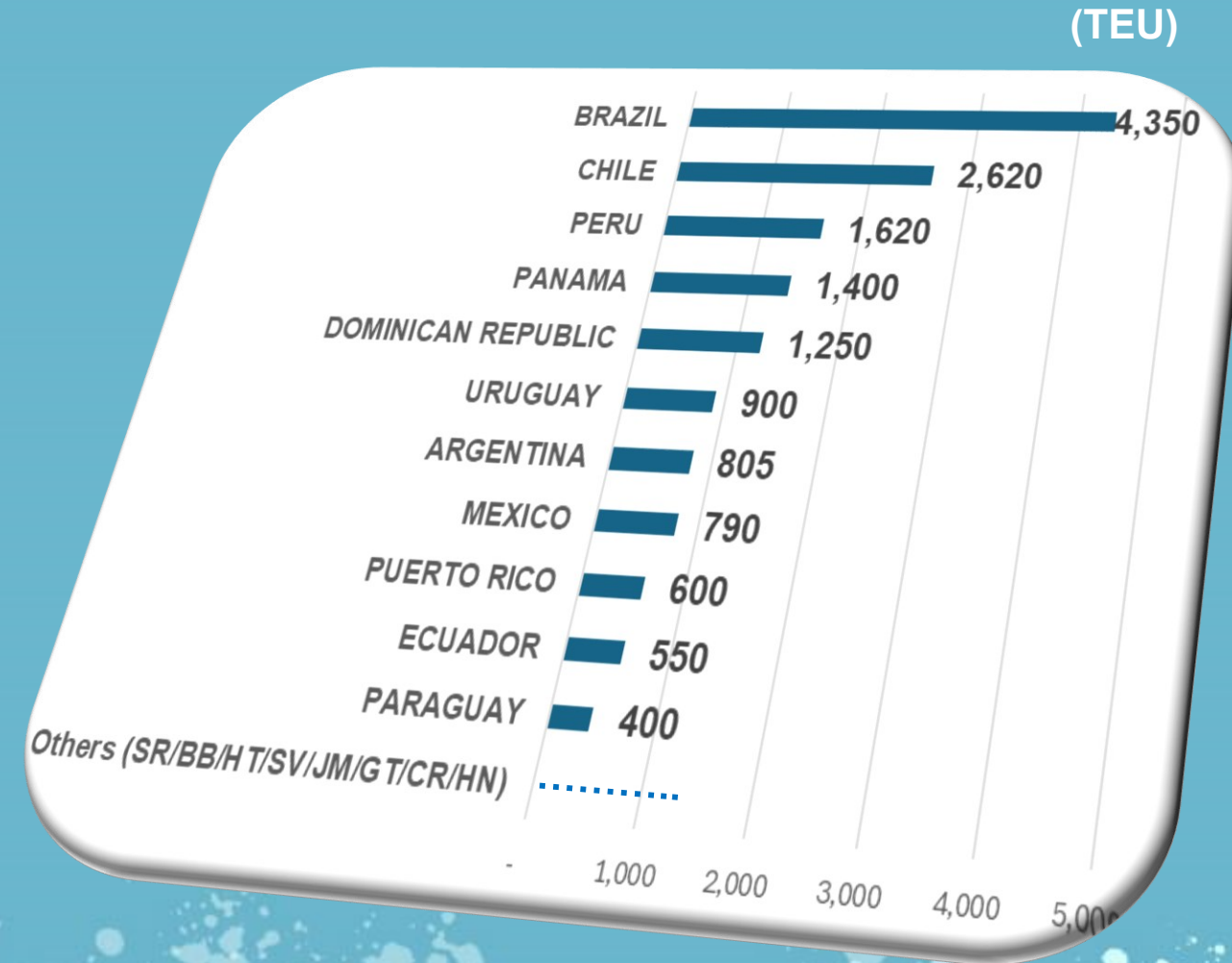


3.3 Container Sales - 2026 Annual Target



2026 Target: **16,700 TEU**

- With a global target of 100,000 TEU, Latin America's target is 16,700 TEU, representing 17% of the total.
- Achieving the target will focus remains on disciplined execution, optimized allocation, and sustaining momentum in key markets.
- Latin America remains a strategic region, and through strong teamwork and focused execution, we are confident in not only meeting but exceeding our annual objectives.





Smart Data Driven.

Strategically Aligned.

Future-Ready.

Thanks!
Gracias!
Obrigado!