

## 3PL Business (Overseas)

Since the expansion into Singapore in 1976, the LOGISTEED Group has been expanding internationally, with a global network of 474 sites in 27 countries and regions (excluding Japan) as of March 31, 2023.

Under the policy to become a "leading global 3PL company," we will support our customers' supply chain strategies with a wide range of services.

### FY2022 Result

#### Results (overseas)

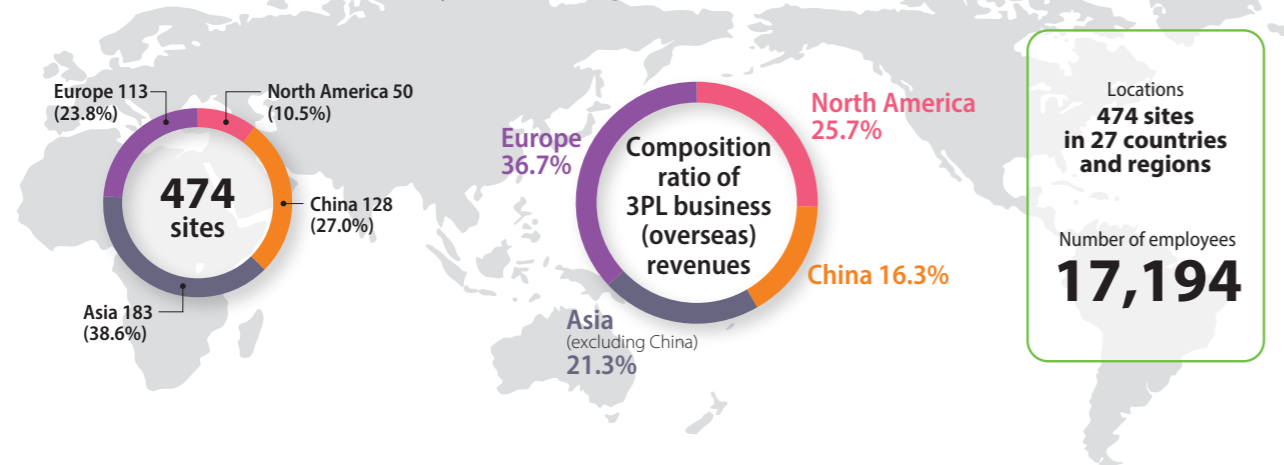
Revenues:

**¥326.1 billion**  
(YoY + ¥57.4 billion)

Operating income:

**¥18.37 billion**  
(YoY + ¥6.03 billion)

#### Composition ratio of revenues by overseas region and no. of overseas sites (FY2022)



While there are various risks such as the impact of changes in external environment on the Group's business and geopolitical risks, we will utilize our 474 business sites that support our global supply chain which is the Group's competitive advantage to provide unique and excellent warehouse features at each site and address the needs of social issues such as logistics with low environmental load and supply chain vulnerabilities.

## Examples of LOGISTEED2024 Priority Measures

### Europe Made Cyber Freight International Holding B.V. into our subsidiary, acquired reverse logistics business, and promoted new technologies

In November 2022, Cyber Freight International Holding B.V. became a 100%-owned subsidiary of the Company (→P25). The company has its head office, warehouses, and airport offices near Schiphol Airport in the Netherlands and a maritime office near the Port of Rotterdam, and offers one-stop services to a wide range of customers, mainly in the pharmaceutical and grocery industries. In the future, we will leverage its knowledge of pharmaceutical operations and its freight forwarding network and expand the pharmaceutical logistics business in the global market through a joint effort to develop sales to Japanese and foreign pharmaceutical customers.



In the Czech Republic, ESA s.r.o. took over the reverse logistics business for e-commerce operators, and we added the product-return services for the apparel EC business to our e-commerce service menu in Europe to further develop our business (→P25). In terms of ESG, VANTEC EUROPE LIMITED provided demonstration run of the automated EV truck which utilize 5G remote control at the "award-winning project presentation of sustainable commercial service competition utilizing autonomous driving technology" sponsored by the U.K. Department for Transport, etc. We will continue to contribute to the creation of a better society through various collaborations and research.

#### Message from local leadership

We newly joined the Group in 2022. We utilize our expertise in pharmaceutical and groceries offering a wide range of transport, logistics and value-added services in the Netherlands as one-stop service. In particular, we are promoting initiatives to build a high-quality supply chain for temperature-controlled transportation of pharmaceutical products. To "reinforce and expand overseas business" as set forth in the priority measures in the Mid-term Management Plan, we will strive to expand our business in growing areas and markets in Europe and grow together with the Group.

**Willem Lodder**  
Managing Director  
Cyber Freight International  
Holding B.V.



### North America Expand 3PL and transport businesses

On April 1, 2023, we merged two existing group companies to establish LOGISTEED America, Inc. With the keywords of "Simple," "Human," and "Smarter," the company has earned the trust of customers through its extensive services from detailed assistance in the U.S. to support for dynamic global market expansion. In the spring of 2022, we launched a spare parts center in Atlanta, Georgia for a leading construction machinery manufacturer. This center serves as a major hub for dealers throughout the U.S. and handles the storage and shipping of a variety of parts. We will continue to expand our service menu to support our customers' sales growth.



#### Message from local leadership

In recent years, a series of emergencies, such as the spread of COVID-19, has had seriously affected the supply chain. So, we are working to visualize and optimize every aspect of the supply chain by coordinating with the networks around the world and making full use of DX. In addition, from the perspective of preventing global warming, we strive to reduce greenhouse gas (CO<sub>2</sub>) emissions by proposing more efficient transport modes to customers.

**Greg Kodama**  
CEO  
LOGISTEED America, Inc.



### China Evolve into the next-generation logistics and advance automation and labor saving

In China, the logistics business is facing a period of drastic change in the surrounding environment, such as the relocation of production sites of companies due to the supply chain disruptions during the COVID-19 crisis. As an effort to realize the next-generation logistics sites addressing social issues and not relying on human labor, the Group is aggressively introducing automation/labor saving equipment, of which China is taking the lead in the development, to customers in a wide range of industries mainly in such processes as delivery and distribution processing. In FY2022, we introduced automation technology to customers in Tianjin and Beijing areas to solve issues at logistics sites, which contributed to reduction in labor costs and improvement of operation quality, etc. We will continue to promote innovation through IoT, AI/robotics and DX to solve issues at logistics sites, improve the sustainability of logistics, and enhance supply chain resilience.



#### Message from the officer in charge

In order to steadily carry out the Mid-term Management Plan "LOGISTEED2024," we work to solve issues and create value through various "collaborative innovation." By pursuing safety/quality/productivity and also actively combining our strength of "Gemba" Power with the next-generation logistics technology in China, we aim to become the most preferred global supply chain solutions provider in the increasingly sophisticated/diversified/broad global supply chain.

**Koji Kawakita**  
Operating Officer  
Chief Executive for China  
(President, LOGISTEED  
China, Ltd.)



### Asia Promote investment in multifunctional logistics centers in India and Thailand

In the Asian region, which enjoys a high economic growth rate, we are actively promoting the logistics site strategy to provide high value-added solutions to optimize the entire supply chain. In India, one of the key countries, we partially started operations of a warehouse in Chennai in October 2022. We plan to build warehouses in Delhi, Mumbai, and Bangalore to provide one-stop service that combines domestic and global logistics. In Thailand, we are constructing a warehouse with four temperature zones of about 50,000 square meters in the suburbs of Bangkok. We will provide high value-added services to the grocery distribution industry, highly-functional material manufacturers, etc.



#### Message from the officer in charge

The global economic growth rate is projected to slow to 2.8 percent in 2023 (announced by IMF in April 2023), with developed countries showing especially noticeable slowdown. However, emerging and developing countries in Asia are expected to achieve the growth of over 5 percent. In these growing markets, we will ensure to meet the increased domestic demand for consumer goods and handle imports/exports of industrial products. In addition, to solidify the business base for both, we will ensure to improve the hardware such as warehouses, and the software such as systems, to move ahead to become a leading company in Asia as a driving force for the Group's growth.

**Ryuichi Honda**  
Operating Officer  
Chief Executive for Asia  
(President, LOGISTEED Asia-  
Pacific Pte. Ltd.)  
(Chairman of the board,  
LOGISTEED (Thailand), Ltd.)  
(Chairman of the board, Eternity  
Grand Logistics Public Co., Ltd.)

