



PRESS RELEASE:

Saudia Cargo, Cainiao, and WFS/SATS increase strategic collaboration to efficiently process cross-border e-commerce shipments in Liege

- New collaboration aims to create a business model for future e-commerce logistics gateways at global airports

Jeddah, November 27, 2023: With the growth of online shopping on a global scale, the need for efficient and innovative e-commerce logistics solutions is paramount. In response, Saudia Cargo, Cainiao, and Worldwide Flight Services (WFS, a Member of the SATS Group) have announced today that the three parties will reinforce and increase their collaboration with a determination to optimize the efficiency of global logistics operations.

This collaboration strengthens their existing relationship, focusing on optimizing logistics processes by streamlining operations and adopting logistics innovations.

A key component of this collaboration is the establishment of a dedicated area in the air cargo station of Cainiao Liege eHub in Belgium, the company's European regional hub. WFS/SATS, in close collaboration with Cainiao, operates in the air cargo station.

This initiative responds directly to the escalating demand for high-quality logistics operations in the cross-border e-commerce sector, particularly in the Middle East and European markets. Earlier this year, Cainiao unveiled its international express shipping service, Global 5-Day Delivery, in collaboration with AliExpress, now available in the United Kingdom, Spain, the Netherlands, Belgium, and South Korea.

Saudia Cargo and Cainiao boast a robust collaboration, with a history that spans several years. The latest agreement reinforces this longstanding relationship by giving precedence to specific Saudia Cargo freighter flights originating from Hong Kong and bound for Riyadh and Liege. This strategic move is meticulously crafted to address the burgeoning logistics demands in these key regions, further amplifying the efficiency of e-commerce deliveries.

Additionally, the contract extension to WFS/SATS for handling over 50,000 tonnes annually on flights connecting Liege and Riyadh underscores Saudia Cargo's commitment to operational excellence and reliable logistics services. WFS/SATS's investment in subleasing part of the Cainiao facility in Liege emphasizes its focus on innovation and efficiency, creating a dedicated area for speedy and real-time information processing. WFS/SATS's embrace of innovative technology solutions, including AGVs, advanced PDAs, digital dashboard and live tracking systems, support a new generation of cargo management systems using IoT technologies to drive efficient and sustainable e-commerce handling.



Teddy Zebitz, CEO of Saudia Cargo, remarked: "Our collaboration with Cainiao and WFS/SATS represents a natural evolution of our strong collaborations. By building on our existing commitments, we are poised to redefine the industry landscape, offering innovative and customer-centric solutions. Our collaboration ensures a seamless flow of e-commerce materials from Hong Kong to Liege. With high frequency flights on our Hong Kong, to Liege Via Riyadh route, we have a significant capacity exclusively dedicated to Cainiao. Utilizing a meticulous process involving pre-built ULDs, we facilitate an uninterrupted supply chain, supporting Cainiao in achieving their key performance indicators."

"With a 'human first' approach, we're committed to collaborating with customers and partners, offering tailored solutions. This collaboration significantly strengthens our e-commerce operations, positioning us as a trusted industry provider. We anticipate expanding our e-commerce network in Asia and Europe to meet evolving industry demands and customer logistics needs."

Eric Xu, Vice President of Cainiao Group, stated: "Cainiao is committed to transforming the logistics industry through continuous innovation to enable a seamless e-commerce experience and we are delighted to find close partners like Saudi Cargo and WFS/SATS on this path. Through continuously equipping our Liege eHub with cutting-edge technology solutions, we managed to boost the efficiency of logistics operations while improving customer experience through greater transparency and traceability. We are confident that this win-win collaboration will further reinforce Cainiao's position as the world's leading cross-border e-commerce logistics provider by offering the valued customers of us three companies with enhanced experience."

John Batten, Chief Executive Officer, Europe, Middle East, Africa and Asia (EMEA) WFS, a Member of the SATS Group, also commented: "E-commerce is extremely important to WFS/SATS, our customers, our industry, and, of course, consumers, but up to now, it has been processed within a traditional air cargo handling environment. With the growth projections for e-commerce, the industry response must be more dynamic and tailored, and this is what WFS/SATS aims to deliver in Liege working alongside Saudia Cargo and Cainiao. This three-party collaboration leverages operational excellence skills and requirements from the airline, cargo handler, and e-commerce logistics perspectives, and will exemplify our commitment to innovation, speed, and real-time information for the future of the e-commerce logistics ecosystem."

Inaugurating on March 1st, 2024, the strategic collaboration between Saudia Cargo, Cainiao, and WFS/SATS aims to make a transformative leap in global logistics and to set a new benchmark which propels cross-border logistics into a new era, driven by efficiency and innovation.

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About Saudia Cargo:

Saudia Cargo stands as a leading national cargo carrier, headquartered in the Kingdom of Saudi Arabia. Leveraging the strategic advantage of the country's location, it serves as a highly efficient aerial bridge connecting the East and the West, seamlessly bridging continents. Our extensive reach encompasses approximately 100 airport destinations and 250 customer destinations across four continents, establishing us as a pivotal player in the global air cargo industry.

With a legacy spanning over seven decades and a commitment to a 'human-first' approach, Saudia Cargo has consistently upheld its esteemed reputation as one of the world's most dynamic cargo carriers. This reputation is underpinned by a rich history of innovation and resilience.

Our robust alliance with SkyTeam Cargo, the world's largest consortium of air cargo carriers, connects us to an impressive network of 150 freighter destinations in addition to nearly 800 passenger destinations worldwide.

Saudia Cargo's access to a modern fleet of Boeing freighter aircraft expedites the transportation of diverse cargo types, including e-commerce, pharmaceuticals, high-value shipments, hazardous materials, and perishables. The company's enduring dedication to humanity, reliability, and agility has been instrumental in driving its remarkable growth trajectory, which continues to expand significantly.

For further information, please visit saudiacargo.com.

About Cainiao

Cainiao is a global leader in e-commerce logistics. The Company is the largest provider of cross-border e-commerce logistics globally and a leader in China logistics services. Founded in 2013 to address the growing, evolving requirements for e-commerce logistics services, Cainiao leverages its distinctive "e-commerce × technology" DNA to deliver a wide range of innovative end-to-end logistic solutions through its smart logistic network to over 200 countries and regions. The Company is committed to transforming the logistics industry through continuous innovation to enable a seamless e-commerce experience and achieve its vision of delivery within 24 hours in China and 72 hours worldwide.

For more information, please visit www.cainiao.com

About WFS/SATS:

Founded in 1984, WFS - a Member of the SATS Group - is the world's largest air cargo logistics provider and one of the leading providers of ground handling services with annual revenues of €2 billion. As a combined company, SATS and WFS create an Americas-Europe-APAC network with a global footprint of more than 210 cargo and ground handling stations in 24 countries, covering trade routes responsible for more than 50% of global air cargo volume. For more information, please visit

www.wfs.aero

www.sats.com.sg