Our company is Formed in 1945 through a partnership between Kain and Shelton that’s where our name K&S come from.

In the Past 70 years, we have grown into one of Australia and New Zealand’s largest multi-modal providers.

Multimodal transport means that we distribute and deliver goods under a single contract, but with at least two different modes of transport.

We provide road, rail and coastal sea forwarding in support of bulk loads and the delivery of integrated supply chain and we provide system solutions to our key customers.

We are also operating a comprehensive business matrix to cover different needs:

K&S FREIGHTERS KS Energy Chemtrans for chemical, KS Bulk, DTM business logistics, heavy haulage and Fuels.

In 2022, we are facing the new challenges and pressure in the peri-COIVD era. Besides the requirements of COVID safe delivery, we are also planning to adopt new technology to meet increasing needs in logistics. To maintain our high standard of safety and quality, we have set up detailed goals of internal upgrading.

For this, we dived into our business model to clarify our strength and weakness. And then, Yimin will introduce our company in detail.

Value Proposition

Yiyan has already given you some interesting introduction about our company. Now I want to show you our business model canvas.

The first point is value proposition.

As you can see, our company has been serving fuel and lubricant requirements in South Australia for 60 years and we are the only local fuel distribution in this area. Therefore, we hold a good brand reputation compared with other small companies.

Next, convenience and reliability. We put 24 hours services in the customer center every day to satisfy your transportation orders. At the same time, our company utilizes the newest technologies, like modern fleet to achieve reliable transportation.

Then I want to show you some special values outstanding our companies.

At first, risk reduction during Covid-19. Mandatory vaccination has been performed in our companies. Moreover, our group has zero employee Covid-19 cases in the current situation

Secondly, the environment. We are the industry leader in the field of environmental-friendly logistics. we exhibit lower energy consumption and carbon emission in our vehicles.

Customer Segments

Now, let’s move to the next point customer segments. Our customer group could be briefly divided into three parts.

The main group we aim to serve is related to logistics. Our common logistics customers include freighter , supermarkets such as Kmart, energy , and chemical companies.

Next, let’s look at the second group, fuel sales. Our business also include delivering fuels to some airline companies and the local drivers

The third type of customer is about renting. We used to provide heavy cranes and related equipment to some building and mining companies.

Revenue Streams

Now, I'd like to turn to the next part, revenue streams.

In our company, the top three revenue includes logistics of services, which up to $583 million in 2021, sale of goods, in 105 million, and agency of some fuel sales in 120 million. It is clear that, those logistics businesses help our company survive well and it is our main revenue. However, the logistics business declined significantly as a result of COVID-19, then we imply some cost reduction policy this year to face this situation.

Channel

Before I talk about the next point, have you ever thought about how could we extend our company business?

In the past ten years, we used to depend on our physical store, brand linkage, and updating customization promotion to attract customers and sell our products. However, with the development of technology, we move our channel from off-line to on-line. Therefore, any potential or future customers could contact us through our website.

Customer Relationships

Let's move to the next point, customer relationships. Clearly, we are the supplier and those customers are the demander. They offer their demand about logistics, fuels, or renting, then we meet their request. Our company also set increasing physical store to provide the service and keep contact with our consumers.

Thanks Yimin, let me introduce the remaining parts:

Our main business consists of bulk loading transport, delivery of energy and materials, warehousing, supply chain solution and logistics for import and export.

Our Key resource is our transport fleet including more than Four Thousand Five Hundred vehicles and over seventeen hundred rail and sea containers

We also have 22 national depots and over one hundred and sixty thousand sqm of other state-based warehousing.

Human resource is also critical to our business, we have two thousand seven hundred staff members with specialization in a broad range including: driving, auto mechanics, road planning, and architecture design.

Our long-term Strategic Partners includes local government, fuel providers, retailers and bulk suppliers. We have long-term and stable corporation with them, and we also have customized service for them like dedicated warehouse and trucks. We also corporate with the service suppliers to ensure the safety and service quality. Such as Insurance company, medical supplies provider and Auto service provider.

In terms of cost, as our main resources are human capital and transport fleet, the two major costs are Staff wages and Depreciation and impairment of physical asset.

There are also some costs like financial costs and other costs, but they are much lower in numerical level. That’s all about our business, after that, let pengrui talk about about our vision and strategy.

Our vision is to be a leader in the transport and logistics industry in Australia and New Zealand. To this end, we put forward goals for safety, customer service, people and community, innovation.

To keep our employees safe during the pandemic, we have a pandemic protocol in place to facilitate self-monitoring and provide paid leave to vaccinate employees. For accidents, we invite professionals to conduct detailed investigations and make safety improvements based on the findings.

For customer service, we will adjust the business structure to meet the needs of more customers. As well, the company's logistics system will be developed, and we hope these changes will bring more efficient service to customers.

To respect and protect our employees, we create a positive work environment that minimizes their negative emotions. Sustainability is also an operational goal of our company, so we use greener vehicles in our transport fleet.

For the benefit of shareholders, we will develop a more advanced management system to reduce operating costs. Of course, employees are the company's valuable assets. We provide employees with not only generous salaries but also various vocational training. We hope everyone has the opportunity to maximize their potential.

【5】Okay, let’s now talk about the vision, goals and requirements.

【6】As we all know, the COVID-19 has had a devastating impact on the global tertiary sector.

【5】Our last goal is to develop green logistics. Our commitment to the environment forms