News Release



Chinese logistics firm to build hub at EIA, boosting North America-China trade

EHL International Logistics Co. expansion bolsters EIA's international trade hub status, spurring new jobs and export/import opportunities for Alberta businesses

November 14, 2018 (Edmonton, AB) – EHL International Logistics Co. and Edmonton International Airport (EIA) signed an agreement on Nov. 9, 2018 in Shanghai, China, making the airport EHL's new North American logistics consolidation centre for goods, including e-commerce, moving between China and North America. The deal will generate many new jobs for the Edmonton Metro Region and significantly increase real-time access to global markets for small- and medium-size businesses across the region, Alberta and Canada.

EHL, a subsidiary of the Henan Provincial Government, will operate its North American flights from Zhengzhou, Henan to Edmonton, and continue to the US mainland. Trial 747-400 flights through Edmonton are already underway, in preparation for an expanded freighter schedule.

"Henan is a key link to China's Belt and Road Initiative, and EHL is committed to develop trade links between China, Canada, and USA through our distribution centre in Edmonton," said Ziqiang Ma, EHL President. "We chose Edmonton because of the ideal location, logistics infrastructure and strong partnerships with EIA and Maple Horizons. We believe that through this, we can increase trade and cooperation between China and North America. EHL is grateful for the partnership with Edmonton International Airport and Maple Horizons, and the support of the municipal governments of Zhengzhou and Edmonton, the provincial governments of Henan and Alberta."

EHL is the latest addition to EIA's Airport City – a growing business and innovation hub that propels new jobs, tourism and economic diversification, and creates a destination in and around EIA. Industries include entertainment, e-commerce, retail, hospitality, cargo/logistics, bio-pharma, light manufacturing and many other industries.

Agreement fortifies EIA as an international trade hub

"We welcome EHL to EIA's Airport City and the new construction investment, jobs and trade opportunities it brings to the Edmonton Metro Region and Alberta," said Tom Ruth, EIA President and CEO. "This significant agreement builds from EIA's strong track record of driving successful trade and commerce between China and North America, solidifying EIA as a major international trade hub."

The city of Zhengzhou is the provincial capital of Henan Province. Henan Province is the State Government of China's pilot zone for cross border e-commerce. Over 70 per cent of China's air-cargo perishables move through the province of over 100 million people. Zhengzhou is located within two hours of one billion people.

EIA's partners Edmonton Global, Western Economic Diversification, the Government of Alberta (Economic Development and Trade) and Airport Accord partners – the City of Edmonton, Leduc County and the City of Leduc – have been actively developing EIA as a leading North American transportation and logistics hub for the movement of e-commerce and other goods to and from China. One of EIA's many advantages

for this type of business is its Foreign Trade Zone designation, which reduces trade barriers and enhances access to Canadian markets.

Key sectors set to benefit from the EHL-EIA partnership are agri-food and manufacturing. Maple Horizons is a successful Canadian company active in the cross-border e-commerce market in China and has acted as a critical catalyst for the partnership.

For small- and medium-sized companies, like Maple Horizons, the hub at EIA will accelerate access to and from China-Canada markets through global e-commerce.

"Edmonton is the ideal location for expanding air cargo business between China and North America due to its geography, local expertise in transportation and logistics, and government leadership," said William Wang, Maple Horizons President. "The city is one of the best places to do business in Canada, and is a strong base for e-commerce distribution across North America. We are excited to partner with EIA and EHL to build the China-Canada logistics solutions of tomorrow."

Quotes:

"I congratulate Edmonton International Airport and Henan Province in forming this important logistics and distribution partnership that capitalises on the rapidly expanding e-commerce trade between China and North America," said His Excellency John McCallum, Ambassador of Canada to the People's Republic of China. "This new e-commerce operation at Edmonton International Airport demonstrates that China's fast rising middle class will help create jobs in Edmonton and elsewhere in Canada. The new hub stands to benefit every region of our country by creating a new channel for Canadian products to reach Chinese consumers."

"EHL choosing Edmonton International Airport as an e-commerce hub to serve North America is another indicator that Alberta continues to be the best province to invest and do business in," said Deron Bilous, Minister of Economic Development and Trade. "Our trade missions and international offices work with local businesses to showcase Alberta's competitiveness. Bilateral trade with China has tremendous potential for growth, and this great new partnership will help strengthen our business ties while creating new, diverse opportunities for all Albertans."

"Having visited with Henan and Zhengzhou officials this spring, I saw a strong commitment to develop their North American logistics business, using Edmonton International Airport as their gateway," said Mayor Don Iveson, the City of Edmonton. "This new service connects the Edmonton region to new markets around the world and enhances our region as a transportation and logistics hub."

"The agreement between Edmonton International Airport (EIA) and EHL Logistics Co Ltd. is incredibly significant," said Tanni Doblanko, Mayor of Leduc County. "The agreement will increase regional prosperity and will bring with it a multitude of economic benefits; not only will there be more jobs in the region, but it will help foster the growth the Airport Accord looks to achieve – it will connect regional businesses to international markets, enabling regional business growth. This is an exciting partnership that will bolster Alberta's global competitiveness and Leduc County is excited to be part of it."

"The City of Leduc is excited about this global partnership," said Mayor Bob Young. "EHL's decision to establish EIA as their North American logistics consolidation centre will fortify economic development in our region and continue to grow both global and local opportunities. This is a huge point of pride for our region as this centre will drive foreign trade investment as well as create jobs in our community and the surrounding regions."

"Edmonton International Airport is a key Western Canadian hub for transportation, logistics and economic growth," said Malcolm Bruce, CEO, Edmonton Global. "We are delighted to welcome EHL International Logistics Co. from China as a new business partner in this dynamic mix, and we will support their efforts to integrate their operations with EIA. The consolidation of EHL's North American logistics centre here strengthens our region's ties with Asian markets, and provides EHL with a superior platform that levers global markets. This is another example of the excellent work the team at EIA conducts on behalf of the Edmonton Metropolitan Region."

About EHL International Logistics Co.

EHL International Logistics Co. is a company specializing in global logistics integration services. Founded in 2013, the company has total assets over 65 Million RMB. The business covers logistics trading platform services, international logistics supply chain services, export integrated services and supply chain finance.

EHL is a subsidiary of the Henan Bonded Group. Henan Bonded Group is a sino-foreign joint venture with relatively controlled state ownership. With 21 subsidiaries, the headquarters is located in the Zhengzhou Economic and Technological Development Zone, Henan province. It is an operation entity of the national (Henan) type B bonded logistics center. It has total assets of over 6 Billion RMB. There are over 700 employees and over 60% of the management team members have experience in internationally recognized logistics companies.

About Maple Horizons

Maple Horizons is a service provider for Canadian companies interested in entering China's online and offline retail markets. With offices in Zhengzhou, Shanghai and Edmonton, Maple Horizons provides comprehensive services for China's e-commerce platforms and offline markets, including marketing and sales strategy, e-commerce operations, third party logistics (3PL), and warehousing and fulfillment services. Maple Horizons is also the exclusive distributor for premium Canadian and Australian brands in Mainland China.

About Edmonton International Airport

Edmonton International Airport is a self-funded, not-for-profit corporation whose mandate is to drive economic prosperity for the Edmonton Metro Region. EIA is Canada's fifth-busiest airport by passenger traffic and the largest major Canadian airport by land area. EIA offers non-stop connections to destinations across Canada, the US, Mexico, the Caribbean and Europe. EIA is a major economic driver, with an economic output of over \$3.2 billion, supporting over 26,000 jobs. EIA's Airport City propels new jobs, tourism and economic diversification – and creates a destination in and around EIA, featuring entertainment, e-commerce, retail, hospitality, cargo/logistics, bio-pharma, light manufacturing and many other industries. EIA is focused on digital strategy to ensure it becomes the airport of the future. For more information, please visit: flyeia.com, follow @flyeia on Twitter, Instagram, Linkedin or Facebook.

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