

MEDIA RELEASE

SWISSPORT LAUNCHES CHINA OPERATIONS WITH NEXT-GENERATION CARGO TERMINAL AT SHANGHAI PUDONG AIRPORT

Swissport International has secured a landmark commercial agreement to manage and jointly operate the new Digital & Intelligent International Cargo Terminal at Shanghai Pudong International Airport in partnership with Smargo, a joint venture between AVINEX Logistics and China Eastern Airlines Logistics. This strategic entry into China marks Swissport's flagship operation in Asia and a cornerstone of the company's global air cargo strategy.

Swissport, the global leader in aviation services, announces its entry into the Chinese market through a strategic partnership with Smargo, the joint venture between AVINEX Logistics (Shanghai Airport Authority Logistics Development company) and China Eastern Airlines Logistics, to manage and jointly operate the highly innovative Digital & Intelligent International Cargo Terminal at Shanghai Pudong International Airport (PVG), the world's second-largest air cargo hub. The signing ceremony for this agreement took place on October 21, supported by Shanghai Airport Authority and China Eastern Airlines Corporation Limited. With operations at nearly 300 airports across 45 countries and handling 5 million tons of cargo annually across 117 cargo stations worldwide, Swissport brings unparalleled global connectivity and operational experience to this important air cargo gateway.

"This milestone agreement marks Swissport's strategic entry into China with one of the world's most technologically advanced cargo facilities," says Warwick Brady, President & CEO of Swissport International. "By connecting Shanghai with our global network, we'll enable Chinese exporters to reach international markets up to two days faster through our specialized e-commerce handling. Working with our partners AVINEX Logistics and China Eastern Airlines Logistics, we're creating efficient trade pathways that will transform how Chinese businesses connect globally. Shanghai represents just the beginning of our long-term commitment to China's aviation future."

Brad Moore, CEO APAC at Swissport International, said: "Our new facility at Shanghai Pudong is a cornerstone of Swissport's cargo strategy in Asia and reflects our long-term commitment to this dynamic market. By bringing our global expertise in specialized cargo handling to one of Asia's most important air freight hubs, we are creating new efficiencies that strengthen the regional supply chain. This flagship operation not only enhances our presence in China but also serves as a vital connection point for trade across the entire Asia-Pacific region. The partnership fully supports our strategy to build premium cargo operations at key Asia gateways, where we can deliver the greatest value to our airline partners and their customers."

CONNECTING CHINA TO GLOBAL MARKETS

The new terminal comes at a strategic time as Shanghai Pudong Airport continues to strengthen its position as a global air cargo hub, currently handling approximately 4 million tons annually with projected growth of 8-10% per year. This partnership will create seamless connections between China and key international markets, opening new opportunities for Chinese businesses to reach global customers faster and more reliably. Simultaneously, the facility will serve as a vital gateway bringing international goods into the vast Chinese market, creating a true bidirectional trade corridor that connects China with key world hubs and the world with China.

This agreement complements Swissport's recent cargo operations launch at New York's JFK International Airport. Together, these initiatives form a strategic network linking key cargo centers across Asia, North America, and Europe, positioning Shanghai Pudong as a critical nexus in global supply chains flowing both to and from Chinese markets.

STATE-OF-THE-ART FACILITY AND TECHNOLOGICAL INNOVATION

The new state-of-the-art facility, located in the West Cargo Area of Pudong Airport, sets a new benchmark for technology-driven logistics. Covering 222,000 square meters with a core operational area of approximately 150,000 square meters the facility represents a total investment of 1.56 billion yuan (approximately USD 215 million) and is designed to handle between 600,000 and 1.2 million tons of international cargo annually when it becomes operational in late 2025.

Designed for the demands of modern e-commerce and global supply chains, the terminal features an AI-driven warehouse management system with 99.5% scheduling accuracy—60% higher than conventional operations. Its fully automated processes, including 94 autonomous vehicles and specialized AGVs, eliminate manual handling, reduce errors, and cut dwell times, giving customers real-time visibility and predictable, efficient cargo flow.

The facility also sets new standards in specialized cargo handling. Its 15,000 square meters of temperature-controlled space—including a 200 sqm ultra-deep freeze chamber. With capacity to simultaneously store 1,500 tons of temperature-sensitive cargo, the facility supports next-generation pharmaceuticals, vaccines, and biomedical shipments with precise temperature stability, addressing a critical gap in Shanghai's air cargo capabilities while pursuing the industry's highest pharmaceutical handling credentials through GDP and CEIV Pharma certifications.

GLOBAL E-COMMERCE NETWORK ADVANTAGE

Swissport's unique competitive advantage lies in its established global e-commerce handling network. The company already operates specialized e-commerce cargo hubs in key global locations including New York JFK, Liège, Brussels, Basel, and Milan. This interconnected network enables Chinese exporters to benefit from seamless end-to-end handling when shipping to major global markets, a capability no local handler can match.

For cross-border e-commerce, the Shanghai facility's four high-speed automated sorting systems will process

3,500 parcels per hour—triple the throughput of conventional cargo terminals—enabling up to 40% faster delivery of Chinese exports to global markets. This addresses one of the most significant challenges facing Chinese e-commerce merchants: international delivery speed and reliability.

Market trends show cross-border e-commerce from China is expected to reach USD 230 billion by 2026, growing at over 25% annually and creating demand for precisely the specialized handling capabilities Swissport has developed. The Shanghai operation will directly connect into Swissport's global network, creating a seamless pipeline for Chinese goods reaching international markets.

FUTURE VISION AND LONG-TERM COMMITMENT

This landmark agreement reinforces Swissport's commitment to strategic growth in the Asia Pacific region while supporting China's position as a global aviation hub. Following the Shanghai operation, Swissport plans to evaluate additional Chinese cargo market opportunities to create a comprehensive network of specialized cargo operations across China's major commercial centers.

The Digital & Intelligent International Cargo Terminal at Pudong Airport represents one of Swissport's most significant operational achievements and further strengthens the company's position as the partner of choice for premium air cargo handling services worldwide. As the project progresses toward its 2025 completion, Swissport will work closely with AVINEX and China Eastern to ensure operational readiness for what promises to be one of the most advanced air cargo facilities in the global aviation industry.

About Smargo

Smargo is a joint venture by Shanghai Airport Group Logistics Development Co., Ltd. and China Eastern Airlines Logistics Co., Ltd. The new Smart Cargo Terminal owned by Smargo lands in Pudong with designed handling capability of one million tons of international cargo driven by AI and big data to enable full-process intelligence, setting a new world-class benchmark for global air cargo.

About Swissport

In 2024, Swissport International AG provided best-in-class airport ground services for some 247 million airline passengers (2023: 232 million), welcomed 5.9 million lounge guests (2023: 5.7 million), and handled roughly 5 million tons of air freight (2023: 4.7 million) at 117 air cargo centers worldwide. Several of its warehouses have been certified for pharmaceutical logistics by IATA's CEIV Pharma and by the British MHRA. At the end of December 2024, the world's leader in airport ground services and air cargo handling, with currently around 65,000 employees, was active at 279 airports in 45 countries on six continents.

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