## HELPING BRANDS CONNECT



# ASX / Media Release

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### Digimatic Commences Build of eCommerce Logistics Portal in Indonesia

#### **HIGHLIGHTS:**

- Digimatic Solutions makes its first foray into the logistics industry in Indonesia
- PT ARK Ekspres Internasional will work exclusively with Digimatic Solutions on the building of an eCommerce Logistics Portal that will help improve logistics efficiency in eCommerce order fulfilment in Indonesia
- Unique Uber-like demand-and-supply matching model to improve delivery timelines and reduce costs for customers

Digimatic Group Ltd (ASX: DMC) (the "Company" or "DMC"), via Digimatic Solutions Pte Ltd ("Digimatic Solutions") has started working with PT Ark Ekspres Internasional ("ARK") to develop an eCommerce Logistics portal that will help eCommerce businesses with an efficient last mile delivery solution that is practical and effective.

#### PT Ark Logistics & Transport's Expertise in Delivery Solutions

PT Ark Logistics & Transport started its business in 2010 in Indonesia. The company started off with offering truckload services, and has currently evolved into an established 3PL service provider with a comprehensive portfolio of sourcing, transportation and logistics services.

The company is one of the few in the Indonesian market that is able to manage peak demands through its access to an extensive fleet base, and visibility for customer through a single Transport Management System (TMS).

In recognition of the huge potential growth of eCommerce in Indonesia as well as the lack of an efficient delivery service solution for eCommerce businesses in Indonesia, PT Ark Logistics & Transport has established a new subsidiary PT ARK Ekspres Internasional that will offer last mile delivery services or courier services to smaller businesses and eCommerce-based online businesses.

#### Foray into the Indonesia eCommerce fulfilment market

Indonesia presents much opportunity for eCommerce among other emerging Asian economies, with current projections putting this archipelago nation's e-market at \$130 billion by 2020 (coming third behind China and India).

With an estimated annual growth rate of 50 percent and strong mobile-first initiatives, retailers have a unique opportunity in Indonesia to focus on developing truly mobile platforms to help facilitate e-market growth, particularly in the consumer packaged goods (CPGs) sector.

This new business deal will allow Digimatic Solutions to successfully expand their business portfolio and capabilities to include the logistics and fulfilment requirements of online businesses in Indonesia, and to be one of the first to apply a demand-and-supply matching model to a logistics fulfilment portal based outside of Singapore.

#### DIGIMATIC GROUP LTD (ASX: DMC)

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#### A new concept of eCommerce Logistics Fulfilment

Recognising the need for faster fulfilment of eCommerce requirements and also the needs of small businesses that require quick last mile delivery services, Digimatic Solutions together with ARK are working on the development of a demand-and-supply based matching system for logistics services in order to provide the fastest and most cost-effective fulfilment options to their customers.

The new eCommerce Logistics portal will be modelled after Uber in the taxi world, and will help match qualified logistics providers with good service track records to the relevant customer job requests that have been uploaded to the site. The portal will have built-in capabilities to ensure that the jobs are matched accurately and fulfilled quickly according to the indicated timelines.

The implementation of a new eCommerce standard into the portal has also helped reduce integration costs by up to 70 per cent and integration time by up to 75 per cent in the last mile process by eliminating the need to invest in and use multiple platforms. In addition, online orders can be streamlined via a single inventory, order processing and delivery system interface, thus allowing for smarter analytics on inventory flow across multiple systems.

"The new eCommerce Logistics portal is one of the first in Indonesia where a demand-and-supply based matching system can help businesses to reduce delivery errors and increase the speed at which orders are captured and delivered. We are pleased to be able to leverage on our technologies and customer experiences in Singapore to bring better last mile delivery solutions to Indonesia." says Lim Hui Jie, CEO of Digimatic Group Ltd.

In addition to the building of the portal, ARK has also engaged Digimatic Solutions to provide digital marketing services so as to drive more traffic to the site, improve awareness of the new portal and increase the number of transactions on the site.

#### **About Digimatic Solutions Pte Ltd**

Digimatic Solutions is the technology arm of Digimatic Group Ltd and specialises in providing sustainable business solutions via commerce technology in consultation with its clients.

Digimatic Solutions in-house capabilities include the building of eCommerce platforms and eMarketplaces, websites, mobile applications and end-to-end customised platforms that include logistics, managed services as well as digital marketing solutions that ensure continued traffic and lead generation to the platforms or sites.

#### **About PT ARK Ekspres Internasional**

PT ARK Ekspres Internasional is a subsidiary of PT Ark Logistics & Transport, an established 3PL service provider in Indonesia with a comprehensive portfolio of sourcing, transportation, and logistics services. The company offers last mile delivery solutions or courier services to smaller businesses and eCommerce-based online businesses.

#### ENDS

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