



SUMITOMO CORPORATION ENTERS INTO STRATEGIC PARTNERSHIP WITH LIPPO GROUP TO INVESTS IN LAST MILE DELIVERY OPERATIONS

Jakarta, 3 September 2018.

Sumitomo Corporation (“Sumitomo”) and the Lippo Group (“Lippo”) today announced the signing of a strategic partnership and the completion of Sumitomo’s investment into Red Carpet Logistics (“RCL” or “Company”), Lippo’s tech-enabled last mile delivery operations.

The transaction will see Sumitomo owning a 40% equity stake in PT Reka Cakrabuana Logistik for an undisclosed sum. Proceeds from the transaction will go towards accelerating the growth of the company and entering the C2C express delivery market under the new brand “RCL Express”.

Established in 2016, RCL’s operations in Indonesia spans across 53 hubs, serving 172 cities and covering 2,400 districts across the country’s archipelago. Driven by the rapid growth of eCommerce, the courier delivery market in Indonesia is expected to grow by more than 30% per annum, with annual volumes growing to 1.8 billion in 2021 from 600 million today. This represents an attractive opportunity for an industry still in its infancy.

RCL, which has developed a state of the art delivery platform, is one of the fastest growing companies in the industry. Nowadays, the courier delivery business is a social infrastructure indispensable for finance, food, eCommerce, automobile industries etc in industrialized countries. Both Sumitomo and Lippo intend to build RCL into the industry leader, and as a platform to pursue further business opportunities in a wide range of sectors.

Lippo is a pan-Asian holding company with strategic investments and operations across 8 markets globally is the largest integrated services group in Indonesia, serving more than 60 million unique customers in Indonesia across its real estate, malls, department stores, hospitals, telecommunications, media and financial services businesses.

Founded in 1919, Sumitomo is one of the largest worldwide Sogo shosha general trading companies, and is a diversified corporation and has logistics expertise for retail, technology such as fleet share· robotics and others cultivated through existing business, and commercial bank that has over 200,000 agent networks in Indonesia.

Mr. Yasushi Fukuda, Executive Officer of Sumitomo Corporation, commented: “By utilizing both company’s resources and royalty program, we will efficiently expand delivery networks to meet strong needs for delivery and related payment solutions in Indonesia.”



Mr. John Riady, Director of Lippo Group commented: “We are very excited to be partners with Sumitomo and look forward to benefiting from their deep logistics and supply chain expertise. This investment and partnership will allow RCL to better serving our partners and customers.”