‘A Supply Chain System: the InterBulk Approach’
- some practical insights & case studies from InterBulk’s Asian customers

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Contents

Why the InterBulk approach?

How do InterBulk do it?

> Transportation services

> Product Handling solutions

> Supply Chain Management

Case Studies – Asia
InterBulk Group PLC

Global logistics company providing innovative supply chain and product handling solutions via intermodal transportation concepts

Intermodal

Intermodal freight transport involves the transportation of freight in an intermodal container or vehicle, using multiple modes of transportation (rail, ship, and truck), without any handling of the freight itself when changing modes.
Growing importance of logistics - due to a changing balance of costs

Bigger, more powerful customers will demand more from their suppliers
Criteria for supply chains favours intermodal logistics

Shippers want to create more environmentally conscious supply chains
Container traffic volumes doubled in last 10 years

World container traffic (mio TEU)

<table>
<thead>
<tr>
<th>Year</th>
<th>Traffic (mio TEU)</th>
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<tbody>
<tr>
<td>2000</td>
<td>70</td>
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<tr>
<td>2001</td>
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<td>2002</td>
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<td>2010</td>
<td>147</td>
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<td>2011E</td>
<td>157</td>
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Why the InterBulk approach?

**How do InterBulk do it?**

- Transportation Solutions
- Product Handling Solutions
- Supply Chain Management

Case Studies – Asia
Flexible supply chain design

- **Transport from origin**
  - IBG Bulk containers: 20/30/40 ft Bulk box → Storage in containers → SDU Delivery

- **Shipping Line containers**
  - 20/40 ft packed → warehousing → packed truck
  - 20 ft bulk → blow into silo → silo truck
  - 20 ft bulk → tipped into 30 ft → 30 ft bulk
  - 20 ft bulk → storage in 20 ft → 20 ft bulk

**IBG Core Activity**
**Sinotrans Core Activity**
InterBulk’s integrated dry bulk intermodal solution

- Fully integrated ‘silo to silo’ dry bulk transportation logistics solutions
- Management of entire supply chain & logistics solution on behalf of customer
- Provision of 20 / 30 / 40ft specialist ‘bulk’ containers
- Provision of one-trip polyethylene liners
- Provision of strategic container storage & inventory management services
- Provision of 20 / 30 / 40ft specialist self-discharging tipping trailers
Clear tendency towards shipments in bulk

- From pallets & bags to liners
- Less labour intensive
- Fewer handlings
- Reduced damage/contamination
- Environment friendly
- No packaging regulations
- Efficient storage / inventory control

Cost savings possible with bulk via increased payloads, packaging savings, less handling, admin reduction, etc.
Our Supply Chain Management approach

Transport
- single services
- many logistics service providers
- local
- product movement
- A – B (shipments)
- traditional
- distances
- supplier status
- cost / price

SCM
- integrated solutions
- one – stop – shopping
- global
- product, cash, information
- complete solutions (flows)
- innovation
- distances and lead-times
- partner status
- value
Freight management: co-operation with customer

- Rate negotiations and carrier selection
- Freight and lead-time tables per lane
- Service Level Agreements and back-up rules
- Performance reviews with selected carriers

Order booking
- Rate and flow optimization
- Invoicing and payment
- Reporting

Alternative set-ups are possible depending on customer needs
Above set up proves to work due to clear responsibilities
Supplier contracted by AkzoNobel and/or Interbulk
Our fully integrated IT systems are customisable

- B2B order receipt
- Time & event driven messaging
- Business objects – crystal reports
- Integrated accounts
- Container terminal management
- Stock balance enquiry
Why the InterBulk approach?

How do InterBulk do it?

> Transportation Solutions

> Product Handling Solutions

> Supply Chain Management

Case Studies – Asian customers
First major polyolefin manufacturer in SE Asia
- Production capacity: 1,000kt pa
- Located in Singapore

Manufacturer looking to implement best practise distribution in 2002
- Major BOPP film receivers not wanting to handle bags
- InterBulk introduce 20ft intermodal BiB concept
- International distribution + Load & Hold services commence
Flowchart – Singapore > Indonesia

Liner Fitting → Bulk loading → Container shipped / railed → Container discharged → Container delivered → Container stored

Fully integrated ‘silos to silos’ dry bulk transportation service
One stop shop with 1 invoice for entire supply chain
Liner & bulkhead installation
Container discharging via provision of fully equipped specialist self discharging tipping trailers by InterBulk
Discharging shipping line containers

Compressor Pack

SDU: all equipment required for discharge fitted on tipping trailer
Delivering 20ft ‘Bulk’ Containers
Largest polypropylene manufacturer in SE Asia
- Polypropylene production capacity: 750kt pa
- Located in Thailand

Manufacturer announces plant expansion in 2009
- Construct a silo farm (with top loading capability)
- InterBulk introduce 20ft Top Loading BiB concept
- Domestic distribution + Load & Hold services commence
- 30ft BiB concept introduced May 2012
Silo Farm Constructed
Container Loading – 20 minutes
Holding 20ft ‘Bulk’ containers at INB Terminal
30ft ‘Bulk’ Containers
Background – 40ft intermodal silo containers

- Largest polyvinyl chloride (PVC) manufacturer in Indonesia
  - Domestic distribution issues

- Manufacturer delivering significant monthly volume
  - Receiver wanting to expand production but space limitations
  - Construction of silos freed up space needed for warehousing
  - InterBulk introduce 40ft silo container delivery concept
  - Daily deliveries, all in bulk, Just in Time basis
PVC Experience - discharging
Background – 20ft intermodal ISO Veyors

- Cement manufacturer
  - Located in Malaysia

- Manufacturer targeting cement exports to Singapore market
  - Commences deliveries using cement trucks
    - 1000 KM round trip
  - Significant issues experienced
    - Long delivery lead time
    - Trucks delayed at border

- InterBulk introduces 20ft ISO Veyor intermodal solution
20ft ISO Veyor
ISO Veyor – Loading Malaysia
Cost effective form of transportation

Eliminates double handling, reduces product contamination

Safe, sustainable and environmentally-friendly form of transport

Direct delivery into the silo offers a commercial advantage

Creates customer retention for clients via the integrated supply chain

Allows flexibility for client customers’ delivery requirements

InterBulk focuses on the logistics: clients concentrate on core activities
### Summary - InterBulk’s dry bulk capabilities

<table>
<thead>
<tr>
<th>Capability</th>
<th>Supply chain management expertise</th>
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<tbody>
<tr>
<td></td>
<td>Proven intermodal delivery services</td>
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<tr>
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<td>20/30/40 ft discharge equipment</td>
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<td></td>
<td>Access to large dry bulk container fleet</td>
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<td></td>
<td>Presence China + Global reach</td>
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<tr>
<td>Terminals</td>
<td>On site logistics, strategic product storage</td>
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<td>Transhipment centres</td>
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<tr>
<td>Innovation</td>
<td>Solution fits need &amp; requirement</td>
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<td></td>
<td>Self Discharge Trailers (SDUs)</td>
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<td>Liners, ISO Veyors, ISO Silos</td>
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<tr>
<td>Reputation</td>
<td>Industry leading in QHSSE</td>
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<tr>
<td>Partnerships</td>
<td>Strong strategic links to customers</td>
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<td>Global operational flexibility</td>
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**Experienced logistics professionals around the world to make it happen**
Thanks for your attention!

www.interbulkgroup.com