

Guayaquil, Ecuador, July 2023

CITIKOLD GROUP is a group of Ecuadorian companies established in 2006 in Guayaquil, Ecuador. We are leaders in shipping agency services and logistics and port services. We have a team of professionals with more than 25 years of experience in the shipping industry and port logistics. We provide comprehensive maritime services and multimodal transportation in the following areas: Container Transportation, Liner and Tramp Agent Services, Tugboat Services, Ocean and Air Freight Forwarder, Cargo Consolidators, General Cargo Ship Chartering, Project Cargo, Container Depots, and Container Inland Transportation.

For the last 7 months we've developed, in conjunction with London Consulting Group, the **One Step Ahead** project with the objective of improving our operations, information systems, and coordination between the Group's different companies / departments in order to capitalize on growth opportunities in our market, identify new business opportunities, as well as maximize our operational efficiency.

This digital transformation and innovation journey was developed using London Consulting Group's methodology. It began with a comprehensive diagnosis of the organization in which we identified and quantified various areas of opportunity. Based on these findings, and with the use of agile methodologies and collaborative tools, we developed new information dashboards and processes for our operations and we implemented new meetings which improved our degree of collaboration and accountability. Through validation sessions with key users, our MVPs were enhanced until reaching the final versions that are now part of Grupo Citikold's day-to-day operations. Through all of these changes we were able to achieve the following improvements:

RFS (Road Feeder Services):

- Improvement in the level of customer service, 10% reduction in Gate In and 35% reduction in Gate Out when compared to the base period.
- Increase in the use of the DMS, increasing the sorting of containers by 53% and 79% improvement in the cleaning department.
- Processes were redesigned and these were used as the foundation for the new applications, Web screens and Reports that were designed and digitalized.
- Designing and developing digital tools, such as supervision records and repair quality forms.
- Control and management of unit aging, improving unit utilization and providing a better level of service for the shipping lines.
- Designing and implementing management dashboards in Power BI and training the personnel on how to use them.
- A training program was implemented for the Inspection and Reefer team which aligned the criteria between our internal processes and those of the shipping lines. This reduced rework and improved the invoicing process.

Atcotrans:

- 7.8% increase in production in terms of USD, Jan-Jun23 vs. previous year, regarding the transportation services offered by the company.
- 10% improvement in the On-Time Delivery indicator, reaching 93% compliance.
- Implementing a Business Intelligence tool for market analysis which forecasts additional annual sales of over \$1MM USD.
- Designing and following-up on the driver's App programming to improve the efficiency of the team's activities.
- Implementing a Power-BI platform with the main KPIs: on-time deliveries (OT), fleet availability, fuel efficiency, tariff control, among others.
- Implementing a new Management Model (Operations Meetings, Daily Session, Agile Design Committees, and Weekly Progress Meetings with the Presidency).
- A business blueprint was designed for the new TMS software which focuses on comprehensive Maintenance management. It is composed of 8 internal sub-modules.

Procurement:

- Implementing new Negotiation processes with suppliers and a Bidding methodology: RFP, RFI, RFQ and Auctions.
- 5% increase in savings for the company over the months spent on the project.
- A procurement order approval structure was designed and implemented. This structure determined the amounts and the people responsible in the SAP B-One ERP system.
- Market analysis by categories using the Kraljic Matrix.
- Power-BI; Procurement indicators, Spending Analysis, Tracking Savings, Spending by Category, OTIF On Time In Full.
- Aligning the procurement request criteria in the SAP ERP system: (Urgent, Planned, to be Managed). Improving the LSA by 74%.
- Negotiations roadmap. We carried out negotiation strategies that were identified using the 64 activities in the Purchasing Chessboard.
- Improvement in the OTIF internal level of service - Beginning of Project: 50% End of Project: 87%.

Sales:

- Digital transformation - Designing and implementing new BI tools for: a) Business Intelligence, b) Market Analysis, c) in conjunction with the company Apptelink, developing automated Customer Service operational tasks.

We are pleased to say that by the end of the project we have achieved an ROI of 0.9:1 with a forecasted annualized return of 2.8:1. We would like to acknowledge the commitment and professionalism shown by the LONDON CONSULTING GROUP team, as well as the effectiveness of the work carried out in conjunction with the personnel at Citikold Group. This project has exceeded our expectations, and we were able to establish strong foundations that has improved our work culture, our operational processes and our data analysis processes. The project has enabled us to make faster and more efficient decisions and it has prepared us for the Group's expected strategic growth.


Chief Executive Officer of Citikold Group
Xavier Game Loaiza

PBX. (593) 373 1590 ext. 103
info@citikold.com
Guayaquil: Santa Ana Port
The Point Bldg. 28th floor Ofc.2804