



eCommerce in SEA: New World Order

November 2017

Indonesia

Malaysia

Philippines

Singapore

Thailand

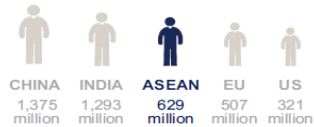
Vietnam

Cross-border eCommerce is growing rapidly in South East Asia (SEA) driven by several positive trends



BOOMING MACRO ENVIRONMENT

3rd largest population in the world¹

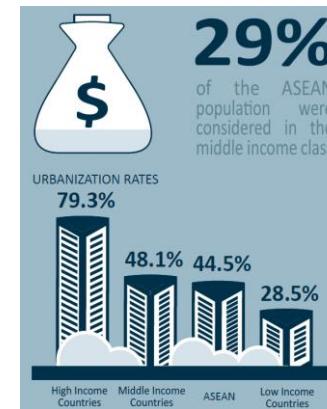


GDP growth
5.5% p.a by 2020²

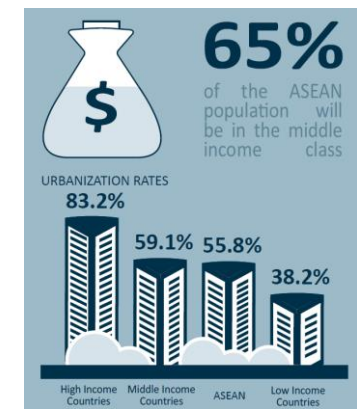


INCREASING INCOME WILL DRIVE GROWTH¹

In 2010...



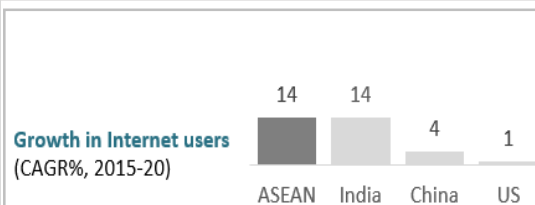
In 2030...



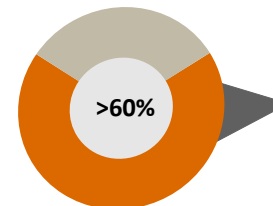
RISING ADOPTION OF ONLINE SHOPPING²

SEA Internet Users Projection 2015 - 2020

~480 mn users by 2020



MOBILE IS LEAPFROGGING INFRASTRUCTURE BARRIERS



Over half of total traffic on Lazada platform comes from mobile apps or mobile site

Our solution can help unlock categories beyond traditional Cross-border solutions available in the market



Fashion & Accessories	Home (Small)	FBMG (TKB)	Electronics (Small)	FMCG (H&B)	Electronics (M&T)	Home (Large)	Electronics (Large)

Established Solution



Postal

Express

Lazada Dropship Solution



Economy

Standard

Lazada B2B Solutions

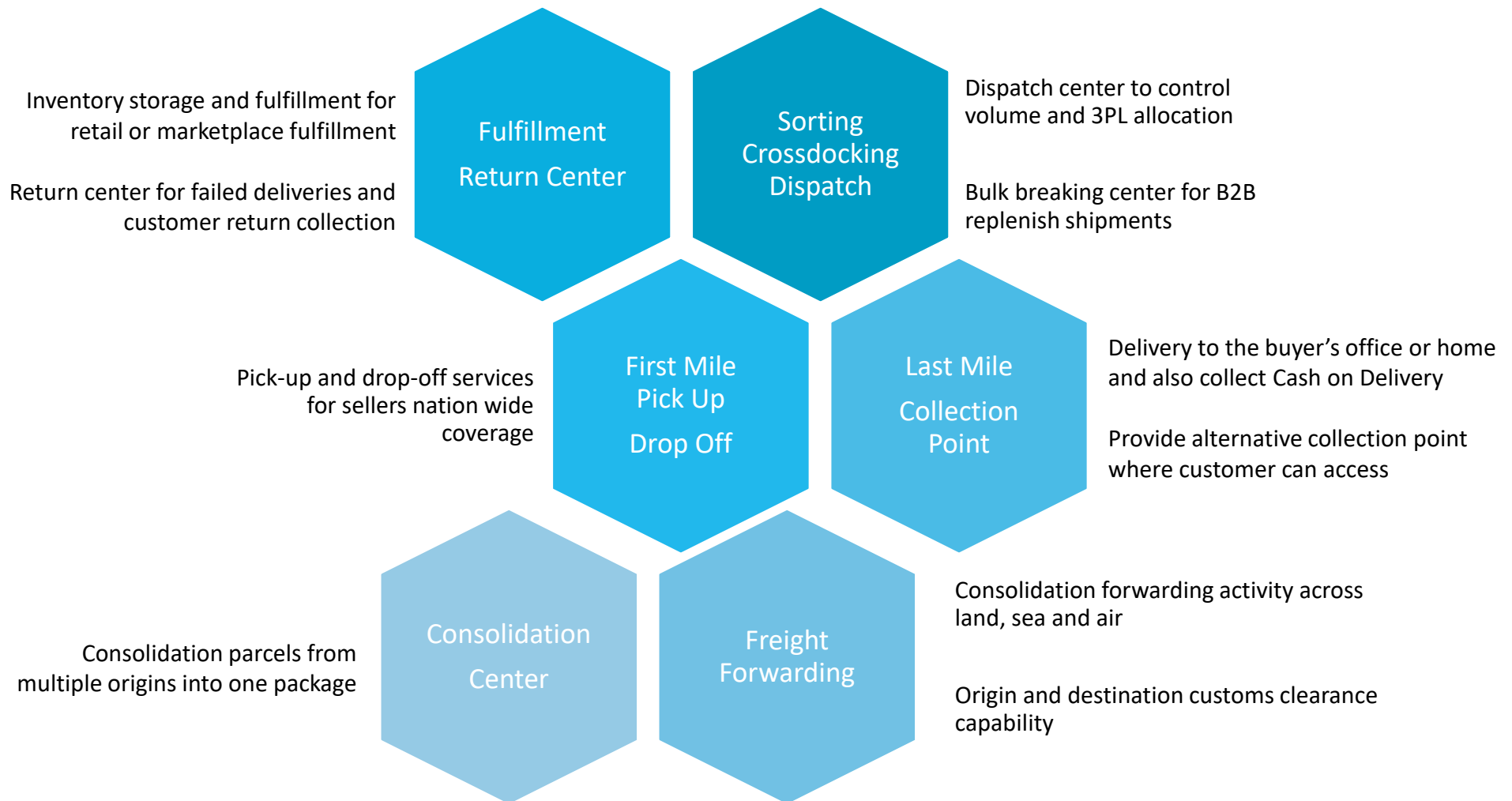


B2B

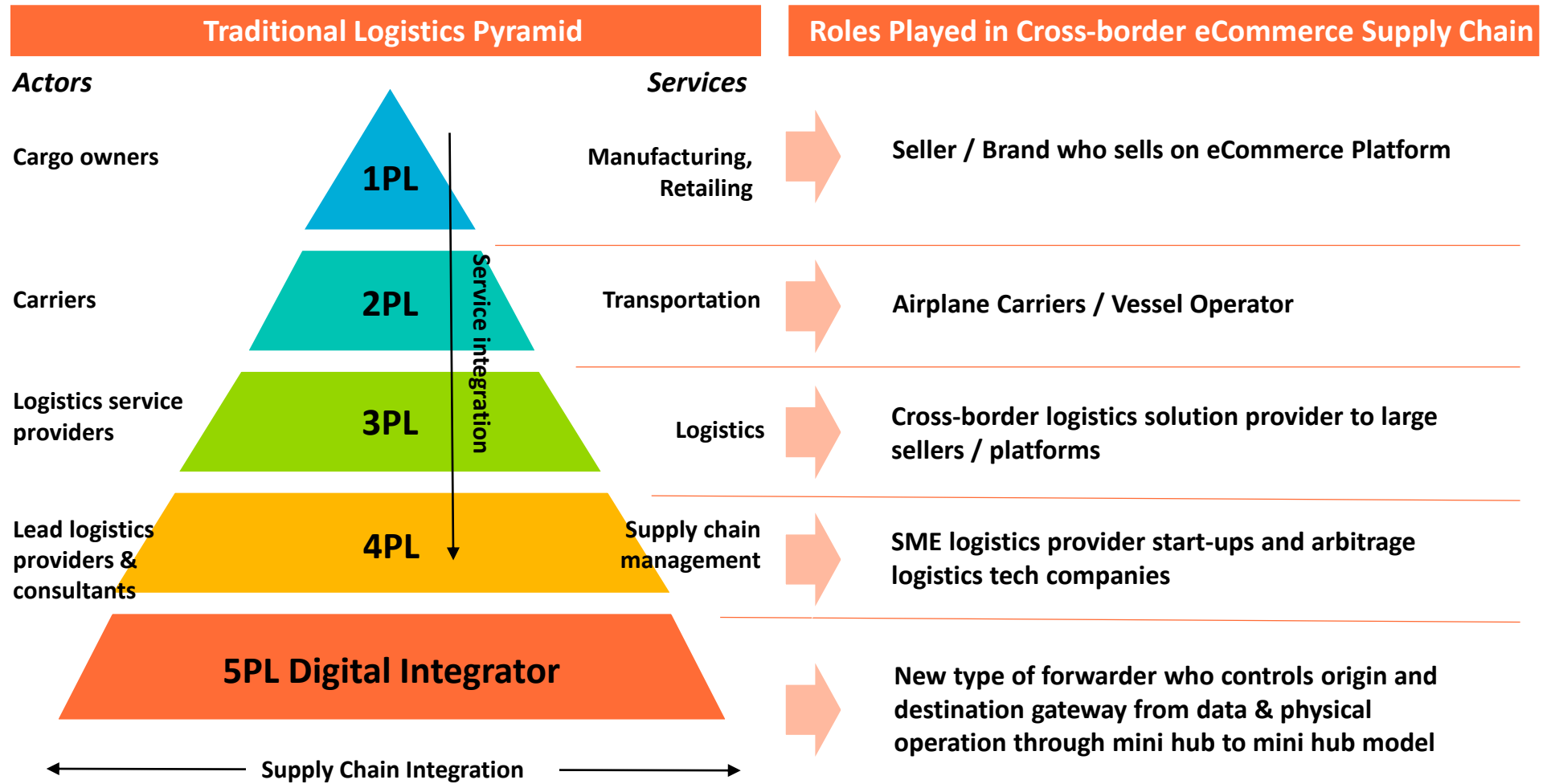
B2B2C

Fulfillment

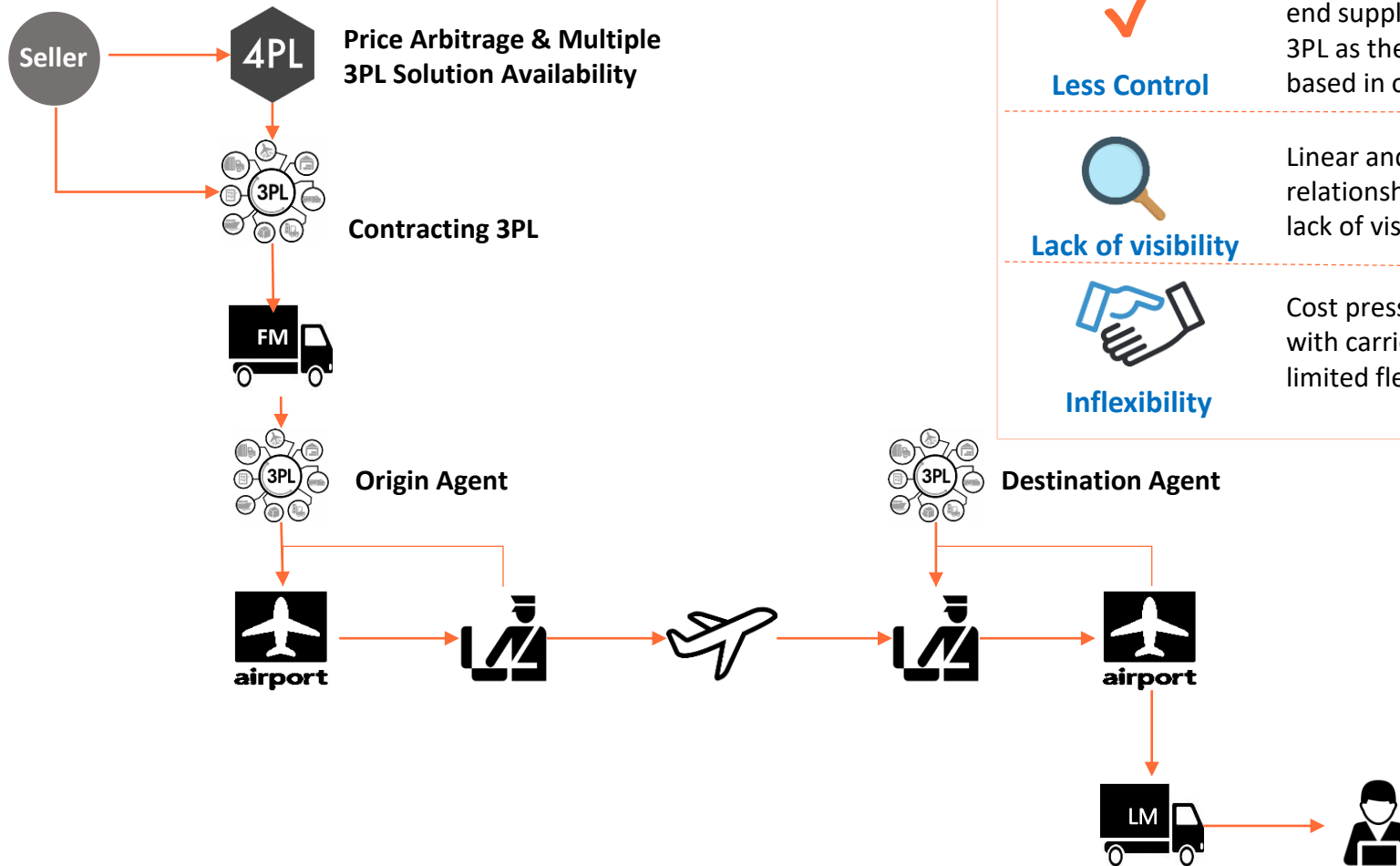
Key eCommerce Focused Logistics Building Blocks






Digital Economy changes how different players can interact with one another



Cross-border Logistics Solution Requires Various Subcontractors and Players to Provide end-to-end Services



Challenges	
 Less Control	Many parties involved in the end to end supply chain with contracting 3PL as the solution owner but only based in origin country
 Lack of visibility	Linear and sequential relationship which creates lack of visibility end to end
 Inflexibility	Cost pressure based relationship with carriers and last mile creates limited flexibility

Use of Technology to Create Digital Integrator Model to Interacts with Partners at all Levels of Supply Chain



Benefits



Economical

Leveraging ecosystem to create optimal model (no mark-up)



eCommerce Offering

Quickly introduce value add services through direct control of partners



Full Commodity



Controlled

Multi-modal transport network allows for all commodities to be handled

System based visibility and arm length control over key partners plus benefit of providing same control in Metro and Tier 2 Cities