

Bring Southeast Asia eCommerce Opportunity to Crossborder Sellers



Agenda

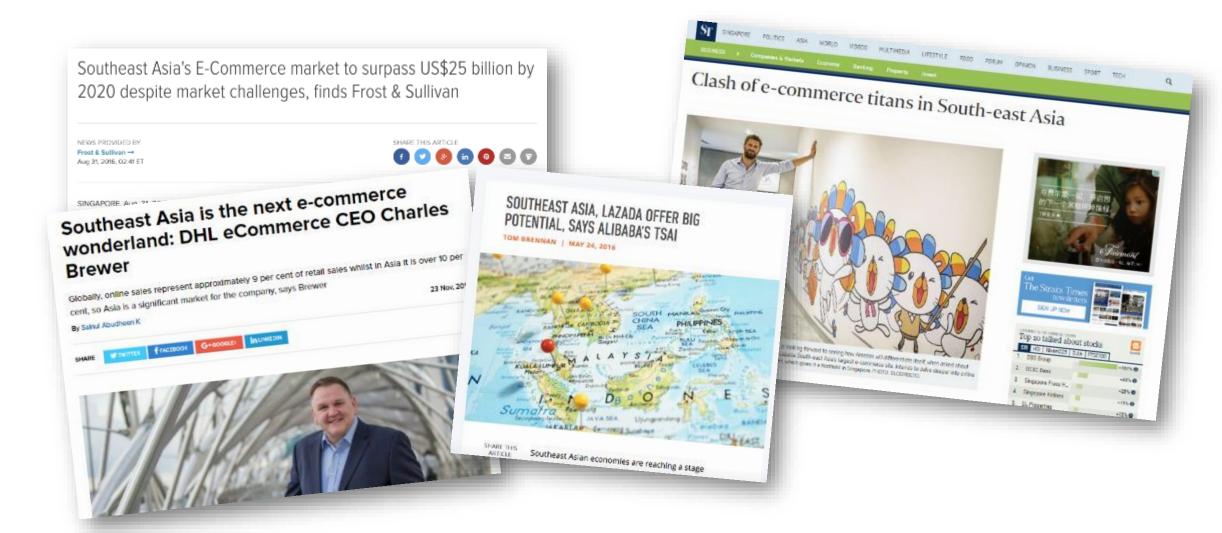


- Why selling on Lazada?
- How to sign up on Lazada?
- Selling on Lazada
- Seller successful stories



eCommerce is booming in Southeast Asia





Untapped eCommerce Opportunities

Only 3% Online Retail Penetration Rate



- SEA: The world's fastest growing internet region.
- Expected to grow to more than US\$200 billion by 2025
- eCommerce is the fastest growing at a whopping 32% annually

HUGE POTENTIAL FOR GROWTH (ECOMMERCE SALES AS PERCENTAGE OF TOTAL RETAIL, %)

CHINA14% - 293 billionUSA14% - 270 billionSEA3% - 6 billion

© Source: Bain & Co. Temasek Holdings & Google 17]

3 Mega Trends in Southeast Asia



Booming macro environment

Strong GDP growth 5.5% p.a. by 2020. Young population 60% of SEA population will remain younger than 35 years old in 2020

Rising adoption of online shopping

Rapid urbanization tier 3/4 cities growth 260M internet users, mainly on mobile devices

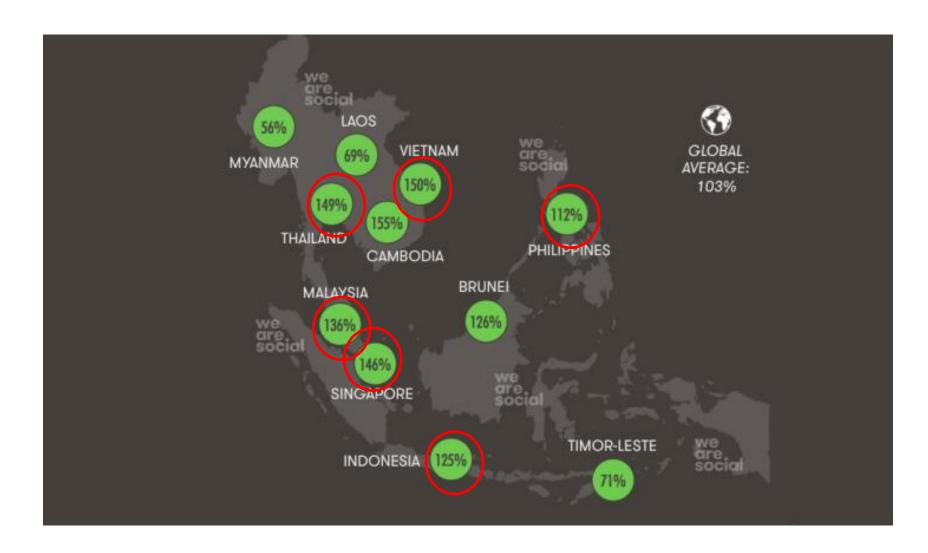
Mobile is leapfrogging

Increase in smartphone penetration with low-cost Android mobile phones and tablets (US\$50-100)

A Mobile-First Market

SEA Higher than Global Average





Source: We are social

Lazada Group Business Overview

Celebrated our 4th anniversary in March 2016

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COMPANY OVERVIEW

- The leading online shopping and selling destination in Southeast Asia
- Widest footprint in the region
 - Launched in 5 markets in March 2012: Indonesia, Malaysia, the Philippines, Thailand and Vietnam
 - Launched in Singapore in May 2014
 - Headquartered in Singapore
- One-stop shop to access ~30 million products, sourced locally and internationally, across more than 15 categories
- Created an end-to-end ecosystem enabled by best-in-class logistics and payment capabilities
- Backed by the world's largest retail commerce company Alibaba Group



Source: Company Information, IMF Database

LAZADA PRESENCE Lazada B2C China eCommerce market position **HK/Shenzhen** Sourcing hub **Philippines Vietnam** Pop: 108m Pop: 93m Thailand Pop: 68m Malaysia Pop: 30m **Singapore** Pop: 6m -Indonesia

Lazada Group – Crossborder Overview



Meeting the **growing popularity and demand of international goods** in Southeast Asia

Scalable solution for sophisticated sellers to access six markets with one contract

Centralized account management via Seller Center

Comprehensive customer support, including **customer service in local languages** at free of charge

Superior logistics capabilities enable merchants to drop off their parcels at the LGS sortation centers.

Source: Company Information

Lazada's Seller Centre

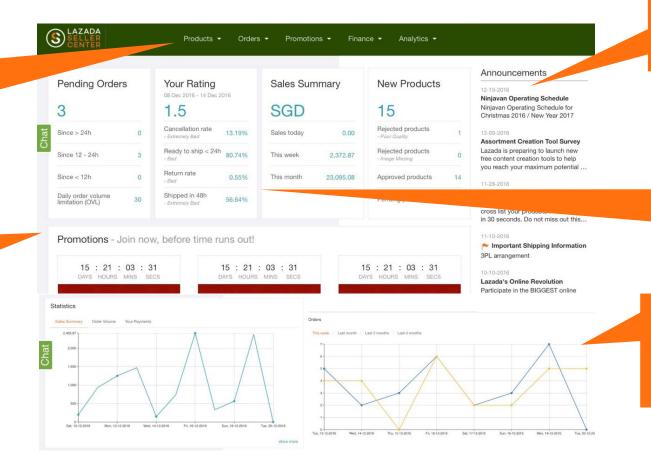
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Enabling sellers to make the best decision

ILLUSTRATED SELLER DASHBOARD

A multi-functional and powerful tool that empowers and informs sellers on their business with Lazada.

Ensuring sellers don't miss out on business opportunities



Keeping local sellers updates on the latest news in the eCommerce ecosystem

Alerting the seller to what's pertinent to their business; enabling them to sell better with Lazada

Helping sellers to track their business performance with Lazada

Source: Company Information

Marketing through leading applications









MARKET LEADING MOBILE PLATFORM...

- Improved customer engagement
- Awarded by Google Play "Top Developer App".
- Featured on Apple App store's Shopping Category

DURING ONLINE REVOLUTION 2016



- ☐ Best-in-class Android and iOS applications optimized site for all major browsers
- ☐ Innovative mobile marketing leveraging chat apps

Source: Company Information, AppAnnie

Marketing – examples of large campaigns benefiting

Sellers and Brands



5 Major Regional Campaigns per Year

Tet / Lunar New February: Year Celebrate the lunar new year in SEA March: Lazada Celebrate Lazada's birthday **Anniversary** Great deals for customers June: Ramadan Celebrate Ramadan with Lazada July: **Superbrands** Onsite showcase of Lazada's best brands **November-December: Online**



Revolution



Biggest sale of the year with mega

days on 11/11 and 12/12

On-going Local Campaigns



Typical Campaign Sales Uplift



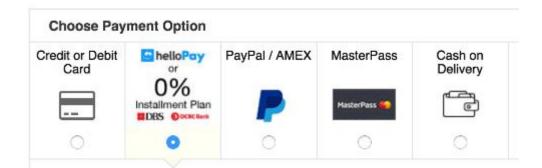
Source: Company Information

Customer Payments

Lazada offers a wide variety of reliable payment options



- Unsophisticated, with a significant of the payments through cash
- Approximately 70% of residents do not have access to traditional banking services
- Credit Card penetration in some markets is below
 5%
- To offer the best online shopping experience, Lazada offers multiple payment methods:
 - Cash on Delivery
 - Credit/Debit Card
 - Paypal/AMEX
 - MasterPass
 - HelloPay





© Source: Company Information, Mekinsey to Lazarda Soun Feast Asia Pie Ltd, [2017]

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Why selling on Lazada?

How to sign up on Lazada?

Selling on Lazada

Seller successful stories







- Go to www.lazada.com/sell.
- Click "Become A Seller Now" and complete your application form
- Upload a valid corporate Business Registration document.
- Sign e-contract

Activate Seller Center

- You will receive emails entitled "Registration for Seller Center" from the 6 Market Places in SEA.
- Reset your password to activate your Seller Center account respectively.

Note: VN Seller Center will be created but won't be verified to go live. Please wait for the invitation.

Pass the test: **Upload SKUs and get** at least 1 approved

- You will receive an email entitled "Welcome to Lazada'
- You must view the videos and pass the test (> 50%); besides, you can choose to attend the optional onboarding live webinar.
- Upload SKUs in your MY Seller Center, follow the requirement and have at least 1 SKU approved by Lazada Quality Control.

Payment Provider Sign Up* Wait for account verification

- You will receive an email entitled "Lazada -Sign up and Link your Crossborder **Payment Provider**".
- Sign Up to our payment provider by providing the required documents.

*This step is not mandatory to go live but highly recommended.

If you have any questions during the registration process, please contact HK PSC

- 1. Submit your request under Enquiry Form
- 2. Select "New Seller Registration Status" for "topic of your question"
- 3. Select "All" for "Venture with issue"

Forms Seller Sign up Form Sign-up for LGS Add a brand **Returns Claim** Content Grouping Request Seller Center API Support

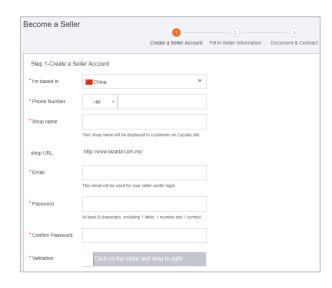
Enquiry Form Sell across Southeast Asia with Lazada! Lazada Enquiry Form (Lazada查詢表格) What's the topic of your question? 问题关于? 질문의 주제는 무엇인가요?* New Seller Registration Status 新賣家許冊狀態 Venture with issue 週到问题的国家

Step 1 - 2. Complete the application form

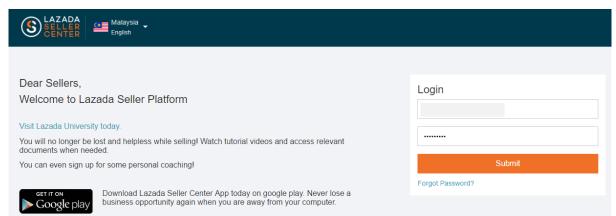


• Fill in online signup form in English at http://www.lazada.com/sell









Step 3 - 4



3.1 **Pass the test** (> 50%)

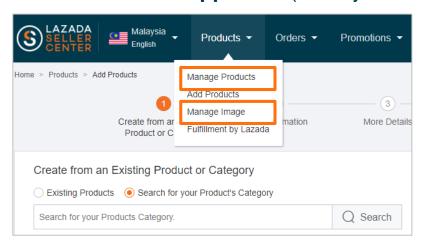
Part 1: Content Creation
1. What cannot be listed on Lazada?* Counterfeit products. Dangerous products. Items prohibited by local applicable law. All of the above.
2. Who is the legal owner of the product listed on Lazada?* The Seller is the legal owner of the product until it has been successfully delivered to the Customer. Moreover, the Seller needs to make sure that product is in good condition and comply with applicable Law and regulations. The Customer is the legal owner from the moment that the order has been placed. Lazada is always the legal owner of the product. In any case Lazada needs to make sure that product is in good condition and comply with applicable Law and regulations. The customer becomes the owner of the product as soon as it is shipped with the logistic carrier.

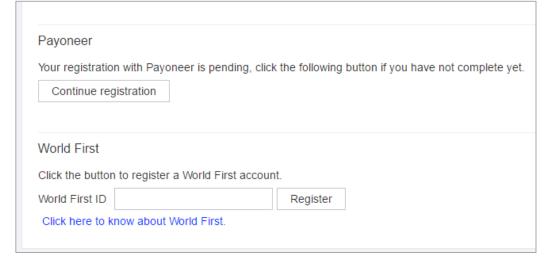


Sign Up to Payoneer or World First as a **corporate** account and wait for approval (5-7 days)



3.2 Upload SKUs following content guideline; at least 1 SKU be approved (usually 3 working days)









If your shop is still not live after MY SC activation, please check the following points:

1

Pass the test > 50%

2

To upload SKUs in your MY Seller Center , and make sure at least 1 SKU pass QC

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4 steps to sell and grow on Lazada

1 Listing

Upload your products by single or mass upload following content guideline. Be aware of our products and category requirement

2 Selling

After uploading your products, customers can see them first on www.lazada.com.my.
Learn how to promote your products

3 Shipping

You have to ship out orders within 48hrs. LGS only for all crossborder sellers

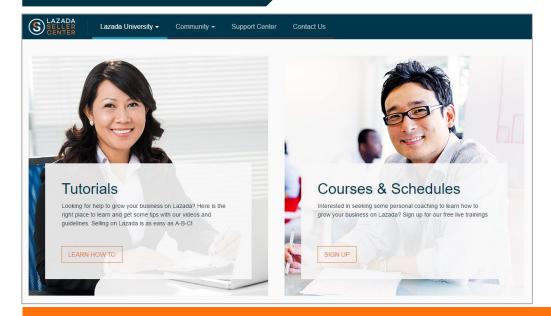
4 Get Paid

Payment provider account must be successfully integrated into Seller Center before seller can receive the payment

Lazada University & HK PSC



Lazada University



Training Materials: You could watch the video and PDF to learn by yourself.

<u>Training Sessions</u>: Register and attend to the free online sessions we provide.

HK PSC



<u>Top Questions</u>: Quickly help you solve the common asked questions.

Request Form: If you questions are not solved, please submit your request here.

- Go to Lazada University, to learn, to grow!
- Lazada University website: http://www.lazada.com/sell/university





LOGISTICS PLAYERS
TO DELIVER ORDERS TO OUR BUYERS

GEOGRAPHICAL REACH OF

IN ALL MARKETS, INCLUDING REMOTE ISLANDS IN INDONESIA AND THE PHILIPPINES



Source: Company Information

Logistics: Lazada Global Shipping



The benefits of using "Lazada Global Shipping" (LGS) and...

- Significant improvement on LEAD TIME with daily injection in Southeast Asia
- Competitive rate cards through CONSOLIDATION and LOCAL FULFILLMENT VOLUMES
- IMPROVED CONTROL by managing hand over and volume allocation through in house managed sorting facilities at origin and destination
- MODULAR APPROACH enabling more FLEXIBLE and SCALABLE management of partners to handle peaks and valleys and other unknowns diverse team



...direct impact on your sales

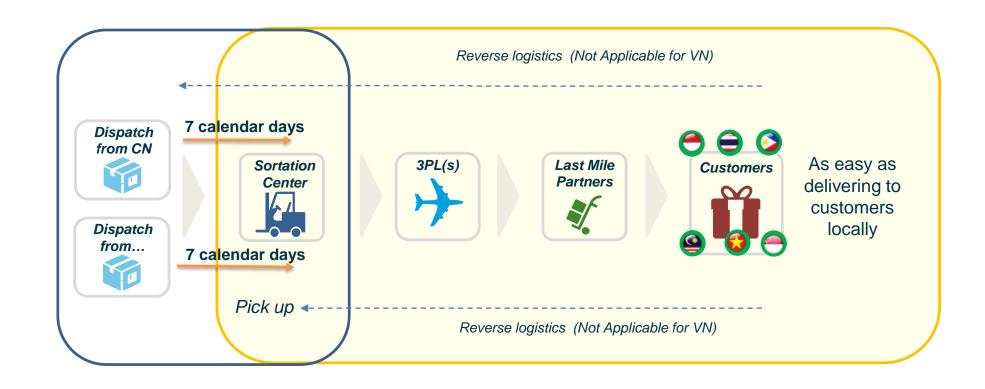
- 6 Less cancelations & lost parcels
 - Higher % of success delivery
 - Lower % of cancelled / non delivered items

Increased sales

- Shorter lead time lead to higher customer satisfaction level (NPS) and better shop ratings
- Customers sort by delivery time and are more likely to find your products with shorter delivery times
- LGS seller are eligible for special sales opportunities, e.g. flash sales

Logistics: Lazada Global Shipping





Sellers can drop off and/or request pick up for all orders based on dispatching country

Logistics: Lazada Global Shipping





Hong Kong Sortation Centre



Unit B, 6/F, Roxy Industrial Centre, 58-66 Tai Lin Pai Road, Kwai Chung, Hong Kong 香港葵涌大连排道58-66号乐声工业中心6楼B单位

Shenzhen Sortation Centre



Floor 3, Zone 1A, Block B, DEDI Industrial Park, Fuyuan Road, GaoXin Development Zone, FuYong Street, BaoAn District, ShenZhen, CHINA 深圳市宝安区福永塘尾高新开发区福园一路德的工业园B栋3楼

Yiwu Sortation Centre



2/F, Shentong Ecommerce Building, Lugang International Logistics Park, Yiwu, Zhejiang Province 浙江省义乌市陆港国际物流园,申通电商大 楼2楼



Payout solution: Payoneer and World First

Management Tools

Online

Mobile





Seller's Payment Provider Account



WORLDFIRST



Seller's Local Bank Account



- ☐ For now, there are two options as Lazada's payment solution: Payoneer and World First
- Lazada will payout to your payment account on weekly basis

World First Registration Requirement:

- 1. There has been trading for six months from any marketplace AND
- 2. have regular flows of US\$5,000 per month or total of US\$50,000 from any marketplace.
- 3. Proof of transactions from any marketplace is required.

Sellers can withdraw funds at any time to their local bank accounts in local currency.

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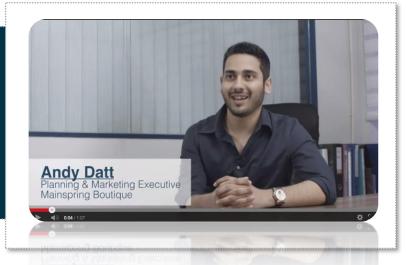
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Our crossborder sellers' journey to grow with Lazada

Consumer Electronics



Watches





LAZADA

is your gateway to Southeast Asia, one of the world's **largest** and **fastest growing** markets.



Thank you



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