2021 INVESTOR DAY

Lazada - Driving the Evolution of E-Commerce in Southeast Asia

LI Chun, CEO of Lazada Group
01 Who We Are and Our Progress

02 Building Winning Capabilities

03 Our Future Ambitions
Our Comprehensive E-Commerce Platform
**Lazada Is a Significant Global Player**

### Top 20 by MAU

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<th>Rank</th>
<th>Platform</th>
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### Top 20 by GMV

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Source: Internal data for Alibaba businesses; Other data based on public filings, broker estimates and market research

Notes:
1. Represents app monthly active users for the month of September 2021 based on App Annie data.
2. Represents GMV for the latest available twelve-month period. Data for Alibaba businesses are based on effective GMV for the twelve months ended September 30, 2021.
3. Alibaba China Core Commerce business includes our China Retail Marketplaces and New Retail Initiatives.
4. Including AliExpress Russia.
Our Addressable Market

SE Asia E-Commerce Market Size by GMV\(^{(1)}\) (US$Bn)

- **2020**: GMV = 79 (US$Bn)
- **2025E**: GMV = 260 (US$Bn)

**CAGR: 27%**

Notes:
1. For Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam, being the six countries that we operate in. GMV Source: Frost & Sullivan, Economist Intelligence Unit
2. E-commerce market size / retail market size, GMV Source: Frost & Sullivan, Economist Intelligence Unit
We Have Achieved Rapid Growth at Scale

Large and Expanding Buyer Base
- AAC (Mn): 1.8x
  - Mar 2020: 73
  - Sep 2021: 130

Significant Scale
- US$21Bn LTM Sep 2021 GMV

Rapidly Growing Seller Base
- Monthly Selling Sellers ('000s): 2.1x
  - Mar 2020: 443
  - Sep 2021: 922

…With Robust and Quality Growth
- MAU (Mn): 1.7x
  - Mar 2020: 92
  - Sep 2021: 199

- Monthly Active Selling SKUs (Mn): 2.2x
  - Mar 2020: 15
  - Sep 2021: 33

60%+ NMV Growth

Note:
1. Growth of Net Merchandise Value According to Lazada Business Analytics for the Twelve Months Ended September 30, 2021; We Consider NMV To Be the Best Proxy for our Underlying Growth
Buyers - Our Comprehensive Offerings for Buyers

- Engaging in-app experience
- Mega campaigns and flash sales
- Authentic and quality products
- Value to price
- Abundant assortment
- Easy to shop
- Best-in-class logistics services
- Comprehensive payment solutions
Building Sustainable Buyer Base

Diversify Channels for Aggressive User Acquisition

Social Network

Affiliate Media Network

Designed Contents and Incentives Driving Higher Conversions

Engage Users With Innovative and Interactive Mechanisms

Acceleration in Buyer Engagement

Buyers Are Purchasing More Frequently...

20% Growth in Conversion Rate (2)

Notes:
Engaging Users with Livestreaming & Gamification

The Only E-commerce platform in Southeast Asia offering the “See-Now-Buy-Now” feature

Closed Loop for in-App Purchase

Showcase Products Real-Time

Reach Out to New Consumers To Build Loyalty

Tap Into Consumers’ Behavior Patterns

Campaign Games
Engaging Games To Win Prizes

In-Game Brand Exposure
Leverage Game Scene for Partnerships With Brands & Sellers

Coins Games
Games To Earn Points for Vouchers

Sense of Surprise
Incentivize Users to Places Orders

Channel For Viral Marketing
Expand the Popularity of Businesses Through Messaging & Sharing

Notes:
1. In-App Page Views Through LazLive Channel, on 11.11 Campaign, 2021 According to Lazada Business Analytics for November 11, 2021
2. YoY GMV Growth From Use of LazLive on 11.11 in 2021 Over 11.11 Campaign 2020, According to Lazada Business Analytics for November 11, 2021 and November 11, 2020

> 18Mn Views (1)
On LazLive On 11.11 In 2021

+ 187% (2)
YoY GMV Growth From Use of LazLive on 11.11 in 2021
Sellers - Unique Value Propositions to Sellers & Brands

- **Empower and Drive Sustainable Business for SMEs**
  - Broad consumer reach

- **Incubate Local Brands and Partner With Large, Global Brands**
  - Build brand awareness
  - Effective platform for product launch
  - Data-driven marketing solutions

- **SE Asia Market Gateway for China Brands Via LazGlobal**
  - Tech-powered operating tools & solutions
  - Attractive and sustainable ROI
Marketplace - A Growing Seller Community

Effective Seller Branding and Marketing for Mass Onboarding

- Onsite Sellers (1) **98% YoY Growth**
- Monthly Selling Sellers (2) **87% YoY Growth**
- Monthly US$1K Selling Sellers (2) **77% YoY Growth**

360-Degree Platform Incubation Mechanism To Empower Seller Growth

- Traffic Boosting
- Dedicated Incubation Programs
- AI-Empowered Mass Seller Engagement
- Lazada University & Free Seminars

Strengthen Commitment and Enable Self/Intelligent Operations

- Dedicated Account Manager or Remote Service Specialist
- Business Advisor
- Customer Engagement Management
- Lazada Partner Open Platform

Notes:
1. Daily Average of Onsite Sellers According to Lazada Business Analytics for Month Ended September 30, 2021 Over Month Ended September 30, 2020
2. # Of Selling Sellers and # of $1K Selling Sellers According to Lazada Business Analytics for Month Ended September 30, 2021 Over Month Ended September 30, 2020
LazMall - The Online Destination for All Brands

*Enable Brands’ Own Moment on Lazada Through Super Series*

*Enable Brands and Sellers via Lazada Partners*

*>80% (1) of Forbes’ Most Valuable Consumer Brands Are on LazMall*

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Note:
1. Based on Forbes Top 100 Most Valuable Brands 2020 Report
Marketing Solutions - Trustworthy Marketing & Branding Partner

- **Awareness**: Mass-Reach Shoppers on Various Platforms
- **Interest**: Promote Hero Offerings to Targeted Users
- **Purchase**: Ensure Offerings Are Considered
- **Loyalty**: Re-Target With Targeted Display To Drive Repeat Purchases

**Notes:**
1. Revenue of all Lazada Sponsored Solutions (Display/Product/Affiliate); According to Lazada Business Analytics for Six Months Ended September 30, 2021
2. Total Revenue / Guided GMV; According to Lazada Business Analytics for Six Months Ended September 30, 2021

- **5.1X** LSS Revenue (1)
- **8-10x** Average Seller ROI (2)
Infrastructure - 2nd Largest B2C Logistics Network in SE Asia..(1)

...And the Largest One Built by an E-Commerce Company

Why We Built our Own Logistics Network?

- Superior User Experience
- Empower Sellers With Quality Logistics at Competitive Cost
- Ability To Optimize Parcel Flow, Leveraging End-To-End Data Insights
- Unique Opportunity for Future Commercial Offerings
- Long-Term Cost Savings

End-To-End Controlled in-House Capabilities(2)

Inventory Location
- Stored in Lazada Warehouses

First Mile
- ~80% First-Mile Pick-Up & Sortation

Middle Mile
- Unified View of Subcontractors With High Visibility

Last Mile
- ~50% Last-Mile Delivery
- ~100% Allocation & Tracking Capability(3)

27% Reduction in Variable Cost per Parcel(4)

5Mn Daily Parcels Processed(5)

Notes:
1. As at December 31, 2020, in Terms of 3PL Delivery Network, by Parcel Volume. According to Lazada Business Analytics
3. Except for a Limited Portion of Direct Delivery by Sellers. According to Lazada Business Analytics
01  Who We Are and Our Progress

02  Building Winning Capabilities

03  Our Future Ambitions
Our Perspectives Towards the Market

Up to now

- Early Stage of E-Commerce Adoption
- Digitalization at Infancy
- Underdeveloped Across the Board

Evolving towards

- Focus on Quality and User Experience
- Automated, Increasingly Sophisticated, Efficient and ROI-Focused
- Reliable and Scalable Logistics, Payments and Technology
Well-Positioned to Win with Continuous Value Creation

Payments / Wallet
- Payment Digitalization
- Digital Wallet Coverage
- Open-Loop Wallet for Online - Offline

Logistics
- Sellers: Fast Pick-Up Service and Free Shipping
- Top Sellers: Fulfillment by Lazada (FBL)
- Loyal Customers: Free Shipping and Fast Delivery

Core Commerce
- Build Frequent Buyer Base
- Develop Preferred Sellers
- Build Sustainable Revenue Streams
Key Sustainability Impact Initiatives

Reducing Plastic Waste

1. FSC-certified carton box
2. Reused shredded cardboard filler
3. Masking/kraft tape (FSC option is available in selected markets only)

Sourced Locally To Obtain Best-Value Pricing and Reducing Shipping Footprint

PHASE 1
Reduce Plastic

PHASE 2
Eliminate Plastic

PHASE 3
Closed-loop Recycling

Closing the Digital Divide

First e-commerce service to offer fresh lychees from Northern Vietnamese farmers via Vietrade National Trade Promotion Program

20
Our Vision

Serve 300Mn+ Consumers

Achieve US $100Bn GMV

Be the Best at Enabling Brands and Sellers To Digitalize Their Commerce
To Make It Easy To Do Business Anywhere

让天下没有难做的生意