

**Empowering Access to China**

**The Largest eCommerce market in the world**

**UK Investor Tech Summit – 21<sup>st</sup> September 2021**



**3 offices**  
London, Shanghai, Tokyo



**> 100 employees**



**3 distribution centres**



**> 20 eCommerce  
Storefronts**



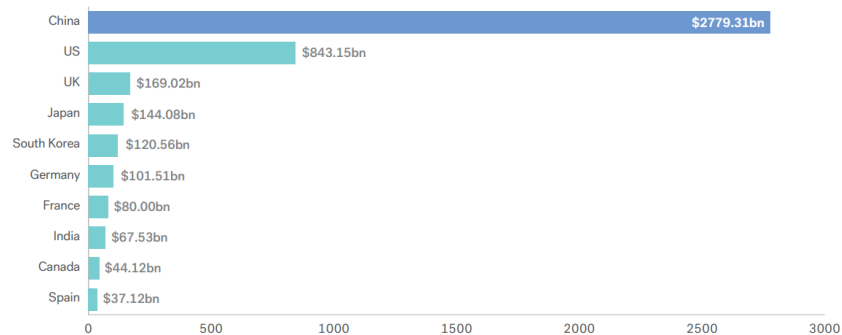
**Proprietary technology**



**Publicly listed company**  
London AQUIS Growth  
Market (SMK.PL)

**Our Vision:** Chinese  
eCommerce for international  
brands can be as easy as  
selling on your own .com

**eCommerce Sales by Country (2021)**



Source: eMarketer

# Recent IPO & Strategic Investment

## March 2021 listed on the AQSE Growth Market

- Target: £10m - Total raised: £17m
- Institutional and Private Investor split: 70%-30%
- Cornerstone from Schroders £5m
- Strategic investment from Invenfin £1M
- High level of employee ownership
- £3.1m post-IPO Investment from China's leading express logistics company with a market capitalisation of approximately £34 billion



TOSCAFUND

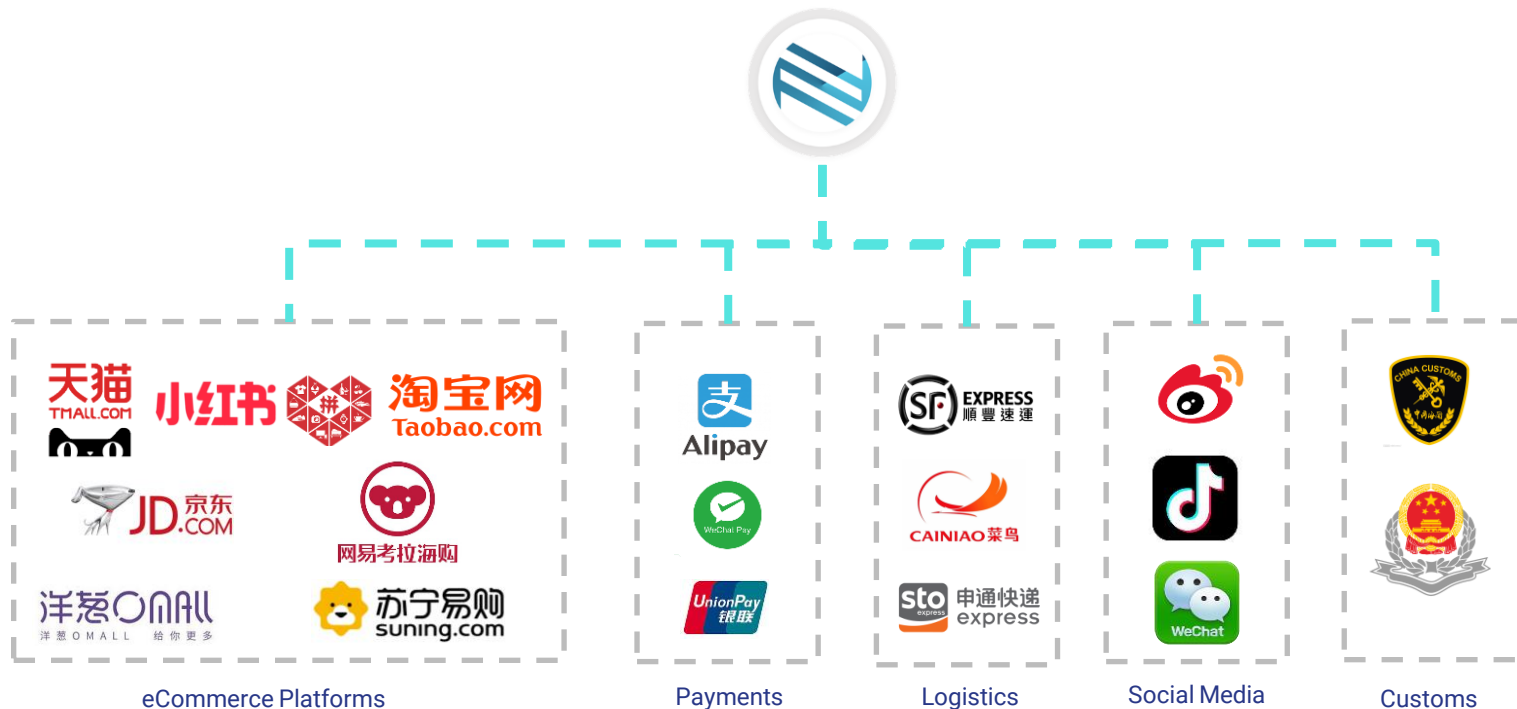


**Simple:** Connecting international brands to Chinese eCommerce.



# Nomad Platform

Proprietary software platform integrated across all necessary touch-points required for eCommerce in China including eCommerce platforms, payments, logistics, social media and customs.

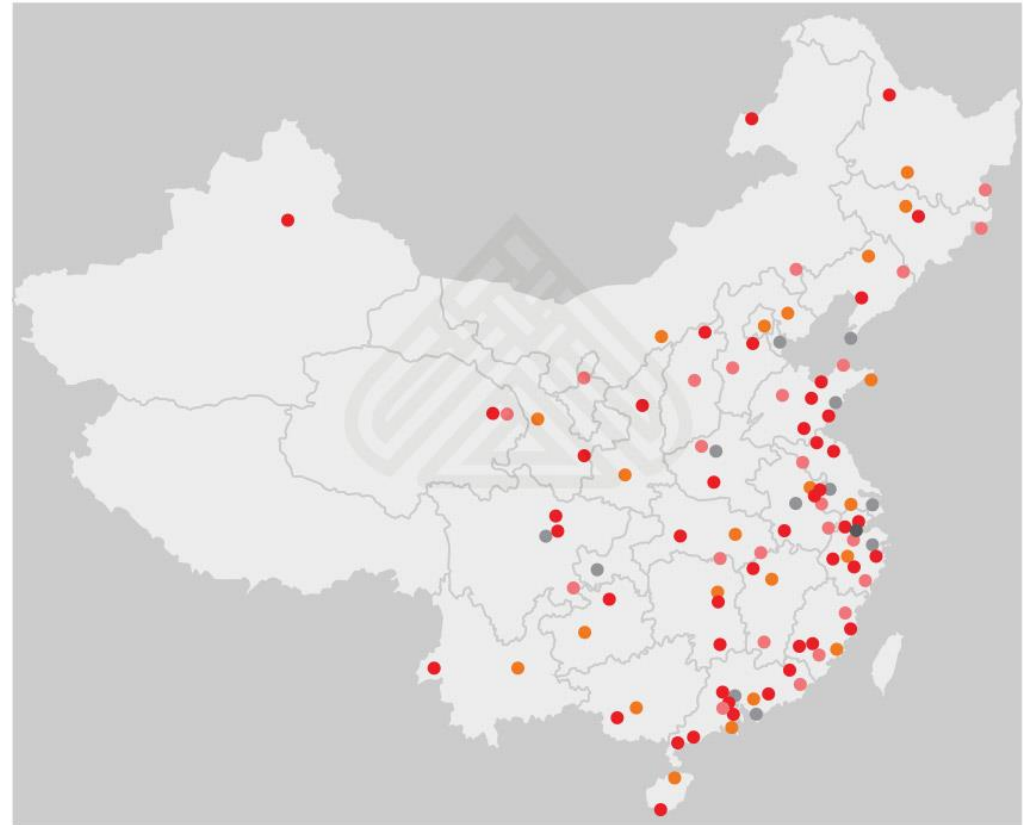


# The Cross-Border Opportunity

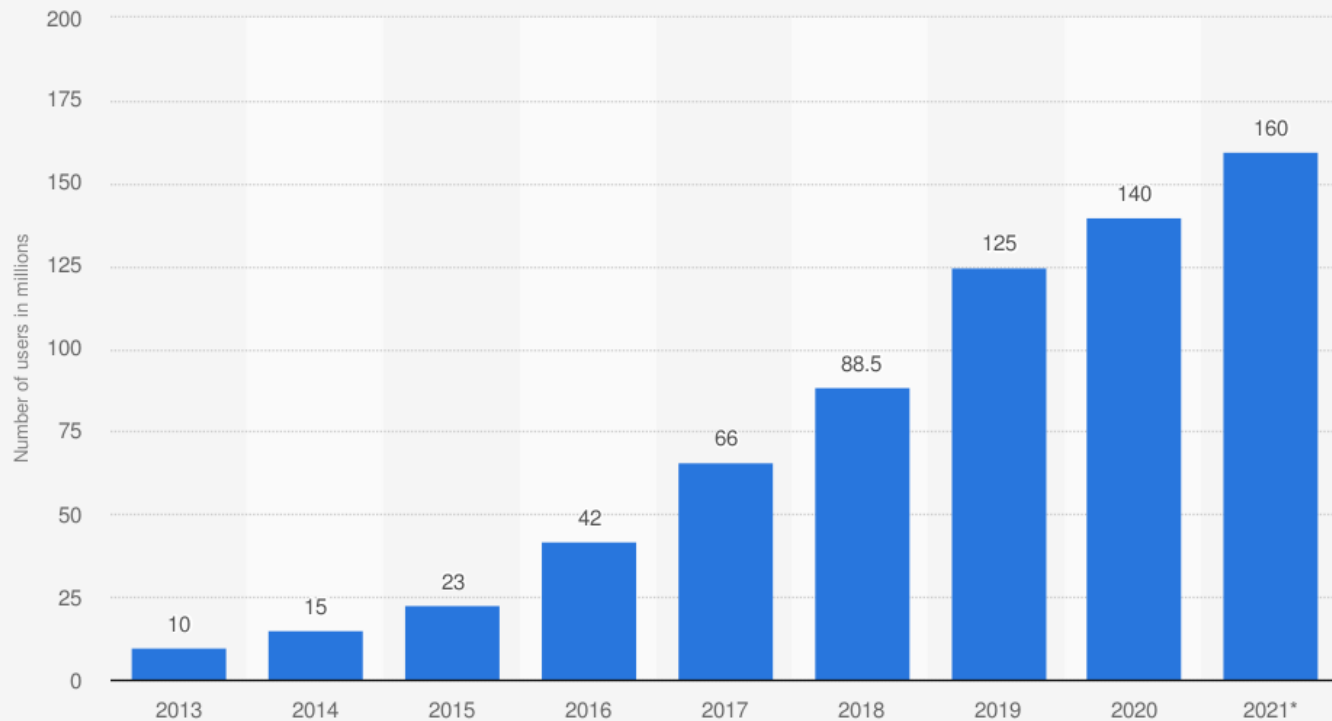
- 2014 Cross-Border eCommerce (CBEC) formalised
- 2019 China's eCommerce Law comes into effect
- Integrated CBEC route launched
- Further advantages and incentives to use the integrated CBEC route introduced
- CBEC identified as one of 6 key policies at 2020 China International Import Export Exhibition (CIIE)

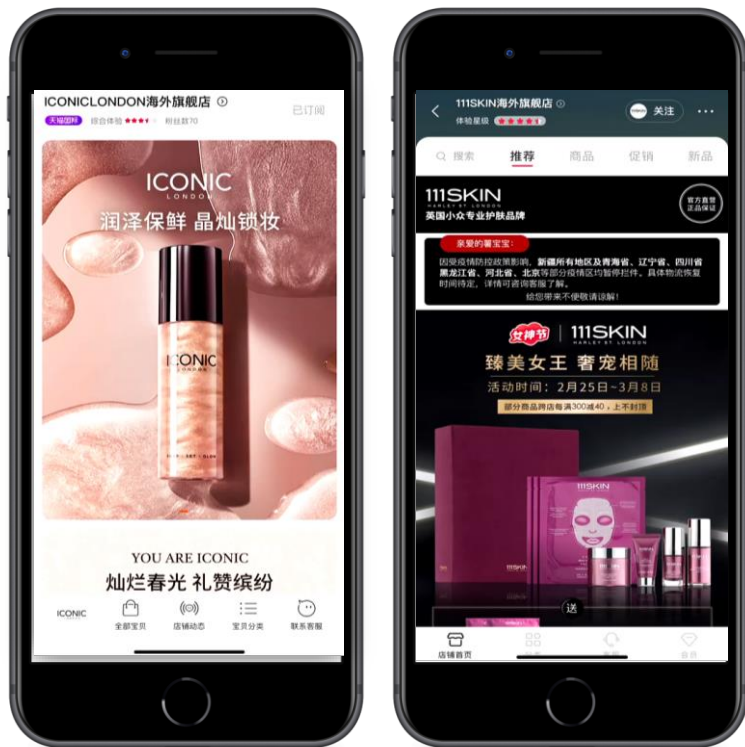
## China's 105 Integrated Pilot Zones for Cross-border E-commerce

- The first batch (one city) approved in March 2015
- The second batch (12 cities) approved in January 2016
- The third batch (22 cities) approved in July 2018
- The fourth batch (24 cities) approved in December 2019
- The fifth batch (46 cities) approved in April 2020



## Number of cross-border import e-commerce users in China from 2013 to 2020 with an estimate for 2021 (in millions)





Iconic London Tmall Global Flagship Store

111SKIN Little Red Book Store

Branded eCommerce stores across **major eCommerce platforms**, powered by Nomad and operated by our team in Shanghai.

Nomad is integrated with **Tmall Global, WeChat, Little Red Book** and other platforms allowing us to receive orders centrally.

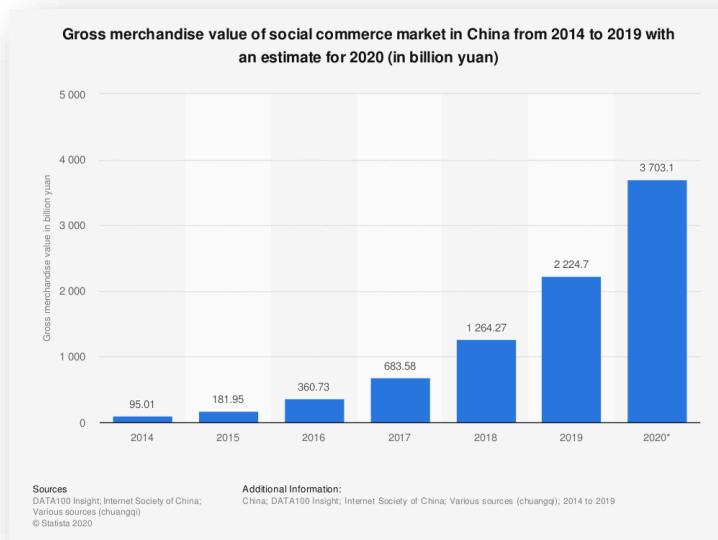
The Nomad Storefront model has fixed fees and sales commission.



Social Commerce in China has grown from \$190 bn to \$560 bn in 2 years

Driven by the popularity of apps such as WeChat and Douyin

Products can be drop-shipped from Chinese influencers operating on social media platforms



# Livestream Commerce

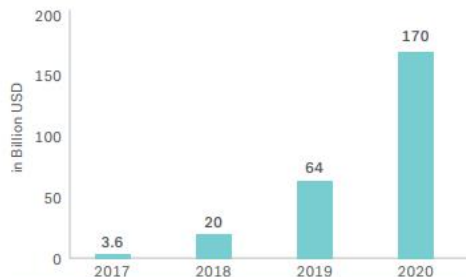
If livestream commerce were a country it would be the 3<sup>rd</sup> largest eCommerce market in the world

The format is expanding into other markets including USA & Europe

# \$423<sub>bn</sub>

Estimated market size in China by the end of 2022<sup>5</sup>

## Live Stream Drives China's eCommerce Growth<sup>6</sup>



# \$7.5<sub>bn</sub>

In 2020, the first 30 minutes of Alibaba's Singles' Day presales campaign on Taobao Live generated an impressive \$7.5 billion in total transaction value.<sup>8</sup>

**4605%**  
Growth in  
4 years



<sup>5</sup> <https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/its-showtime-how-live-commerce-is-transforming-the-shopping-experience#>

<sup>6</sup> <https://daxueconsulting.com/live-streaming-in-china/>

<sup>7</sup> <https://www.statista.com/statistics/1188550/china-gmv-of-e-commerce-livestreaming/>

<sup>8</sup> Jane Zhang, "Alibaba's Taobao Live hits US\$7.5 billion in first 30 minutes of presales for Singles' Day," South China Morning Post, October 29, 2020, [scmp.com](https://www.scmp.com)

# NOMAD CHECKOUT

## Checkout for China

NOMAD Checkout is a SaaS plugin, that allows brands to convert traffic from China to sales. This low friction, low-cost option allows niche brands as well as larger eCommerce sites to transact with customers in China.

### 1. Slow site speed



### 2. Unfamiliar payment methods



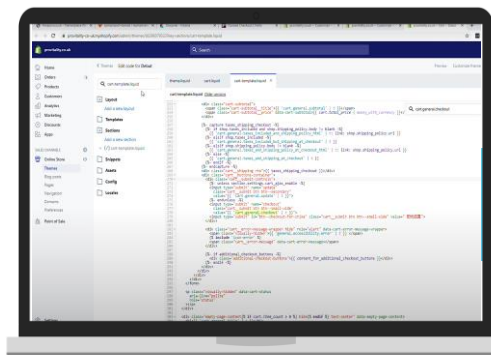
### 3. Unknown logistics



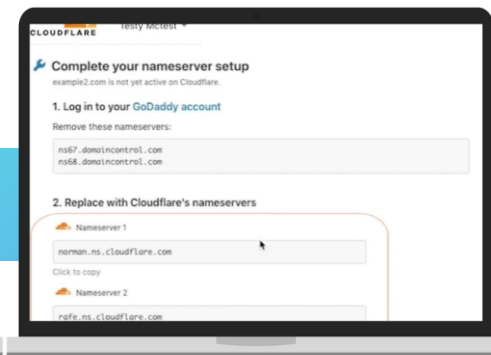
### 4. Costly customs charges

*parcels may be stopped at customs and require the consumer to pay additional fees to be released.*

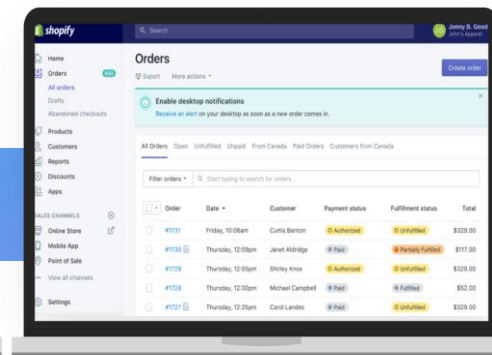




## 1. Install Nomad Checkout on your eCommerce platform



## 2. Switch on bespoke China site speed optimisation solution developed by Samarkand on Cloudflare platform



3. Once customers from China have placed orders, Nomad Checkout sends completed order to brand own eCommerce platform



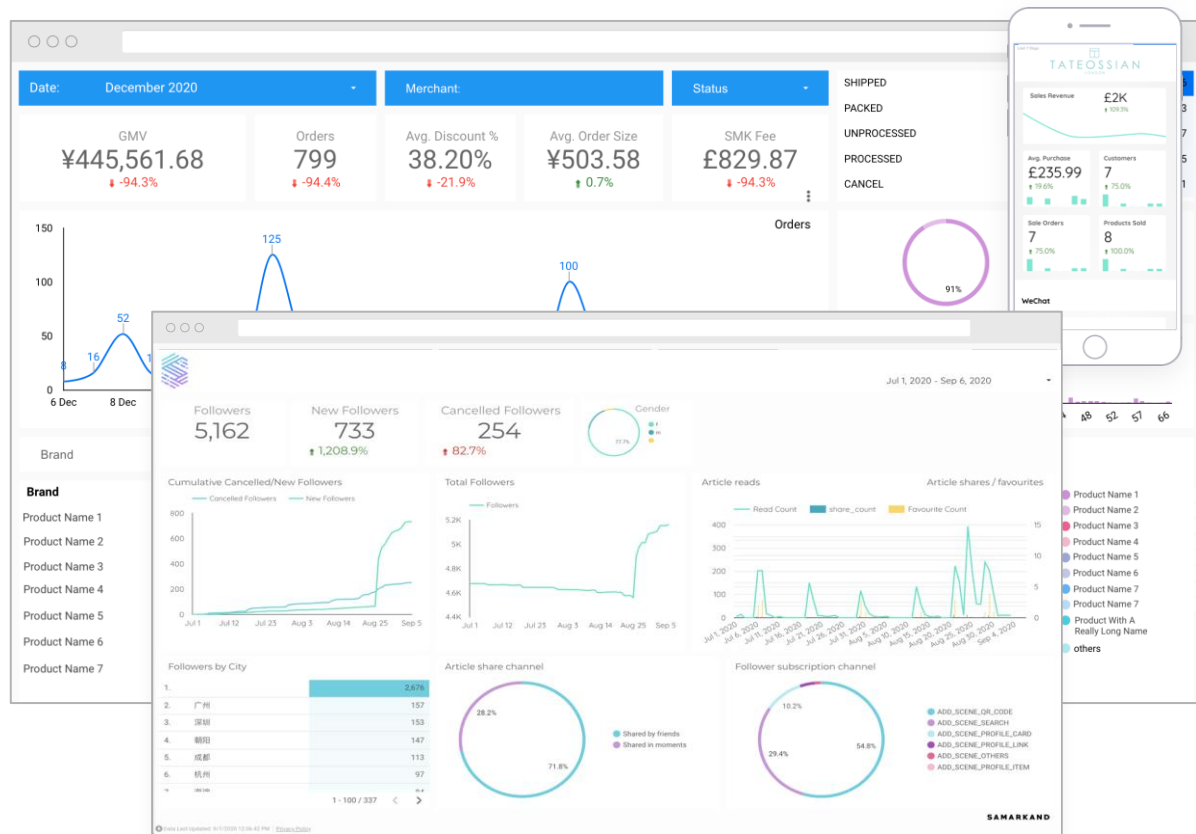
4. Order sent via Samarkand hub, relabeled and sent to consumer in China

### Revenue by Channel

- Revenue by Product
- Quantity by Channel
- Quantity by Product
- Transactions + Order status
- Customer demographic (age, gender)
- New vs Repeat purchases
- Stock Levels
- Cross-Channel Customer Explorer

### Social Media

- Follower count
- Joined/Left follower count
- Article reads / likes
- Article share channels
- Follower subscription channel
- Follower demographic (city, gender)



# Financial Highlights

## Revenue

£20.6m

(2020: £6.8m)

## Revenue (Excluding exceptional revenues)

£14.8m

(2020: £6.8m)

## Gross Margin

62%

(2020: 48%)

- Revenue increased significantly by 201% to £20.6m (2020: £6.8m)
- Like for like revenues increased 116% to £14.8m (2020: £6.8m) excluding the exceptional revenues of £5.8m
  - Nomad Technology revenues increased 317% to £6.4m (2020: £1.5m)
  - Brand Ownership revenues increased 66% to £3.5m (2020: £2.1m)
  - Distribution revenues increased 51% to £4.8m (2020: £3.2m)
- Gross margin excluding exceptional revenues, improved from 48% to 62% reflecting successful shift to greater technology and direct-to-consumer revenues
- EBITDA profit increased to £1.1m\* (2020: loss £0.8m)
- Adjusted EBITDA loss has improved 50% to £0.4m\*\* (2020: loss £0.8m)

# Summary

- Triple digit revenue growth and improving gross margins
- Strong institutional, strategic and employee shareholder base
- Well established operations in UK & China
- Experienced and relevant board of NEDs
- Strategic partnerships with industry leaders
- Operate in one of the fastest growing industries
- Well placed to benefit from macro trends and changes



#### EUROPEAN HQ

Unit 13 & 14 Nelson  
Trading Estate The Path,  
Merton, London SW19 3BL  
United Kingdom

#### SHANGHAI OFFICE

Floor 3 819 West Nanjing  
Road Shanghai 200001  
China