

BRANDHOUSE BUSINESS MODEL

BrandHouse is a service provider facilitating cross border sales to China on behalf of FMCG brandowners.



BrandHouse buys from a Brandowner when products are sold in a sales channel



BrandHouse works together with brandowners to maximize prices and margin in the Chinese market



BrandHouse sells directly on various online B2B & B2C sales platforms and service the platforms with content, logistics and product clearance

Chinese Cross-border e-commerce market in short

STARTED FOR REAL IN 2015

- 1.400.000.000 citizens
- 800.000.000 Chinese Consumers in Middleclass or 'higher' – by 2021 China is 'High-income society
- 829.000.000 internet users 98% on mobile
- 161 cities with +1M citizens
- 1.000 times more value from mobile transactions than the US
- Most cashless society in the world
- Distribution costs and 'last mile' is extremely low
- Crossborder e-commerce sales are growing fast reaching 100 B € in 2018
- Crossborder users increased by 100% from 2016 – 2018: 40M to 80M

Services we provide to Brandowners

- Product data management (GS1) and content enrichment
- Translation services (Chinese)
- Photography and image processing
- Video production
- Physical product showroom
- Product & trademark registration in China
- Customer acquisition services
- Marketing & Promotion support (Go To Market Plan & Execution)
- Warehousing in Europe or China Free Trade Zone
- Pick and Pack services for Chinese Consumers on behalf of sales Channels
- Customs Clearance
- Last mile Distribution
- 2nd Level Customer Support

Benefit for Brandowners

- Sales**  Easy access to foreign consumer markets like China
- Assortment**  Limitless listing or delisting of products at no cost
- Working Capital**  No high initial investments when going outside home markets
- Learning**  To gain insight into consumer buying behavior, and learn about the dynamics of e-commerce for their products

Why BrandHouse

- Highly skilled and multi-year experience in cross border FMCG e-commerce
- Full cross border e-commerce service provider supported by a suite of our proprietary technologies
- Full coverage of China through partnering with existing ecommerce Channels & distribution carriers
- Offices and operations in Europe and China
- Broad range of Brands and Products

What is required from Brandowners?

- Multi-year exclusivity agreement with BrandHouse for selling cross border in China
- Consignment stock in BrandHouse warehouse in Germany and/or China FTZ
- Product Content & Images
- Product Samples for BrandHouse showroom
- Marketing Support funding

BrandHouse set-up

-  **Headquartered** in London with Asia Headquarters in Shenzhen (China)
-  **Digital FMCG Product Catalogue** integrated with Suppliers (Brandowners and Wholesalers) +100.000 SKUs by October 2019 and Buyers (Asian and European sales channels) access to +40 channels
-  **IT Development Centres**
 - Suzhou (China)
 - Sofia (Bulgaria)
-  **Warehouses**
 - Flensburg (Germany)
 - Shenzhen (China)
-  **One Global supply chain & sales platform**, implemented in:
 - China
 - Europe (Nordics)

