

# eCargo Holdings Limited (ASX:ECG)

**Investor Update**  
Annual General Meeting  
June 20, 2018



# Agenda

- **Strategies and Initiatives**
  - eCargo Snapshot
  - Building Strong Execution Capabilities and Efficiency
  - A View of Future Strategies
  - Our Strategic Category Focus
  
- **Appendices**
  - 2017 Financials Summary
  - Board and Management
  - Shares Information

# Strategies and Initiatives

DAILY REPORT  
JANE LI

## Hang Seng Index hits two-year high

central bank infusion

Mainland financial plays fuel gains as HSBC market continues to be led by advances in financial stocks. Sunac China surged to HK\$16.8.

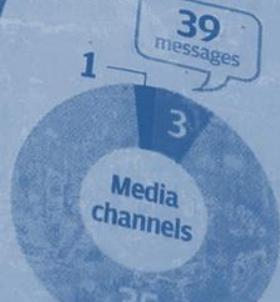
### MARKET

name in the frame: Citic

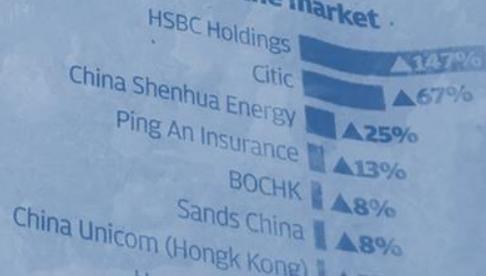


Who said it

- Twitter
- Blogs
- News



### Hot companies in the market



# eCargo SNAPSHOT

Leading **One-Stop eCommerce Solutions** partner facilitating Retailers to establish their presence in China online markets

## Our Mission

**Bridge for Australian Products into China...** We enable our customers to **Sell and Earn More**

We provide **Omni-Channel Solutions** across the eCommerce value chain

We focus on **Brand Building** for clients' entry into China and Asia

## Acquisition of Jessica's Suitcase

Expertise in the **Australia – China** cross-border, eCommerce space



## Appointment of Jessica Rudd and Eva Zhang

Integrating Jessica's Suitcase leadership and management team

Jessica Rudd joining eCargo **Board** and Eva Zhang as **CEO**

## Renewed Strategic Focus

**Successful Transformation** 2H 2017: now cashflow positive, optimised cost base, and **Australian Head Office** to support ANZ expansion

Continue strengthening of team – appointed Dennis Lin to eCargo Board

# Building Strong Execution Capabilities and Efficiency

Disposal of non-profitable units

- Immediate 12 month loss reduction of ~HKD4 million

Headcount streamline

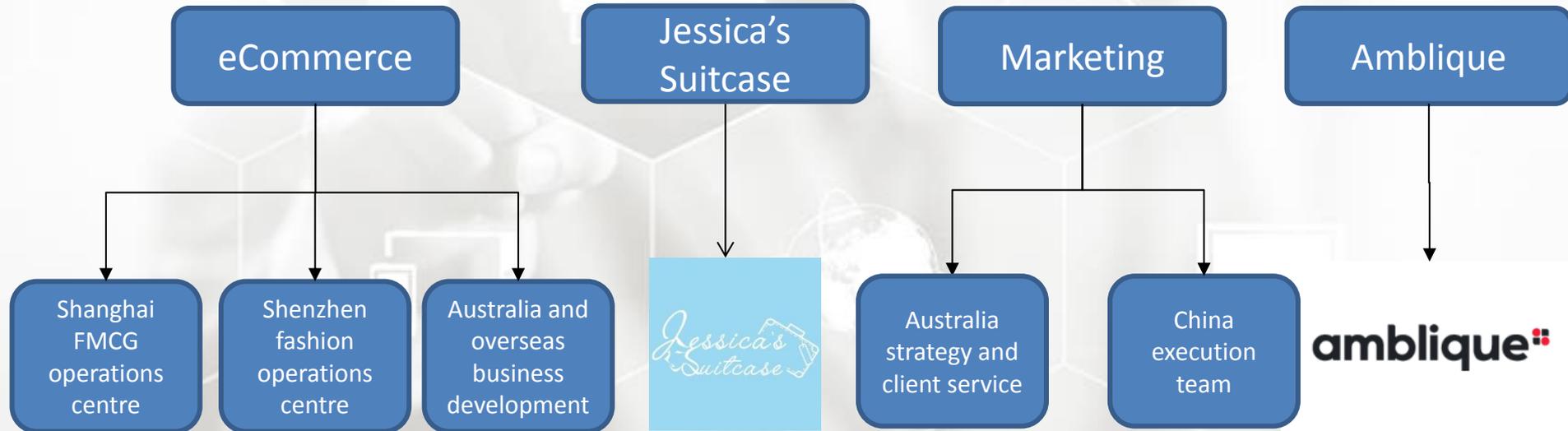
- 26% headcount reduction

Renewed focus on people investment

- Focused on investing in the right talent
- A number of very strong hires in both Australia and China

# A View of Future Strategies

Bridge for Australian products into China



# Our Strategic Category Focus

## Baby & Mum



## Beauty & Personal Care



## Food & Beverage



## Fashion Apparel



# Appendices

- 2017 Financials Summary
- Board and Management
- Shares Information

# 2017 Financials Summary

Successfully turned around in 2017 second half

HKD million	1H 2016	2H 2016	2016	1H 2017	2H 2017	2017
<b>Revenue</b>	<b>59</b>	<b>66</b>	<b>125</b>	<b>61</b>	<b>83</b>	<b>144</b>
- Greater China eCommerce	25	28	53	23	29	52
- Australia Amblique	34	38	72	38	54	92
<b>Gross profit</b>	<b>28</b>	<b>34</b>	<b>62</b>	<b>33</b>	<b>48</b>	<b>81</b>
- Greater China eCommerce	8	12	20	11	14	25
- Australia Amblique	20	22	42	22	34	56
<b>Operating expense</b>	<b>(71)</b>	<b>(81)</b>	<b>(152)</b>	<b>(83)</b>	<b>(68)</b>	<b>(151)</b>
- Greater China eCommerce*	(43)	(55)	(98)	(55)	(43)	(98)
- Australia Amblique	(28)	(26)	(54)	(28)	(25)	(53)
<b>EBITDA</b>	<b>(29)</b>	<b>(24)</b>	<b>(53)</b>	<b>(22)</b>	<b>7</b>	<b>(15)</b>
- Greater China eCommerce	(23)	(22)	(45)	(18)	(2)	(20)
- Australia Amblique	(6)	(2)	(8)	(4)	9	5
<b>Net loss</b>	<b>(41)</b>	<b>(47)</b>	<b>(88)</b>	<b>(48)</b>	<b>(21)</b>	<b>(69)</b>
- Greater China eCommerce	(35)	(43)	(78)	(44)	(27)	(71)
- Australia Amblique	(6)	(4)	(10)	(4)	6	2

2H 2017 is the first 6-month period with positive EBITDA since IPO

1 HKD : 0.17 AUD  
As of June 19, 2018



\*Corporate overhead are included in 'Greater China eCommerce' for illustration purpose

# Our Board

## John Lau

Chairman and  
Executive Director

- ❖ Over 40 years experience in servicing trading, supply chain and logistics in China
- ❖ Founder and Group Managing Director of Cargo Services Far East and CS Logistics Holdings Limited (the largest privately owned integrated logistics service provider in China and Hong Kong)

## Christopher Lau

Non-executive Director

- ❖ Assistant Managing Director of Cargo Services Far East
- ❖ Founder and former CEO of ECG
- ❖ Founder and Vice Chairman of WWE & Company and MyMM.com
- ❖ Previously worked for HSBC, Ernst & Young, Deutsche Bank, Cargo Services Far East and CS Logistics

## Jessica Rudd

Non-executive Director

- ❖ Founder and Chairman of Jessica's Suitcase, one of Alibaba's most important Tmall Global stores from Australia, and which ECG has 45% interest
- ❖ An Australian-born-and-based KOL, uniquely placed as an influencer in the eCommerce and digital marketing sectors in Australia and China
- ❖ Non-executive director of ASX-listed Australian Agricultural Company

## Rupert Myer AO

Independent  
Non-executive Director

- ❖ A director of Healthscope Limited and Amcil Limited
- ❖ Chairman of Nuco Pty Limited, a private Myer family investment company
- ❖ Board member of further family-owned investment companies
- ❖ Chair of the Commonwealth Government's Australia Council for the Arts

## Heath Zarin

Independent  
Non-executive Director

- ❖ CEO and Managing Director of EmergeVest, a Hong Kong-based private equity firm
- ❖ Chairman of Allport Cargo Services, CM Downtown, Palletforce, NFT Distribution and Adjuno, as well as Non-executive director of CS Logistics

## Dennis Lin

Independent  
Non-executive Director

- ❖ Partner of BDO, leading the firm's China Advisory Services in Australia
- ❖ Chairman of Bubs Australia Limited and Non-executive director of Buderim Group Limited, both are ASX-listed companies

# Our Management

## Eva Zhang

Chief Executive Officer

- ❖ Brings unique knowledge of investments and eCommerce retail in China and is a pioneer of the Australia – China cross-border eCommerce industry
- ❖ Currently also the CEO of Jessica's Suitcase, one of Alibaba's most important Tmall Global stores from Australia, and which ECG has 45% interest
- ❖ Previously worked in investment banking for Macquarie Capital in Beijing and Credit Suisse in Greater China

## Garnok Cheung

Chief Financial Officer

- ❖ Over 19 years experience in finance and accounting, investments and M&A
- ❖ Certified Public Accountant and Chartered Global Management Accountant
- ❖ Previously worked for ITC Corporation Limited, Hong Kong-listed company, as CFO, KPMG, PricewaterhouseCoopers and Deloitte Touche Tohmatsu in Hong Kong and New York

## Lawrence Lun

Chief Commercial Officer

- ❖ Over 9 years experience in business development and account management functions
- ❖ Co-founded multiple online businesses and service platforms
- ❖ Strong background in China eCommerce and IT integrations

# Shares Information

As at June 19, 2018

## Place of Incorporation

Hong Kong

## CHES Depository Interests (CDIs)

All shares in issue are backed by the same number of CDIs. CDIs are traded similar to shares of Australian companies listed on ASX. CDI holders receive all of the economic benefits of actual ownership of underlying shares

## ASX Ticker Code

ECG

## IPO Date

November 28, 2014

## Capital Raisings

Pre-IPO: June 2014 : AUD5 million  
 IPO: November 2014 : AUD30 million

	# of CDIs	%
JL Enterprises <sup>1</sup>	372,937,640	60.6
SB International Investments Pty <sup>2</sup>	35,382,225	5.8
CS China Logistics <sup>1</sup>	23,934,820	3.9
Eva Zhang <sup>3</sup>	22,871,250	3.7
Rupert Myer <sup>4</sup>	9,000,000	1.5
Christopher Lau <sup>5</sup>	8,132,460	1.3
Dennis Lin <sup>4</sup>	10,000	0.0
Other shareholders	142,971,605	23.2
	<b>615,250,000</b>	<b>100.0</b>

## Notes

1. Controlled by Mr. John Lau, Chairman and Executive Director
2. Controlled by Ms. Jessica Rudd, Non-Executive Director
3. CEO
4. Independent Non-Executive Director
5. Non-Executive Director. Son of Mr. John Lau

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# ***Creating the Impossible***

 **Cargo**  
your eCommerce Partner

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