

OPEN - COOPERATE AND WIN - WIN

E-COMMERCE FORUM: NEW OPPORTUNITIES FOR SEAFOOD MARKET OF CHINA

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- III. Influence of Chinese e-commerce on seafood imports
- IV. E-commerce network in China: New opportunities for seafood suppliers
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- VI. Share the biggest seafood market with e-commerce network



I. ANALYSIS ON CHINA'S SEAFOOD IMPORTS IN 2014

In 2014, proportion of import in total seafood in China increased gradually, imports grow relatively fast. In 2014, China imported 4.281 million MT (up 2.65%), valuing US\$ 9,186 billion (up 6.34%)

| Origin | Proportion | 2014 | | Year on year change % | |
|-----------------|------------|--------|-------|-----------------------|-------|
| | | Volume | Value | Volume | Value |
| Russia | 15.28 | 87.34 | 14.04 | -12.76 | -5.58 |
| The US | 15.01 | 59.11 | 13.79 | 3.52 | 6.74 |
| South East Asia | 11.75 | 54.22 | 10.8 | 2.44 | 12.75 |
| Peru | 11.38 | 64.74 | 10.45 | 10.78 | 2.69 |
| Norway | 5.87 | 21.33 | 5.4 | 17.4 | 24.78 |
| Chile | 5.8 | 18.53 | 5.33 | -15.26 | -8.37 |
| Canada | 5.08 | 8.42 | 4.66 | 3.3 | 15.02 |

Note:

1. Unit: Volume by ten thousand MT , Value by US\$ billion
2. Data from major exporting markets

II. AN OVERVIEW ON CURRENT CHINA SEAFOOD MARKET

1. Food - a top priority

Trends of operating expenses 4 high - 1 low (high rental cost, high labor cost, high cost for raw material, high cost of food sold, low profit) discourage food suppliers. Cost of food sold accounts for 40% - 50%.

Customers take more consideration on importance of food



EATING is the most important

What to eat?
How to eat?
Is it safe to eat?



Markets with the lowest concentration:

Food industry
Fashion
Real estate
Transport



Reasons for high seafood cost:

Who are buyers?
What are sources?



Wayout coming with e-commerce network:

Are you hungry now?
Meituan is here for you

II. AN OVERVIEW ON CURRENT CHINA SEAFOOD MARKET

2. Problems and situation of pangasius in China's market

- Not very popular, only 15% of the restaurants selected this type of fish
- Lack of industry standards , low quality
- Smuggling seriously disrupt the market
- Lack of branding, reputation
- Too many intermediaries with multiple levels, lower profit for producers
- Information on production and consumption do not match , making it difficult for research and development of new products

II. AN OVERVIEW ON CURRENT CHINA SEAFOOD MARKET

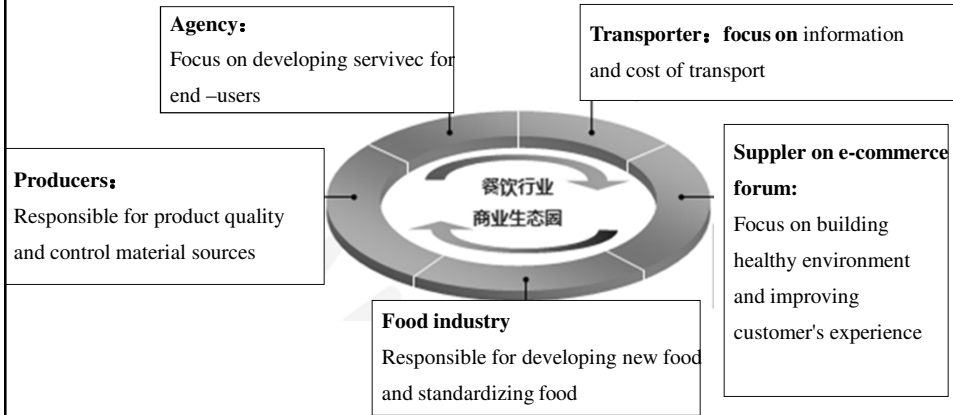
3. Positive trends for China seafood industry

- Seafood consumption in China equal to 1/3 of that in developed countries such as EU, the US and Japan, **high demand for seafood consumption**
- Big cities with population surpassing 300 million, average income per capita equal to that in EU and the US, **consumption grow fast**
- Consumption of imported goods in China is at high level, **Chinese prefer foreign brands**
- On 3rd October 2014, Premier Li Keqiang called for an increase in imports of mutton, beef and seafood, after reaching 1.200 billion USD, **receiving support from the Government**

III. INFLUENCE OF E-COMMERCE ON CHINESE SEAFOOD IMPORTS

1. Establishing ecosystem for food industry

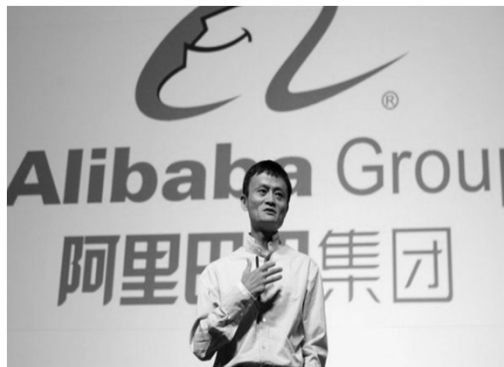
Competition is not between enterprises, but between the established system of the industry and enterprises. Enterprises which are ineligible to join this system will be eliminated



III. INFLUENCE OF E-COMMERCE ON CHINESE SEAFOOD IMPORTS

2. China food industry has the biggest growing market

It is better to be in a team than an individual to share resources, greater cooperation, greater innovation and better sharing



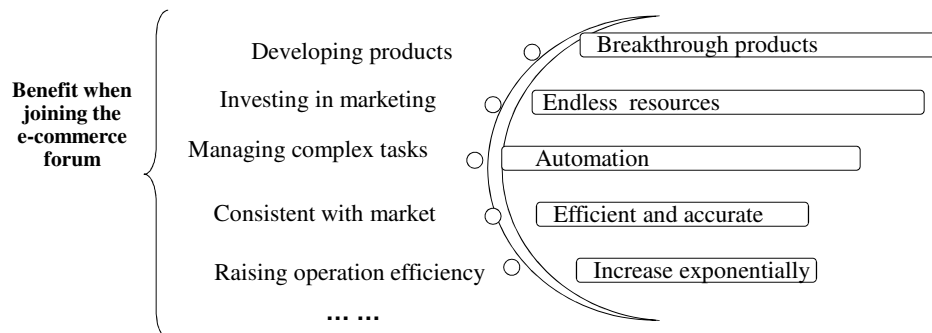
IV. E-COMMERCE NETWORK IN CHINA: NEW OPPORTUNITIES FOR SEAFOOD SUPPLIERS

1. The pathway to **1.3 billion consumers**
2. **Personalization** - to create exclusive products for big customers, creating segments
3. **Opportunities to be famous unexpectedly**- build their own brand
4. Unlimited consumption, **higher profits!** --- Reasonable to expand your market



IV. E-COMMERCE NETWORK IN CHINA: NEW OPPORTUNITIES FOR SEAFOOD SUPPLIERS

5. Benefit is what e-commerce member get the first



IV. E-COMMERCE NETWORK IN CHINA: NEW OPPORTUNITIES FOR SEAFOOD SUPPLIERS

6. Outlook for pangasius in China

Through cooperations, cooperation to build pangasius branding in China, with the plan that in 2 years, increasing the percentage of restaurants using pangasius on the menu by 15% - 30%, raising number of pangasius dishes from 1-2 to 3-4, raising market volume by more than 3 times. In 2014, Vietnam sent to China 250 containers of pangasius worldwide, after two years, it can gain to 800-1000.

Conclusion:

Two years later, pangasius from Vietnam can be well branded. Considering the importance of Chinese market and building brand would benefit to both sides- Vietnam and China.

V. COOPERATION AND FUNCTION OF LBD E-COMMERCE FORUM

1. Business rationale: Focus on food distribution through e-commerce

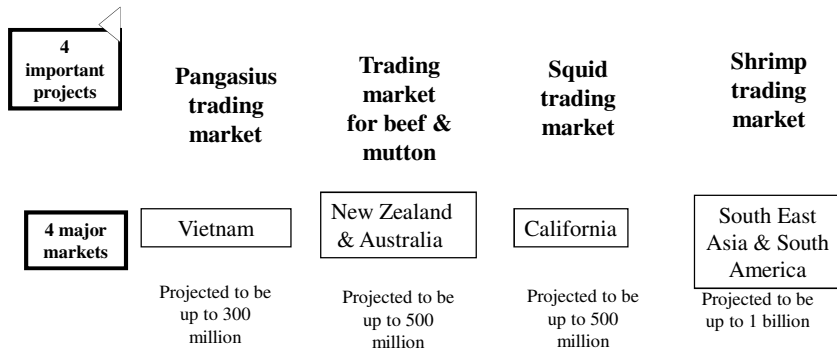


COOPERATION AND FUNCTION OF LBD E-COMMERCE FORUM

Trading volume in 2016 reached 10 billion

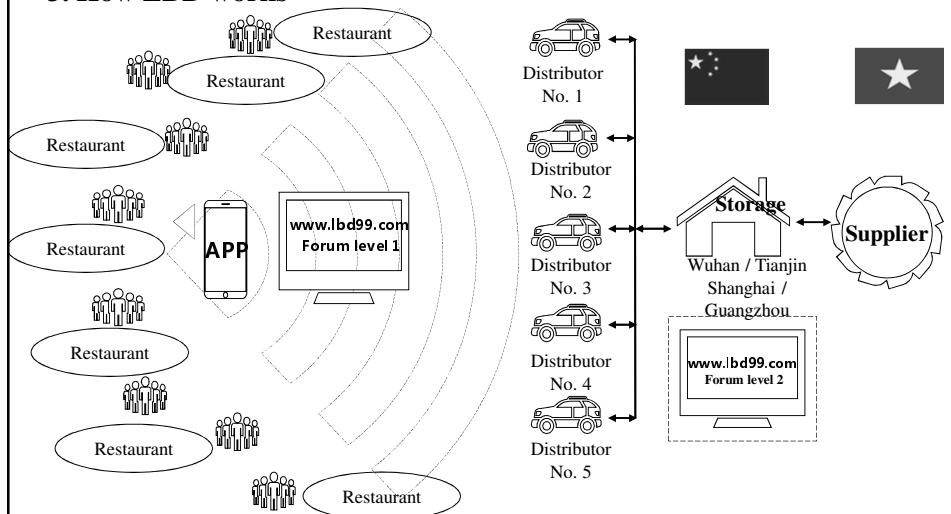
2. Targets for 2016

Unifying global food supply chain



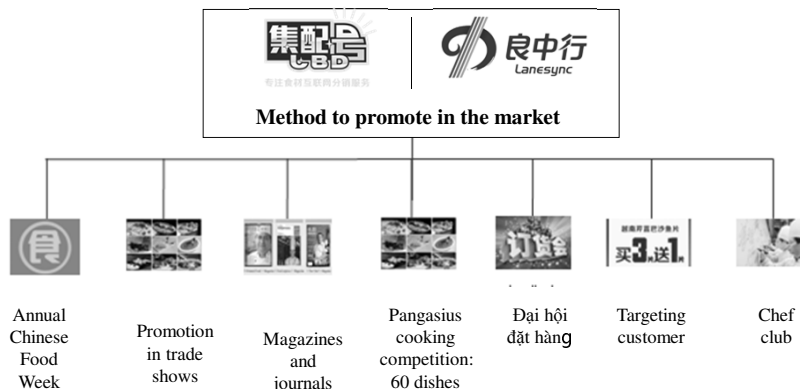
V. COOPERATION AND FUNCTION OF LBD E-COMMERCE FORUM

3. How LBD works



V. COOPERATION AND FUNCTION OF LBD E-COMMERCE FORUM

4. How it changes the market:



V. V. COOPERATION AND FUNCTION OF LBD E-COMMERCE FORUM

5. Way to cooperate

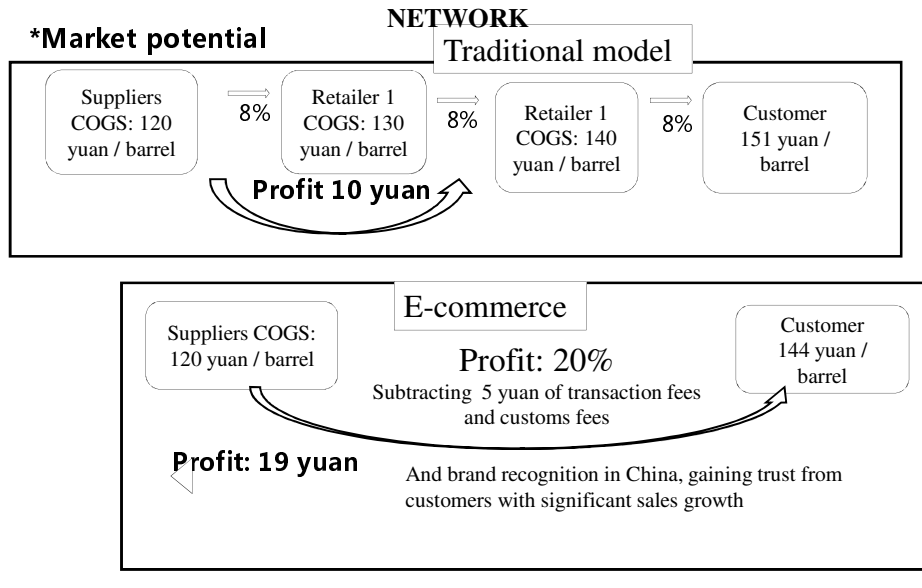
A, Phrase 1: Sale Department use trademark of Lương Trung Hàng to list products of suppliers on E- commerce forum. Benefit from sales belong to sale Department.

B, Phrase 2: Supplier operate their part in e-commerce forum, profit belong to the supplier, C Wuhan Lanesync keeps fees.



Contents THE BIGGEST SEAFOOD MARKET WITH E-COMMERCE

*Market potential



VI. SHARE THE BIGGEST SEAFOOD MARKET WITH E-COMMERCE NETWORK

- Big enterprises seize opportunities quickly, if you still hesitate, the opportunity will disappear. Enterprises need to step up
- Let our e-commerce network to share the biggest seafood market with you.
- **Start it now !**



开创中国食材供应链集成服务
Inuagurating Integrated Service
of Food Material Supply Chain in China



Thank you!