About Aramex
Tracing Our Evolution
1982-2017
Established with offices in Amman & New York

Co-founded with Airborne Express the Overseas Express Carriers (OEC)

Started offering Express, Domestic & Freight under one roof
Co-founded the Global Distribution Alliance (GDA) and the World Freight Alliance (WFA)

De-listed from NASDAQ and returned to private ownership with Abraaj Capital

Became the first Arab company to be listed on NASDAQ
Continued expansion in South East Asia and Africa

‘05
Became a public shareholding company trading on the Dubai Financial Market

‘07
Launched a Corporate University and adopted Sustainability Reporting

‘11
Continued expansion in South East Asia and Africa
Continued strategic agreements and expansions in South Africa, Turkey, China, Asia, Sub-Saharan Africa, Asia-Pacific as well as other growth markets
Aramex in Numbers

18,000
Employees

84
Nationalities

604
Offices

69
Countries

Worldwide coverage through the Global Distribution Alliance
37,000,000 customers worldwide
Our Services

Express
E-Commerce
Logistics
Freight
E-Commerce
Trends in Emerging Markets
The Middle East and North Africa
Business Trends
2014-2015, MENA Vs. International %

Domestic Shipments
52%

Cross Border Shipments
48%

Shipments within MENA have seen **100% growth**

**MENA REGION**

International shipments have seen **20% growth**

**THE WORLD**

**MENA**
The ecommerce market place is still fairly underdeveloped. The amount of regional online retailers is still limited.

**INTERNATIONAL**
Ecommerce is more mature.

Source: Visa Middle East and Africa

Source: Aramex
Largest Markets

Current market size in the Arab world is $7 billion

UAE and KSA are expected to have a combined market of over $10 billion by 2020

UAE $2.3 billion

KSA $1.5 billion

Egypt $1.4 billion

Source: PayFort - State of Payments 2015

Source: Aramex
## Market Size

### Retail Ecommerce Sales Middle East & Africa 2014-2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$11.44</td>
</tr>
<tr>
<td>2015</td>
<td>$14.69</td>
</tr>
<tr>
<td>2016</td>
<td>$18.67</td>
</tr>
<tr>
<td>2017</td>
<td>$23.33</td>
</tr>
<tr>
<td>2018</td>
<td>$28.60</td>
</tr>
<tr>
<td>2019</td>
<td>$34.69</td>
</tr>
</tbody>
</table>

Note: includes products or services ordered using the internet via any device, regardless of the method of payment or fulfillment; excludes travel and event tickets.

Source: eMarketer, Dec 2015

Source: Paytabs
## Demographics

<table>
<thead>
<tr>
<th>Age Group</th>
<th>% of online shoppers</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-25</td>
<td>10-25%</td>
</tr>
<tr>
<td>26-35</td>
<td>42-50%</td>
</tr>
<tr>
<td>36-40</td>
<td>15-20%</td>
</tr>
<tr>
<td>41-50</td>
<td>20-21%</td>
</tr>
<tr>
<td>50+</td>
<td>5-15%</td>
</tr>
</tbody>
</table>

43% of internet users in the GCC are making online purchases **once a month**

Source: State of Payments 2015

Source: Wamda-25 Essential Stats on E-Commerce in the Middle East
Average order value

2015

$165

The average value of goods purchased in the MENA region was $165 in 2015

The figure has increased compared to last year

2014

$116

The average value of goods purchased internationally was $116 in 2015

The figure has dropped compared to last year

INTO MENA:

$139

Willing to pay more for shipping as variety has a price with duty percentage being an advantage

INTRA MENA:

$102

Source: Aramex
What do people buy online?

- Apparel
- Beauty Supplies
- Tools
- Shoes

Why do people buy online?

- Competitive price
  - 60%
- Convenience
  - 56%

Source: Aramex
Source: PayFort
The MENA market is a COD one
The future? More of the same with an international twist

Payment Methods

Cash on Delivery (COD) 78%
Card Payment 22%

Source: Aramex
Search Language Used

- 80% of the search volume in the UAE is in English
- 66% of MENA searches are conducted in English
- 34% of Google searches in MENA are made in English

Source: State of Digital
India
38% of online shoppers shop cross-border

62% of online shoppers shop domestically

Source: PayFort - The Economic Times

Source: acapture.com
India ranks number 5 in turnover among Asia Pacific countries

India e-commerce retail market size in billion $

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>3.0</td>
</tr>
<tr>
<td>2015P</td>
<td>4.5</td>
</tr>
<tr>
<td>2016P</td>
<td>6.7</td>
</tr>
<tr>
<td>2017P</td>
<td>10.2</td>
</tr>
<tr>
<td>2018P</td>
<td>15.5</td>
</tr>
<tr>
<td>2019P</td>
<td>23.7</td>
</tr>
<tr>
<td>2020P</td>
<td>36.7</td>
</tr>
</tbody>
</table>

Source: KPMG

China: $538,128
Japan: $135,507
Australia: $21,000
South Korea: $20,240
India: $19,396

Source: E-commerce foundation
India at a glance

Forecast 2015

$23.7 billion
E-commerce turnover for goods & services

1,267.4 million
people live in India

163.1 million*
people use the Internet

39.6 million*
persons are e-shoppers

*excluding people aged 0-14

Source: E-Commerce Foundation
Demographics

<table>
<thead>
<tr>
<th>Age Group</th>
<th>% of online shoppers</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-25</td>
<td>38%</td>
</tr>
<tr>
<td>26-35</td>
<td>52%</td>
</tr>
<tr>
<td>36-45</td>
<td>8%</td>
</tr>
<tr>
<td>45-60</td>
<td>2%</td>
</tr>
</tbody>
</table>

The top four metros have a **23%** penetration, while the other four metros have gained **11%** internet penetration.

*Source: The Economic Times*

There are **350 million** English speakers in India.

*Source: The Paypers*
What do people buy online?

- Electronics/Mobiles
- Kitchen
- Tools
- Home

Source: Aramex

Why do people buy online?

- Competitive price: 48%
- Convenience: 46%

Source: PWC
The average value of goods purchased is $35

Source: Aramex

The average value of goods purchased is $30

Source: The Indian Express
Payment Methods

Cash on Delivery (COD)  Card Payment

61%  39%

Which payment method do you prefer?

Debit card 30%
Credit card 19%
Cash 4%
Mobile phone 2%
Payment by invoice 2%
Other 2%

Source: Aramex
Source: PWC
Australia
Cross-Border E-Commerce

50% of e-commerce is cross-border

Source: PayFort - yStats
Australia at a glance

Forecast 2015

$23.8 billion
E-commerce turnover for goods & services

23.5 million people live in Australia
16.3 million* people use the Internet
12.8 million* people are e-shoppers

100%
85%
67%

*excluding people aged 0-14

Source: E-Commerce Foundation
## Demographics

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Online Spend Share</th>
<th>Online Spend Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;30</td>
<td>29%</td>
<td>21%</td>
</tr>
<tr>
<td>30s</td>
<td>25%</td>
<td>14%</td>
</tr>
<tr>
<td>40s</td>
<td>20%</td>
<td>12%</td>
</tr>
<tr>
<td>50-60s</td>
<td>20%</td>
<td>9%</td>
</tr>
<tr>
<td>60+</td>
<td>6%</td>
<td>10%</td>
</tr>
</tbody>
</table>

*Source: Nielsen*
Market Size

Australia is one of the top 10 countries for e-commerce with industry turnover at $21 billion.

Retail ecommerce sales will account for 4.5% of retail sales in the country and top $10 billion.

In 2013, eMarketer estimated Australia’s e-commerce sales to reach AU $26.77 billion, with projected growth of AU $32.56 billion by 2017.

By the end of 2018, retail ecommerce sales will total $14.52 billion and represent 5.6% of retail sales in Australia.

Source: E-Commerce Foundation, eMarketer
What do people buy online?

- Department & Variety stores: 34%
- Homeware & Appliances: 17%
- Groceries & Liquor: 15%
- Media (Books\Movie\Music): 12%
- Fashion: 11%
- Personal & Recreational goods: 6%
- Daily deals: 3%
- Electronic games & Toys: 2%

Source: NAB’s Retail Sales Index

Why do people buy online?

- Competitive price: 74%
- Convenience: 38%

Source: ACMA
Average order value

The average value of goods purchased is $42

Source: CommBank Retail Insights
Payment Methods

Preferred online payment methods in Australia

- Credit Card: 31.7%
- Debit Card: 13.3%
- Paypal: 13.2%
- Bank Transfer: 8.2%
- Prepaid Voucher: 5.9%
- Cash on Delivery: 4.9%
- Other Money Transfer: 4.8%
- Prepaid Card: 4.4%
- Cash or Cheque: 4.4%
- Visa Checkout: 4.3%
- Masterpass: 4.1%
- Other: 0.8%

Source: Datamonitor Financial, 2014
Aramex

e-commerce solutions
Life cycle of an e-Commerce order
Aramex Checkout

A checkout solution that dynamically provides shopper personalized delivery options and calculates duties and taxes through a simple and reliable API.
Why Aramex Checkout?

- This solution is one of the most accurate and efficient solutions in the market
- Allows your shoppers to dynamically select their personalized delivery method
- Our solution calculates Duties and Taxes at checkout to avoid any surprises upon delivery
- Offers global Door Delivered Duty Paid (DDP)
- Provides a seamless, efficient and fast API implementation
- Your shoppers will stay on your website
Value Proposition

- Reduced charges
- Mitigated risk
- Multicurrency and language support
- Minimal IT development required
1 How it works?

As Shopper selects delivery country and proceeds to the delivery options, a web service call is made to Aramex Checkout to determine the shipping options, duties and taxes.
2 How it works?

Aramex Checkout will return all available delivery options to the retailer’s checkout page via the same web service.
3 How it works?

Aramex Checkout will return Duties and Tax amount to the retailer’s checkout page via the same web service.
3 How it works?

Shopper has the option to exclude duties and taxes from the total charges.

![Charges](image.png)

- **Order Total**: 50 GBP
- **Shipping Charges**: 20 GBP
- **Total**: 70 GBP

[Pay Now]
4 How it works?

Shopper pays retailer directly for the full landed cost amount at retailer’s checkout based on his/her selection.
Retailer Checkout

Checkout by aramex

Cart details

- Cart details
- Available delivery options
- HS tariff codes, items & country
- Item prices and shipping rates
- Local currency conversion
- Available delivery options
- Fully landed cost
- Shipping rules and restrictions

Web Service: (Calculate Delivery options)

Duty, Tax and Shipping Charges

Review your order

Delivery details
Mr. John Smith
123-45-6789 Avenue
Springfield Gardens
NY 11413
US
Delivery Contact number : 718-553-8740

Delivery within 4-11 working days
Your order will be delivered between 8 am and 6 pm, Monday - Friday

Item prices and shipping rates

<table>
<thead>
<tr>
<th>Item</th>
<th>Qty</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black Leather Belt</td>
<td>1</td>
<td>$71.00</td>
</tr>
</tbody>
</table>

Sub Total: $ 71.00
Delivery Charge: $17.00
Total to pay: $ 88.00
Implementation Requirements

Catalogue Details

- Detailed description of each item, including the HTS code, weight and country of manufacturing
- Aramex determines dutiable thresholds by country
- Aramex also determines the duty and tax rate by country for each HTS code
- This table is hosted on Aramex’s servers and it will be maintained and updated regularly
Implementation Requirements

Product prices, weights and country of manufacture

This is held within the calculator to compute the duty and tax amount, based on country specific thresholds

Weights and dimensions are also used to determine the shipping charges for the order if it is required by the retailer
Value Added API

Aramex can also offer an optional API at the shopping cart level that highlights the items that are ineligible for international shipping in the shopper’s cart before they proceed to checkout.
International Express for e-Commerce

With Aramex’s reliable door-to-door delivery solution, you can expand and sell your products online to international markets.
Aramex is a licensed customs broker, and as such can perform all necessary services regarding clearance formalities and customs duties on your behalf.
Last Mile Delivery

Through its various integration tools; Aramex enables you to deliver your products to your customers within your country or city, allowing them to track their delivery online at any time.
Payment on Delivery

Aramex will enable your website to provide a cash on delivery option in markets where customers are more inclined to select this option. With seamless integration and compliance with international standards and regulatory rules.
Aramex Returns

Through its solid and continuously expanding reverse logistics network; Aramex provides you with customized return solutions.

Our key differentiators are:

- In-country consolidation centers
- Cost-effective bulk returns
- Powerful IT platform
In-Country Consolidation Centers

Localized customer experience in major e-commerce markets

- USA
- Canada
- New Zealand
- Spain
- Ireland
- Netherlands
- Germany
- Belgium
- Italy
- France
- Austria
- Australia
Why Aramex Returns

- The Return Portal can be branded according to customers’ guidelines
- Payments are taken on the Aramex Payment Services platform
- Automatic language selection based on IP
- Return requests accepted 24/7
- Multi language support
IT Platform

- Flexible return charges
- Complete visibility of returned items
- Ability to issue refund on receipt at origin facility
- Able to control returns on SKU level (non-returnable items)
- Simplified tracking tailored for returns
- Able to enforce retailer’s return policy (no returns after X days)
IT Platform

The platform is integrated with collection carriers and local postal networks offering the buyers the convenience and ability to:

- Request a collection at a date of their convenience
- Drop off at the local post office or parcel shop at their convenience
Why Aramex Returns

- Fully tracked end to end return service
- Global return solution with over 150 countries offered
- Offering buyers the choice and convenience with the multiple return options
- Complete return management
- Ability to apply retailer return policy (returnable Vs. nonreturnable merchandise)
Backend Interface

Backend customer service team can:

<table>
<thead>
<tr>
<th>Action</th>
<th>Order number</th>
<th>Country</th>
<th>Email</th>
<th>Date</th>
<th>Paid by</th>
<th>Status</th>
<th>Return Option</th>
<th>Address</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

View shipping label
Export data to Excel
Track returns
Request new returns
Restart returns
Return Model 1

Free Text - Buyer Interface

1. Buyer receives the URL
2. Buyer enters the order info with or without validation
3. Buyer selects collection day
4. A label will be provided to the buyer and it must be printed and attached to the shipment
Return Model 1

Free text - Backend Interface (Manual authorization)

1. Buyer sends a return request to the retailer
2. The retailer’s staff enter the order number and validate the data
3. They select collection day
4. A label will be provided to the buyer and it must be printed and attached to the shipment
Return Model 1

Free text - Backend Interface (Manual authorization)

1. Buyer asks for a return through the retailer’s website
2. The buyer is redirected to the Aramex return portal
3. They select collection day
4. A label will be provided to the buyer and it must be printed and attached to the shipment
Return Model 3

API

1. Buyer asks for a return through the retailer’s website
2. The request is sent to Aramex
3. Aramex collects the request and processes the data
4. An email is sent to the buyer to schedule a collection or drop-off
5. The request is sent to Aramex
6. A confirmation email will be sent to the buyer
Why Aramex?
Over 32 years of experience in emerging markets, coupled with:

Visibility

- End to end data extraction across the entire supply chain
- Real time end to end deviation alerts
- Informed decisions
Why Aramex?
Over 32 years of experience in emerging markets, coupled with:

Control Tower

End to end based KPIs to measure the efficiency of the entire supply chain

Broaden the understanding of overall business needs
Why Aramex?

Over 32 years of experience in emerging markets, coupled with:

Supply Chain Efficiency

1. Realize synergies across the entire supply chain operations, identify inefficiencies & optimize service
2. Globalize the adherence to local requirements
3. Optimize cost across the entire supply chain
4. Single communication, flagging & billing on the order level regardless of the number of legs involved
Thank you