

Value of team purchase: **A** Buyer acquisition and engagement



Early days: Buyer Acquisition



Leveraging our existing buyers' network, we can access a large base of social network buyers



Low cost of acquisition – existing buyers' propensity to share driven by desire to enjoy savings

Now: Buyer Engagement



Close integration with popular social networks enables easy link sharing in existing buyer interactions



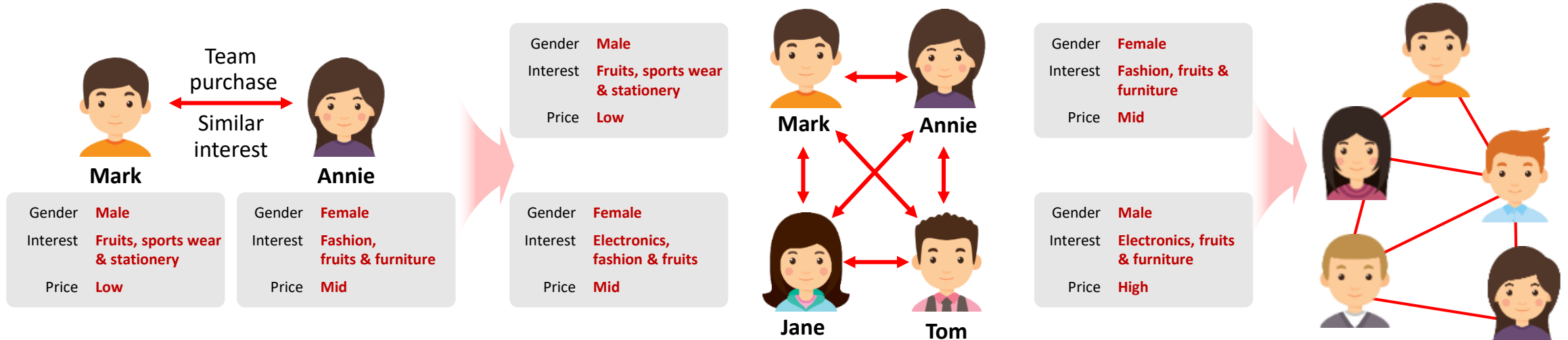
Reactivation of inactive buyers as they discover new products through friends' recommendations



Discovery of interesting, value-for-money products motivates more exploring and sharing with friends

Value of team purchase: **B** Better understanding of users to serve them better

Improving our understanding of users through more and more team purchases

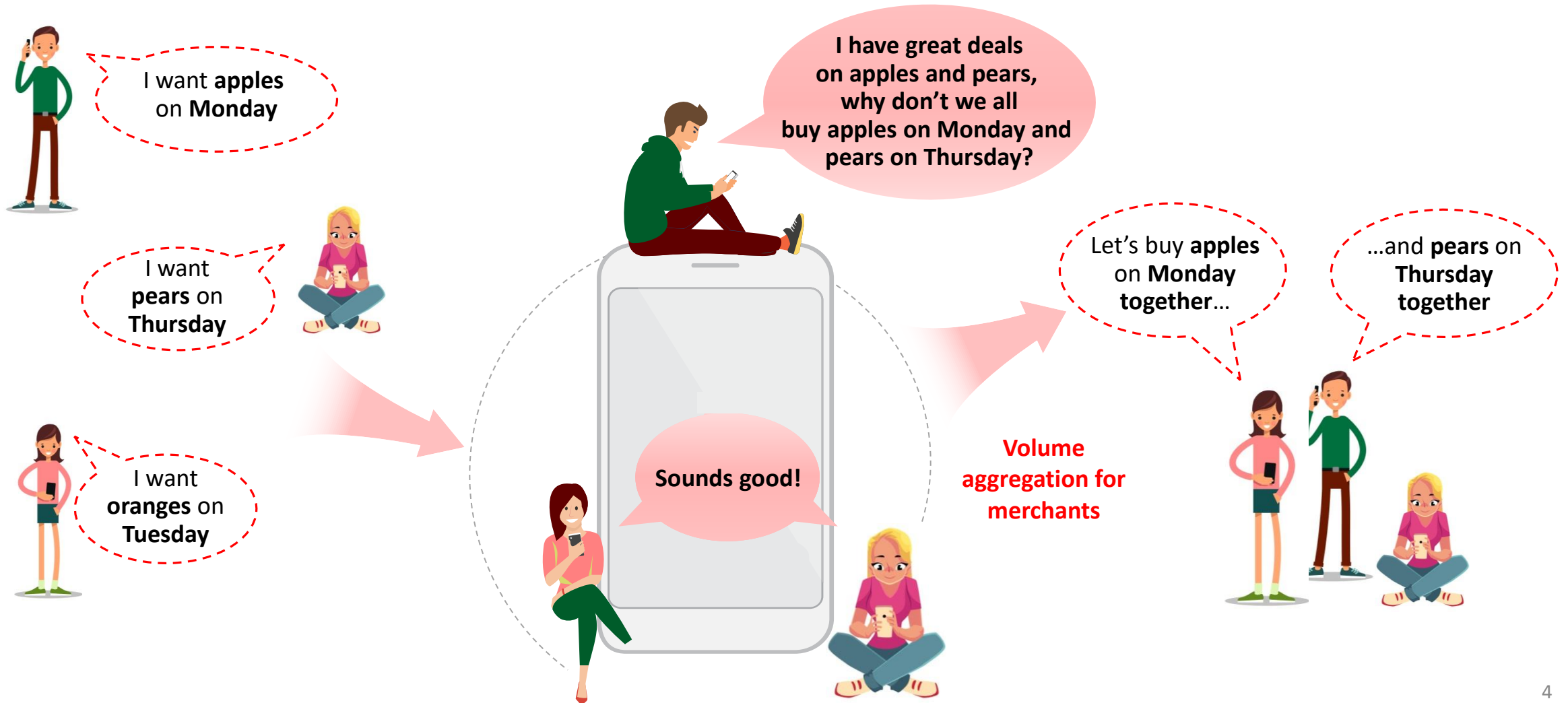


Over time, with a more granular understanding of users' preferences, we can deliver better personalized recommendations



Value of team purchase: **C** Aggregating demand that would otherwise be dispersed

People's decisions can be dynamically influenced by their trusted sources as they do not always have strong preferences.



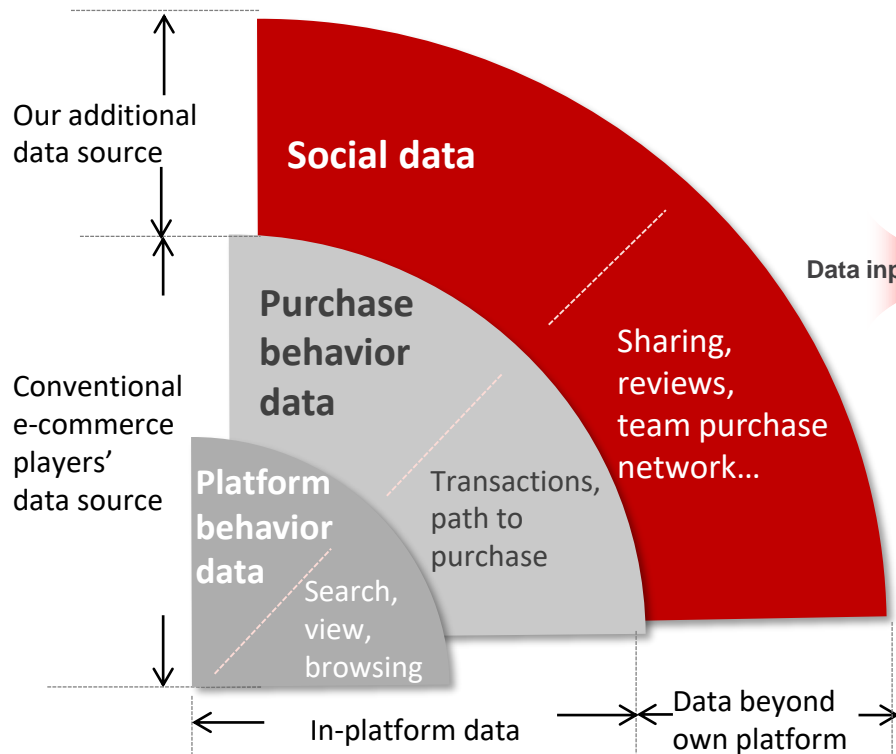
Our distributed AI infrastructure powers our recommendations

Multi-layered and dynamic data input

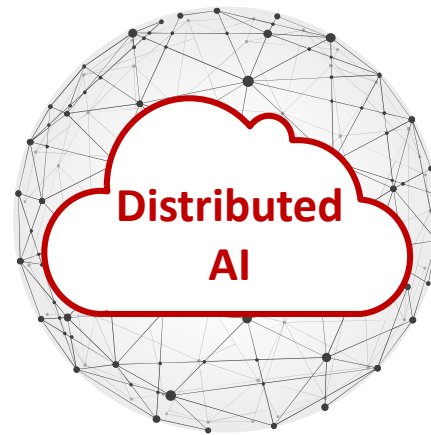
1,900+
dedicated
engineers⁽¹⁾

250+
focusing on algorithm
development⁽¹⁾

Granular shopping preferences
captured by AI



Data input



Analytics
and application



- ✓ Context-rich user profiles
- ✓ Broader and more dynamic recommendations
- ✓ Explore shopping interests potentially overlooked by users
- ✓ Possibility for customized products

Notes:
(1) As of December 31, 2018