Strategy meeting:

Expansion to the Brazilian market via Magist

The Brazilian Market

3rd Largest Economy

in western Hemisphere (1.92 trillion US\$)

Fast growing eCommerce market:

2018: 53 Billion US\$ 2024: 126 Billion US\$

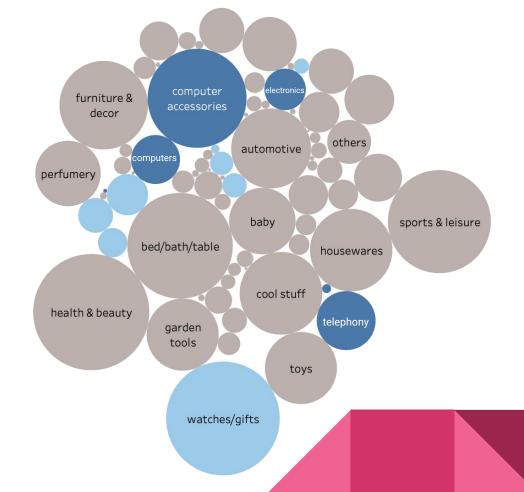
2nd largest population

in the Western Hemisphere (215 million)

Who is Magist?

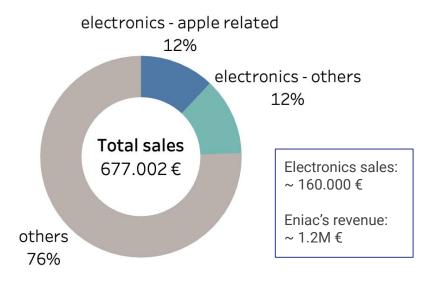
Software as a Service company for centralized order management

- Connect stores to marketplaces
- Stock and warehouse management
- Advantageous contracts
- Comprehensive Delivery Tracking
- Adaptable Logistics Network

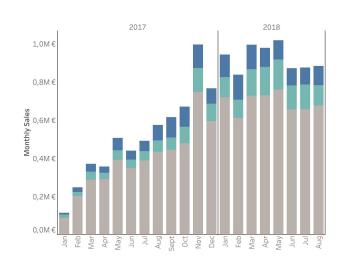


Average monthly sales and growth rate

Average monthly sales



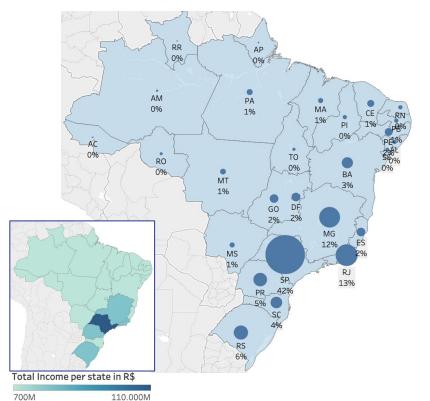
Development of Magist's monthly sales



- Reasonable percentage of sold goods correlate with Eniac's portfolio
- However: small overall sales revenue
- Significant sales growth over last 2 years. Future trends unclear.

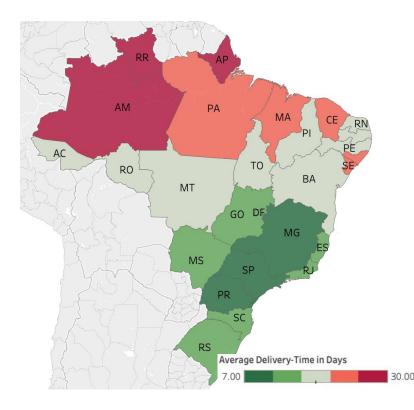
Regional sales vs. population and income

customers per state



- Main sales in major economic regions:
 São Paulo (SP), Rio de Janeiro (RJ),
 Minas Gerais (MG)
- Less sales in northern regions
 - Lower average income
 - Further geographical disadvantages?

Delivery Times



- Average delivery time: 12 days
- No significant difference among product categories
- Sellers mainly located in the south
 - → Longer delivery times mainly for **northern** states

Major Cities (e.g., São Paulo, Rio de Janeiro) 3 to 7 business days.

Mid-Sized Cities and Surrounding Areas: 5 to 10 business days.

Remote Areas and Northern Regions:

7 to 15 business days.

Pros

- Increase company's profit
- Delivery times acceptable
- Magist sales revenue increases
- Overall positive reviews

 (average score of 4.1/5)

Cons

- Risk to enter new market
- Geographical disparities
- Sales Growth rate might stagnate
- Small total sales revenue compared to Eniac standards

- → **Conclusion:** Considering an alternative is advisable
- → Alternatives: Mercado Libre, Novatrade or Fulfillment Services of bigger players such as Amazon or Shopify

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Customer Reviews

explanation!

Customer satisfaction breakdown by rating

The product came with a defect, it only works occasionally!

**** **** 19% *** 8% Average: 4.1 **** 3% *** 12% They simply did Very satisfied in every way! not deliver it and did not even provide any

Item arrived 2 days after purchase! Way ahead of schedule!

58%

Excellent service and agility in the service, I recommend it.