

BUSINESS PROFILE



THE SWAP STORY

Livewire BD Limited, operating under the brand name – SWAP; is the first ever marketplace in Bangladesh where customers can sell their unneeded/surplus products such as smartphones, laptops, appliances, vehicles while also having the option to buy brand new & pre-owned products of the above mentioned category. Currently, this is the only re-commerce platform in Bangladesh that lets customers experience secure, hassle-free and haggle-free selling at shortest possible time. SWAP also provides a business management tool for its merchants which it sells as a Software as a Solution and has also developed technology products (software) for renowned organizations nationwide.

Parvez Hossain

Managing Director & Chief Executive Officer

SWAP

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BACKGROUND INFORMATION

Name Of The Organization	Livewire BD Limited
Logo Of The Issuer	
Address Of Registered Office	Delta Dahlia Tower (Level 06), 36 Kemal Ataturk Avenue, Banani, Dhaka – 1213
Operations Offices	Delta Dahlia Tower (Level 06), 36 Kemal Ataturk Avenue, Banani, Dhaka – 1213
Telephone Number	+880 964 320 7212
Email Address	info@swap.com.bd
Company Type	Private Limited Company
Date of Inception	10 February, 2020
Date of Commencement of Commercial Operation	14 April, 2020
Type of Business	Software Development, Re-commerce Marketplace and E-Commerce

MANAGEMENT OVERVIEW

The Company is a Private Limited Company with two founding partners, **Parvez Hossain** and **Tonmoy Saha** along with other resources currently employed or presently active as 'External Advisors'. Parvez Hossain currently holds the designation of Managing Director & CEO whereas Tonmoy Saha is the Director & COO of the company.

The Name and type of the Business is: SWAP is Private Limited Company by the name of "Livewire BD Limited" and will carry on the business of providing Buy, Sell, Exchange of Smartphones, Laptops, Motorcycles, Cars, Home Appliances, Rental Laptop Service unless decided otherwise by mutual consent of both the management.

OUR MISSION

SWAP's mission is to ensure a safer, smarter and faster experience to customers in selling their pre-owned products; simultaneously boost customer attainment and retention of online businesses, mobile companies, electronics companies, and MFS organizations and increase their revenue.

Our Purpose

SWAP'S core value is to make trading in pre-owned goods SIMPLER, SAFER, FASTER and more convenient which allows customers to sell their unneeded products as quick as possible. Hence, customer attraction is the key business target of SWAP. Our target customers are everyone who intend to sell pre-owned items via online or offline by keeping customers' personal information safe and intact.

“WHAT WE DO” AT A GLANCE

The following image shows a brief overview of our clients & the solution & services we provide to them.

We Buy Pre-owned
Products from
Customer



Sell Affordable
Pre-owned Products to
Customers



Provide Ecosystem for
Merchants to Trade in
Pre-owned



Currently, this is the only re-commerce platform in Bangladesh that lets customers experience secure, hassle-free and haggle-free selling at the shortest possible time.

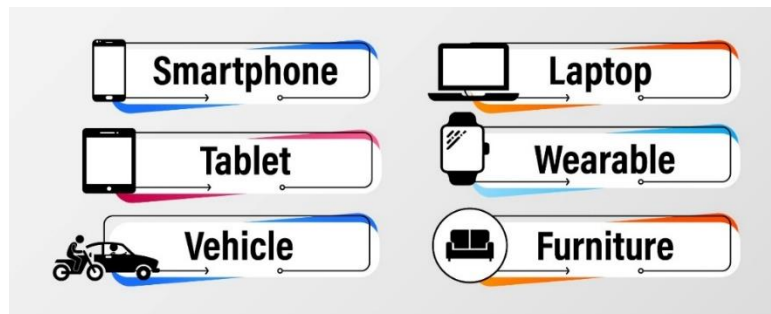
SOFTWARE DEVELOPMENT- SAAS

We have developed software for prominent organizations like Telekom Asia (A Concern of TAsia Group). We are also developing a business management tool which we are marketing as a SaaS product for our thousands of merchants.



OUR STRATEGIC BUSINESS UNITS

SWAP's initial go-to-market category was Smartphone followed by Laptop, Tablet & Wearables. After a successful launch in 2020 with our GTM categories, we realized a gap in the re-commerce segment of



Bangladesh's automobile category, especially in trading pre-owned motorcycle & vehicles. Similar to the case of smartphones & other electronic devices, this was an unstructured industry, primarily dominated by small agents & dealers. By recognizing the gap in the market & lack of standardized pricing, SWAP entered this segment which now contributes 18% of SWAP's GMV.

SELLERS: SWAP SOURCING PROCESS

Consumers: Individual customers who want to sell or exchange their unneeded or surplus goods directly to SWAP can do so using SWAP application and going through a simple journey which will be described in detail below. Customers can avail this option online from home or at any of our partner outlets nationwide.

Original Equipment Manufacturers: OEMs such as Samsung, Vivo, Oppo, Xiaomi offer exchange facility at their retail outlets all over Bangladesh, primarily during launch of any of their Flagship models. During such exchange offers, the respective OEM authorizes their retailer to buy pre-owned devices on behalf of SWAP or allows SWAP representative to buy directly from customer at the OEMs retail shop which SWAP re-evaluates and purchases directly or indirectly from customers.

CUSTOMER TOUCHPOINTS

SWAP targets & brings in customers through different touchpoints both offline & online. As per our experience & research, 96% of customer interactions still happen offline & only 4% occur online. Moreover, when it comes to buying pre-owned devices, it is very difficult to convert customers online. Therefore, SWAP has adopted an Omni-channel approach, working to bring in customers both through online channels as well as through brick & mortar outlets by partnering with 'Livewire' as the primary distribution channel with 28 Outlets nationwide serving customers with SWAP services.

Website & Mobile Application: Our primary touchpoint to bring in customers to SWAP's platform is through our mobile application available on Google Play Store & Apple App Store or our website www.swap.com.bd. QR Code link to the above applications are shared below:



When creating sell request either through mobile application or website, customers can either request Home Pickup Service (inside of Dhaka) or visit any of our showrooms for physical diagnosis of their product.

List of Prominent OEMs in Multiple Category:



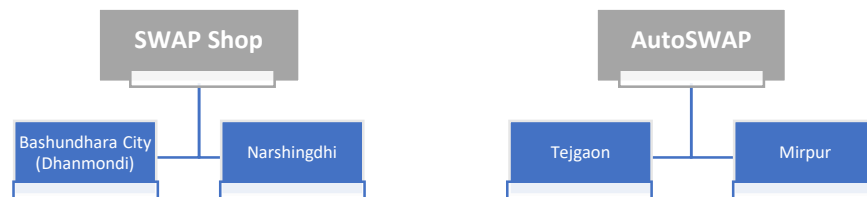
Partner shop: To become an Omni-channel platform and boost purchases and sales by offering customers the opportunity to physically experience our services and products, SWAP partnered with 'Livewire', an established brand dealing in pre-owned devices as its distribution partner. Livewire, as distribution partner of SWAP, operates as both sales & purchase partner of SWAP, buying and selling SWAP products to customers & acting as a fulfillment center for online purchase & sales.

LIVEWIRE

Nationwide Locations			
Dhaka (Dhanmondi)	Narayanganj 2	Benapole	Brahmanbaria
Dhaka (Uttara)	Narayanganj (Ctg Road)	Kustia 1	Savar
Dhaka (Gulshan-1)	Cumilla	Kushtia 2	Bogra
Dhaka (Gulshan-2)	Chittagong	Thakurgaon	Narshingdi
Dhaka (Mohammadpur)	Sylhet 1	Mymensingh	Keranigonj
Dhaka (Banani)	Sylhet 2	Rangpur	Tangail
Dhaka (Bashundhara City)	Khulna	Manikganj	Jashore
Narayanganj 1	Bhaluka	Rajbari	Jhenaidah

Agent Shop: In locations where there aren't any partner shops, we have placed Trade Marketing Executives under whose supervision, there are agent shops where customers can sell their products as per the price engine in SWAP applications and avail similar service through a mixture of online & offline service fulfillment method.

SWAP Shops: Identifying the emergence of the omni-channel method and recognizing the need for physical fulfillment centers, especially for our smartphone & motorcycle category, we have launched several SWAP Shops & AutoSWAP Shop in multiple location throughout Dhaka to pilot the commercial viability of opening SWAP Shops either by SWAP as an extension of the online platform or through franchising model. Currently, we have 2 SWAP Shops dedicated for device motorcycle buy, sell & exchange & two AutoSWAP Shop dedicated for motorcycle buy, sell & exchange.



List of SWAP Shop locations

E-commerce Partners: A feature we are currently working on is offering customers of other e-commerce platforms the option to exchange their pre-owned product from any e-commerce platform. We have already piloted the operation process with multiple e-commerce platforms in Bangladesh. Through this approach, rather than competing with other e-commerce platforms, we become a facilitator for them by providing an exchange facility to their customers through a 'Price Evaluation plug-in'.



PAYMENT METHOD

At early stages of SWAP's journey, most of the disbursement made to customers for selling their product (through any of the above identified touchpoints) was done through cash. But with time, SWAP has partnered with multiple Mobile Financial Service (MFS) partners to convert transaction to Digital mediums which increases transparency, mitigates cash management risks & helps in financial inclusion of all communities.



Cash Disbursement Method to Seller

To digitize the disbursement solution, we worked with three of the leading MFS providers in Bangladesh- Bkash, Nagad and Upay to create a disbursement portal through which we could disburse large sums of money to our customers (sellers of device) nationwide within seconds. Through the emergence of RTGS & NPSB facility, we are also able to disburse through bank accounts (to those who prefer bank transfer) in seconds.

BUYERS: SELLING PRODUCTS FROM SWAP

After sourcing of pre-owned devices from the above mentioned sources through the channels specified above, SWAP undertakes the process of re-packaging the product & selling through various channels listed below:

Consumers (Individuals): Individual customers can order online through SWAP Website or Mobile Application (link & QR Code shared above) to avail our pre-owned devices. To convert or fulfill these sales, customers are re-directed to WhatsApp or to our physical establishment (own & partners).

Corporates (B2B Clients): We have a dedicated B2B team in charge of sourcing pre-owned devices as well as brand new devices to pharmaceuticals, technology startup, academic institutions, non-profit organizations & more. To facilitate penetration amongst B2B clients, we have come up with rental products (targeting small startups & SMEs),

Partner Shops: As mentioned above, SWAP sells a significant portion of their products through its Partner Shop, Livewire, which acts as a showcasing point for pre-owned devices as well as a fulfillment center for online orders.

Retailers/Wholesale Clients: SWAP also sells a large portion of their products to retailers from all over the country in bulk quantities.

Resellers: This group is defined as individuals without shop who trade in pre-owned goods in their local markets either in small bazaars or by reselling to rural & suburban retailers. They contribute a smaller basket size of SWAP sales but are nonetheless crucial in utilizing all sales opportunities & help establish SWAP as an impact driven organization by ensuring economic inclusion of small retailers.

DELIVERY METHOD

To fulfill our delivery service, SWAP leverages several different channels to ensure customer satisfaction during delivery:

3rd Party Logistic Service Provider: SWAP offers home delivery service to all customers who wish to avail it either by deploying our own delivery team inside of Dhaka or/and by partnering with 3rd Party Logistic Service provider like Paperfly & RedX offering delivery anywhere in Bangladesh within 3-5 days.

Courier Service: SWAP also works with courier service providers (i.e Sundarban Courier) in Bangladesh that offer local pickup-point collection service which deals faster delivery time of 24 hours but doesn't offer doorstep delivery.

Shop Pick-up: For those who want to test the product before buying, they can also visit any of SWAP's Partner showrooms, agent shops or SWAP shops to physically assess the product and purchase.



PAYMENT METHOD

Currently, SWAP collects payment from customers in cash, through account transfer, through credit or debit card payment through SSL Commerz payment gateway or through point of sales machines, through MFS service providers & customers can also purchase by swapping their current product for something new.



Cash

Credit/Debit
Card

Bank

MFS

SWAP

SSLCOMMERZ

In collaboration with our financial service providing partners, to strengthen our offline channels with digital payment solution, SWAP has also introduced a QR code solution in collaboration with SSL Commerz and Lite POS Machine in collaboration with Eastern Bank Limited (EBL) for retailers, images of which are shared below:



SSL QR Code

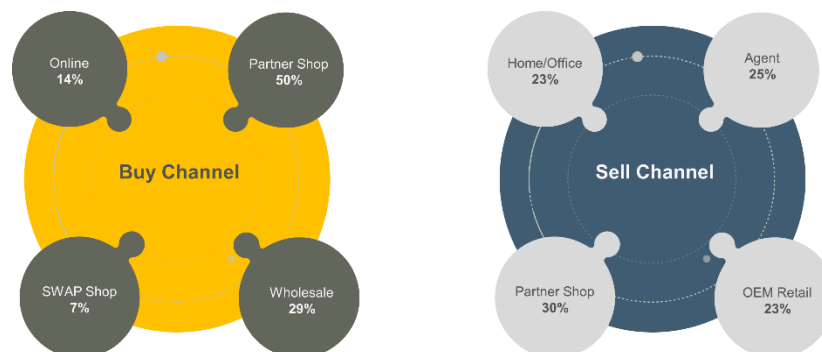


EBL Mobile POS

This enables our partners & retailers to collect payment digitally & offer customers EMI options even when purchases are made through offline channels. The biggest hindrance to digitalizing payment in this market is the transaction discount charge (TDR) that merchants have to bear which can be as high as 2.5% of transaction value. To resolve this issue, SWAP is working with MFS service provider Nagad to bring this charge down to 0.5% transaction value to encourage offline channels. Increasing awareness amongst partners & retailers to communicate the loan facility eligibility that can come from transacting online is also a strategy SWAP has adopted.

SERVICE FULFILLMENT CHANNELS

Customers can avail SWAP services from a variety of locations in over 38 districts in Bangladesh. The below graph shows the available locations from where customers are availing SWAP's services & the contribution of each location:



LACK OF ECOSYSTEM FOR MERCHANTS

One of SWAP's biggest observations in the market was noticing a lack of an ecosystem for merchants to deal in pre-owned goods. Currently, there are over 7,000 merchants across the categories who dedicatedly or partially trade in pre-owned goods. But they have no tool to manage their inventory since pre-owned devices vary in condition. Thus there is no steady supply source of pre-owned products for these vendors. No financing support from financial institutions due to the unstructured nature of the market makes the vendors unable to offer customers value added services such as EMI facility, trusted diagnosed product or insured devices. Lack of a consolidated Business Management Tool makes it difficult for merchants to manage their business efficiently.

To resolve this problem, we have been working on a Business Management Tool primarily catering to merchants trading in pre-owned goods (single/multiple category) that we are currently introducing as a Minimum Viable Product (MVP).

OTHER VALUE ADDED SERVICES

To add value for customers & resolve some of the hesitation in the market regarding pre-owned devices, we have introduced and are working to introduce several options for customers that augment trust & affordability in terms of our services.

SWAP Certified Pre-owned: One of the biggest observation we had, when trying to get market acceptance for pre-owned goods from customers, was the lack of trust in pre-owned or used goods. To resolve this, on the 12th of October, 2021, we launched an insurance program on pre-owned



smartphones. SWAP became the first platform to introduce replacement guarantee & parts warranty on pre-owned products and we plan to replicate it to all our categories. Certified Preowned (CP) is a bundled product on pre-owned smartphones that provides buyers of pre-owned smartphones complete protection from malfunction of any sorts. Customers can avail internal **parts warranty** (protection from any faulty part i.e. camera, microphone, battery malfunction) or can upgrade for a minimal charge to complete protection which includes **Accidental Damage** or Liquid Damage protection & even **Anti-Theft protection**.

Rental Services: As part of our goal to ensure affordable cost effective solution to customers, we have also enabled Device & Automobile rental services from our platform. We are currently working with the following institutional groups (providing us an anchor point) to offer rental services:

Non-Profit Organizations

Educational Institutions

Small & Medium Enterprises

Technology Startups









YOUR BUSINESS CAN SAVE AS MUCH AS 71% ON PROCUREMENT





DELL Latitude 7260
Brand New: 92,000
Pre-Owned: 125,999
SAVE 71%



Lenovo Thinkpad T430
Brand New: 140,000
Pre-Owned: 115,999
SAVE 50%



HP EliteBook 840 G5
Brand New: 185,000
Pre-Owned: 135,999
SAVE 54%



MacBook Air 11" 717
Brand New: 180,000
Pre-Owned: 145,999
SAVE 44%



RENT LAPTOP
AS LOW AS 1000 PER MONTH



1 YEAR PARTS WARRANTY
ON PRE-OWNED LAPTOP

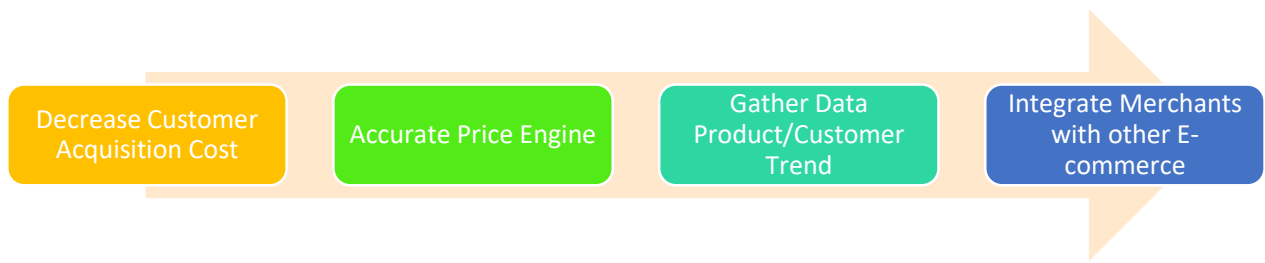
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Education Technology Partnership: As part of our impact goals, we have partnered with Shikho to offer students bundled educational courses & smartphone/laptop devices called 'Gyan Baksho' at affordable rate. We plan to provide this as a VAS and offer BNPL & Rental service to these customers leveraging our partnership to decrease our future 'customer acquisition cost' by targeting the youth of Bangladesh.



BUILDING COMPETITIVE ADVANTAGES FOR THE FUTURE

Since launching of SWAP, our focus has been to build a strong ecosystem for re-commerce industry, standardized & regulated by SWAP features. To accomplish that goal, we have expanded our customer base to include merchants along with buyers & sellers of pre-owned devices. By onboarding merchants who trade in pre-owned devices, we will aim to get a pie-share of the overall re-commerce industry of Bangladesh.



By revamping our marketplace and tagging it with our business management tool, going forward we can create a strong customer profile and which will result in a loyalty program that ensures retention. We have already launched a preliminary Loyalty Program under the name of **'SWAP Squad'**, where going forward we want to retain these customers and expand through their user profile by offering the following:

- 1) User-based Points structure
- 2) Create Social Media Advocates
- 3) Referral Programs

CONCLUSION

SWAP is working tirelessly to bring innovation into the market to address burning issues within our society. SWAP is looking to address the following issues:

- 1) E-waste Management & Environmental impact Reduction
- 2) Increases Access to Technology in Low & Middle Income Households
- 3) Economic Inclusion of Micro, Small & Medium Enterprises

In this effort, we are trying to create an ecosystem for trade in pre-owned goods that will make it easier to buy, sell and swap products for individuals as well as corporations throughout Bangladesh & beyond. We welcome anyone to be a part of this journey & create an easier & healthier future for tomorrow.



Contact Us

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Phone: +880 964 320 7212

SWAP Website: <https://swap.com.bd/>

Google Play store <https://t.ly/t95h>

iOS App store: <https://t.ly/7GI2>

Address: Delta Dahlia Tower (Level 06), 36 Kemal Ataturk Avenue, Banani, Dhaka – 1213