



# Introduction of Zhaogang.com

2017.03



## Investment Highlights

**Business to Business e-commerce platform brings innovation to sales channel of traditional bulk commodity**

Manufacturers build its own sales channels

In the middle of 1990's →

### **Supply is larger than demand**

Since the manufacturers expand their supply recklessly, then it caused the supply is much larger than the demand. And manufacturers became harder to sale its products

Retail chain stores started to rise

The beginning of 2000's

### **First innovation on sales channel**

More efficient and liquidity

E-commerce Platform started to rise

Around 2010

Online and offline sales channels started to integrate

From 2014 to 2015 →



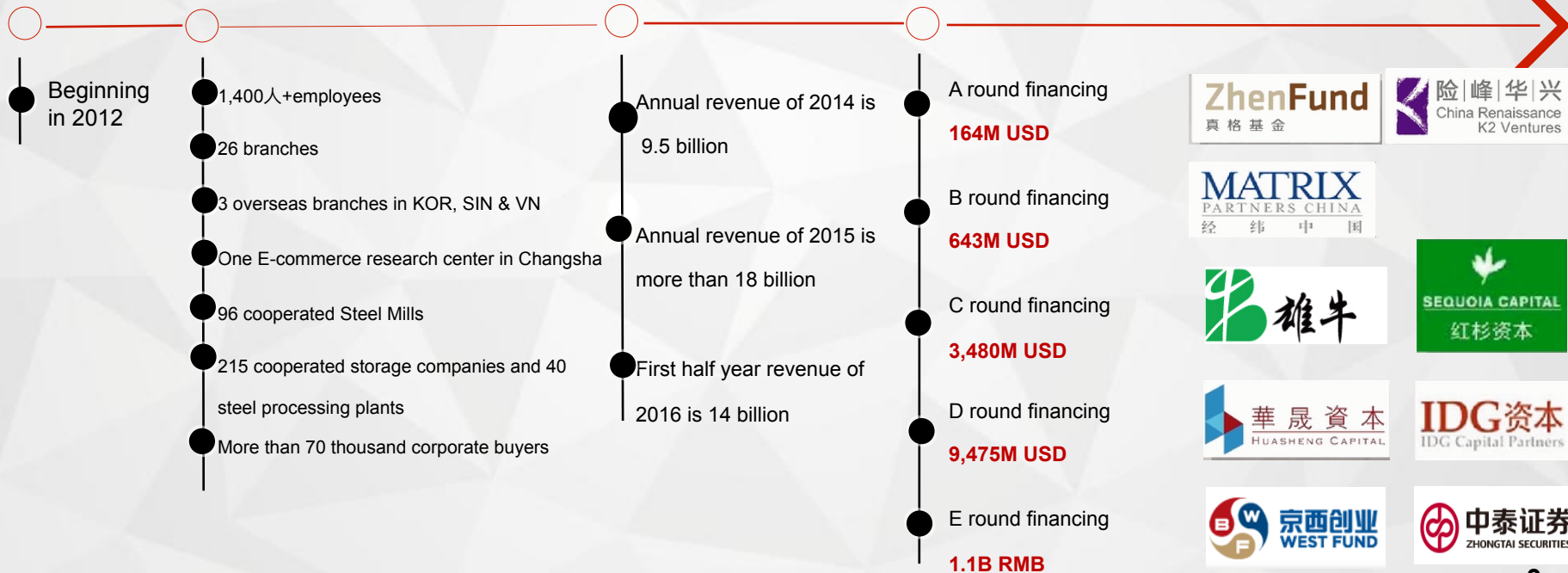
## Highlights of the Company

# Development History

Development  
Situation

Company Performance

Information about capitalization



# From matchmaking trading to online shopping mall

Large amount transaction data, outstanding SKU management skills, multi-dimensional analysis of the data

- ✓ Established strong cooperative relationship with lots of steel mills and agents
- ✓ Occupy the sale channels of the steel market

## Steel Mills

- ✓ Increase inventory turnover ratio
- ✓ From whole sellers to retailers, and decrease the cost

## Agent

- ✓ Enrich the sale channels
- ✓ Improve the efficient of supply chain management

## Small service providers

- ✓ Enrich the resource of products
- ✓ improve the transaction process

# The Mode of Online Store on Zhaogang.com

## Self- supporting model

control own storage and  
have the rights of  
products and pricing  
power

## Joint venture model

attract excellent suppliers to join  
the online store on Zhaogang.com

**Founded  
&  
Launched**

Online shopping mall set up

Cooperated with different companies in the steel industry

2012

2013

2014

2015

2016

Overall arrangement of this industry

Fine management

# Industry Background: the demand of integration for logistic, storage and finance in this industry becomes stronger and stronger



One-stop  
service



procurement



Storage and  
process



Logistic



**Finance**  
**Fat Cat**  
**Finance**



## Development History



## Fat Cat Finance

### MODE:

Intelligent Supply Chain Management.  
Base on data analysis and supply chain management, offer efficient financial services to upstream and downstream firms

### Value:

Solving financing programs for firms

Construct fair credit system for firms

### Vision:

To be the bank for bulk commodity companies

### CURRENT:



**Credit system:** Shanghai integrity business platform



**Fat Cat IOU services:** 800 firms, plan to expand to 2000 firms at the end of 2017, the volume of transaction is about 300M RMB per month



**Credit line which offered by banks:** is more than 395 million yuan

Cooperated banks:

China Merchants Bank , Ping An Bank, SPD Silicon Valley Bank, Bank of Hangzhou and so on.



**Commercial Paper business:** Operating for half year, the volume of transaction is more than 600 million



## Fat Cat Finance—Supply Chain Finance



“

**Professional B2B Financial  
platform in bulk commodity**

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# Ecosphere in the supply chain of steel industry





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Gene

Pathfinder of the B2B E-commerce in bulk commodity industry

Traditional steel mill sets up its own E-commerce platform

Traditional Information platform in steel industry sets up its own E-commerce platform

Ownership structure

Founder has majority right to control the company

Government-owned enterprises control

The major shareholder is Fosun

Business mode

**Self-support & joint operation for online store, have long term operated relation with steel mills.**

**Self-support & joint operation for online store.** But the store only sell steel which produce by Baogang

**Consignment mode**; the relation with steel mill becomes distant

Resources structure

**Open Platform**  
Abundant resources of steel mills and agents

**Have strong competition with other suppliers, customers have less choices**

Relatively open platform



**THANK YOU**