

CYPRUS E-COMMERCE NEW GATEWAY TO EMEA REGION



Cyprus

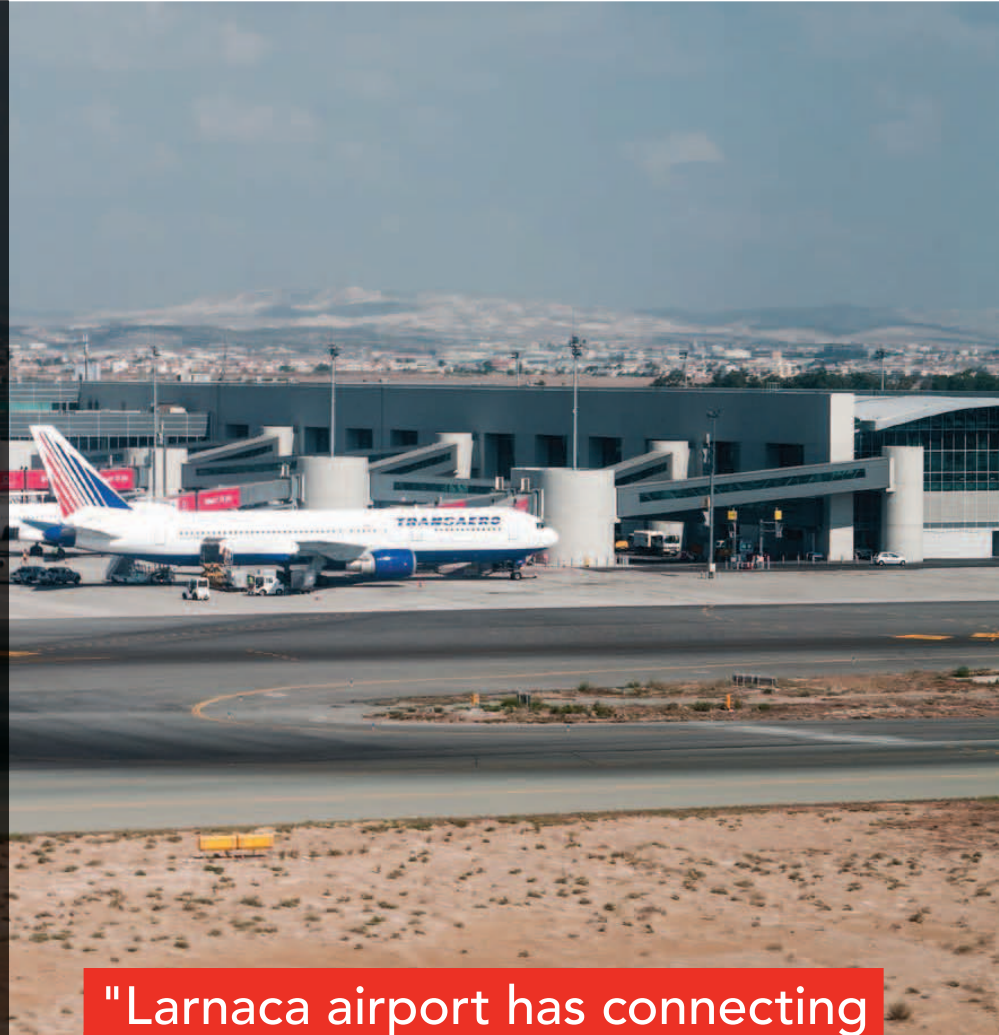
Geographical Location

Cyprus' strategic location has been a major factor in shaping its history throughout centuries and has established it as an attractive hub for inter-regional maritime traffic.

A natural transshipment centre for Europe-Far East trade, and conveniently located along the routes to the Levant, North Adriatic and Black Sea, Cyprus is easily accessed with minimum diversion from the main arterial routes.

Following the country's accession to the European Union in 2004, Cyprus was transformed into a key EU outpost in the Eastern Mediterranean.

The country's sophisticated infrastructure has already made a significant contribution to economic development and is the driving force behind its emergence as a regional hub for cost-effective cargo transport and processing.



"Larnaca airport has connecting flights to all major European destinations and to the Middle East on a daily basis."

An aerial night-time photograph of Cyprus, showing the island's rugged terrain, coastal areas, and numerous city lights. Four callout boxes are overlaid on the image, providing statistics about Larnaca Airport's connectivity. The boxes are white with red and blue accents.

Larnaca Airport
has over

500 flights
per week to

88 cities
in more than
38
countries

Within **1** hour
flying time
there is a
population
of almost
200
million people

Within **4** hours
flying time
there are over
2
billion
people

The **38**
countries with
direct flights to
Larnaca have
a total
population of
850
million
people

Why Cyprus

- Well positioned geographically to access EMEA region.
- Forms a bridge between Europe, Arab states and the rest of the Middle East.
- Low tax environment at 12.5%, extensive Double Tax Agreements in place.
- Member of the European Union, United Nations, and the British Commonwealth National currency: €.
- Cyprus has an open, free-market economy dominated by the service sector.
- Accessible and flexible customs authorities.
- Solid infrastructure to immediately absorb and grow transshipment business.
- A wide network of air routes connects Cyprus with Europe, Africa and Asia.
- Two modern international airports, in Larnaka and Pafos.
- Multi-purpose sea-ports in Limassol and Larnaka.
- Advanced telecommunications and computerized systems.

Favourable Tax & Investment Environment

China is tremendously important for Cyprus as it is one of the strongest economy powers of today. The opportunity to obtain permanent EU residence permits has attracted many Chinese real estate investors, universities etc.

The Concept

A regional E- Commerce hub in Cyprus for EMEA region.

Potential clients

- Potential clients.
- Serving e-commerce shops, forwarders, integrators and platforms for B2C & B2B cross-border e-commerce.

Services

- Bonded & W/H, custom clearing, fulfillment, pick & pack, shipping and delivery.
- full scope of services from first to last mile.

Target markets

- STEP I: Israel and Cyprus [POC Stage].
- STEP II: Mediterranean, GCC/ Balkan countries.
- STEP III: Additional destinations – Europe, Africa.



The Method

Ship your cargo by ocean freight consols or full containers into Limassol port. We will pick up cargo, unload and store in our bonded warehouse—**free of taxes and vat. We will also set an IOR for you and assist your VAT registration in Europe.** All shipment and items are fully controlled by our advanced WMS software for full inventory and track and trace capabilities.

Using API interface, we will accept your online orders and airfreight them to any destination including last mile delivery within EMEA region in 3-7 days. Our system is interfaced with Hermes logistics system offering deliveries in all EU destinations and connected to 38,000 delivery points in Europe.

Advantages:

1. Method was tested for the last 8 months and is working efficiently.
2. Our clients are reporting a reduction of 30% to 50% on logistics costs.
3. Shippers are reporting major increase in sales and client's satisfaction.
4. Due to Ocean freight -bigger items up to 30-50 kg can be sold at attractive logistics costs. The higher the weights – bigger the savings.
5. Quick, efficient and economical fulfilment and logistic process.
6. Sophisticated Hi tech platform for easy interface and control.
7. Great solution for China airfreight backlog.
8. All logistics chain is fully tracked and traced.





Targets: increase your sales

- Reach new destinations
- Speed up your deliveries
- Increase variety of products
- Get closer to your clients
- Reduce your logistics costs
- New solution for 10-50 kg products

Proof of Concept

We are establishing a unique platform in Cyprus to expand the e-commerce business which will help e-commerce companies increase their sales.

This platform, with Cyprus as a hub, can secure and manage distribution centres in various locations with the aim to decrease delivery times of B2C business and decrease the costs in last mile deliveries.

Goals for E-commerce

Cyprus is the first European country where goods can arrive from China via the Suez Canal. Arriving at Cyprus as their platform the goods can be stored in a bonded warehouse and distributed to the Middle East, Europe and Africa. They can enjoy the following advantages:

- Quick delivery
- Optimized process
- Cost effective
- Last mile
- Track and trace
- Duties & VAT paid - making the goods European and delivered to EU customers without extra costs and delays.



Technology Powered

The WMS (Warehouse Management System) gives to the customers complete control and traceability of their stock from the moment an item is delivered to the warehouse. The multi-purpose logistics facilities are strategically located just outside Larnaca Airport where there is a big advantage for the air exports.

- Unique cloud based shipping management system.
- REST API for online parcel data transfer (PUSH / PULL, FTP, XLS, PDF also available).
- Last mile delivery statuses (DOP service available).
- Ability to match customer's status to our status for seamless integration.
- Full Integration with Shipper, Forwarder, Airlines, Custom, Warehouse & Last mile vendors.
- Integrated WMS system with the logistic system.
- Custom duties user payment Web App.
- Tracking site for users & Online integration
- CRM system integrated with the logistic system.



Easier for your Customers



Coherent tracking with one unique identifier

One unique tracking code from dispatch, through customs, right up until delivery, regardless of carrier changes.

Transparent fees and duties shown at checkout

Duties and taxes displayed and prepaid at checkout to avoid frustrating surprise costs later.

Delivered directly to the customer's doorstep

A network of our local partners delivers the shipment right to the door – no nasty trip to the customs office!



Easier for you as a Merchant

Simplified customs handling

We take care of customs, import and export with the data you provide us about the shipment.

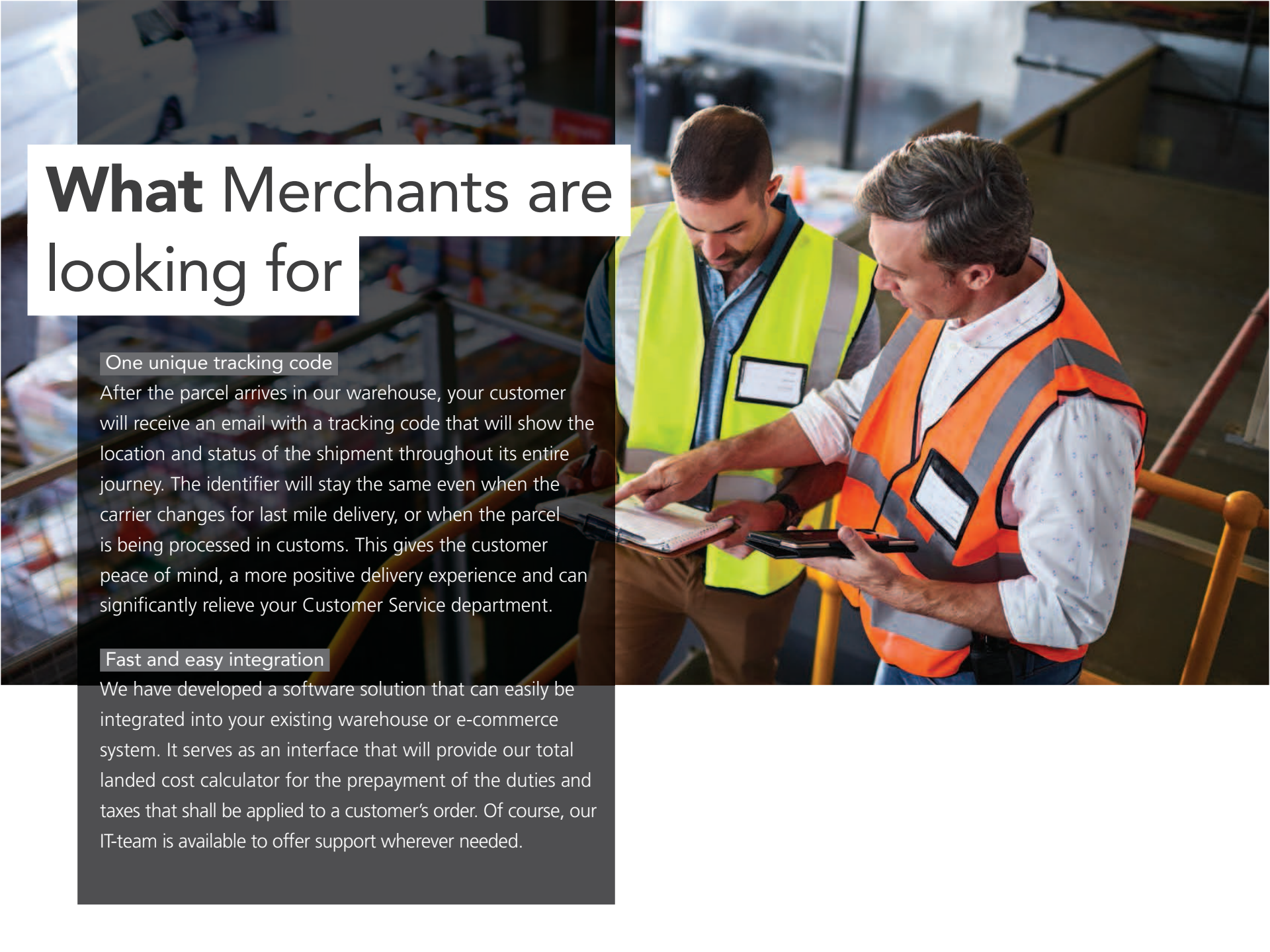
Our warehouses are where you are

Deliver your shipments to one of our global export warehouses using your preferred local carrier or let us pick them up!

Priority shipping with postal prices

Through close cooperation with strong logistics partners around the globe and volume consolidation, we can offer you competitive prices.

What Merchants are looking for

A background image showing two men in a warehouse. They are wearing high-visibility safety vests (one yellow, one orange) over collared shirts. They are both looking down at a tablet computer held by the man in the orange vest. The man in the yellow vest is pointing at the screen. They appear to be in a warehouse or industrial setting with shelves and equipment visible in the background.

One unique tracking code

After the parcel arrives in our warehouse, your customer will receive an email with a tracking code that will show the location and status of the shipment throughout its entire journey. The identifier will stay the same even when the carrier changes for last mile delivery, or when the parcel is being processed in customs. This gives the customer peace of mind, a more positive delivery experience and can significantly relieve your Customer Service department.

Fast and easy integration

We have developed a software solution that can easily be integrated into your existing warehouse or e-commerce system. It serves as an interface that will provide our total landed cost calculator for the prepayment of the duties and taxes that shall be applied to a customer's order. Of course, our IT-team is available to offer support wherever needed.

Simplified customs handling

We handle customs including export declaration, duty payments and import processing. After the shipment is cleared by the customs office, we arrange for the delivery to the customer's doorstep. Customs regulations both in your own country and your countries of destination can change, duty free thresholds raised. We make sure to advise you well ahead of time and make sure the customs process runs smoothly no matter what.

Optional pickup from your warehouse

The first stop of your international shipments is one of our export warehouses, located in Frankfurt, London and New Jersey. How they get there is your choice - we offer you an optional pickup service from your own warehouse with one of our local partners. You may also choose to arrange the transfer by yourself, with your preferred service provider. No matter how the parcels reach our warehouse, once they arrive all parcels will be prepared and bulked for international shipping.



Prepayment of duties and taxes

Part of our service is the provision of a Total Landed Cost Calculator, which is integrated into the checkout process of your online shop. When your international customers fill their shopping carts, they will be shown the duties and taxes applicable to their order before they make the purchase. These prices are calculated using the HS-code of your product, as well as the export country and the country the customer is shopping from. You can choose whether you wish to list the fees separately, as part of the overall shipping costs or as part of the product price. The duties and taxes are then already charged to the customer as he completes his order so that he doesn't have to worry about them again. This enables us to take care of all customs payments, and in the end of every month we will invoice you for the duties and taxes accrued over that timeframe, once they arrive all parcels will be prepared and bulked for international shipping.

Express to-the-door delivery

As we arrange the payment of duties and taxes and make sure the customs clearance runs smoothly, there are no more obstacles for your parcels to be comfortably delivered to your customers' doorsteps. Being able to guarantee your customer hassle-free delivery all the way to his home can take a lot of uncertainty out of international shipping and positively impact your shop's conversion rate.



Competitive pricing

We offer competitive pricing comparable to postal costs and deliver at the speed of priority services. We achieve this by using our own network of strong logistics partners and by consolidating volumes of our client brands and retailers to achieve better prices.

Last mile delivery

Now if you visit for example the Ali Express website, you will see that their transport costs by sea are very low but deliveries are between 40 - 60 days!

Very few customers choose this service as the delivery period is too long. If they choose air/courier transport then the delivery period is 6 -10 days but the cost is higher!

What changes with the Chinese retailers choosing Eurofreight:

- Decrease of delivery times by sea of 10-15 days and with much lower costs.
- Decrease of delivery times by air of 2-3 days and with much lower costs.

The image displays two screenshots of the AliExpress website, specifically the product page for a DEKO GCD10.8DU3 10.8-Volt Electric Screwdriver Cordless Drill Mini Wireless Power Driver DC Lithium-Ion Battery 10mm 2-Speed. The product is shown with a yellow and black cordless drill and its carrying case.

Top Screenshot (Sea Shipping): The shipping section indicates a shipping cost of €270.48 to Greece via DHL. The estimated delivery time is 11-25 days. A callout bubble highlights this information, stating "€270,48 to Greece Estimated Delivery".

Bottom Screenshot (Air Shipping): The shipping section indicates a shipping cost of €5.69 to Greece via Cyprus Hub. The estimated delivery time is 2-3 days. A callout bubble highlights this information, stating "€5.69 to Greece Estimated Delivery".

THANK YOU

