FREED GROUP

Post COVID-19 Digitalization & New Consumer Trend

Travel AI Digitalization Solution

Abel Zhao
FreeD Group

April 2021
MARKET TREND CHANGES: PRE AND POST – COVID19

POST COVID-19 MARKET TREND

### 2019 Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Domestic</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. Korea</td>
<td>16%</td>
<td>84%</td>
</tr>
<tr>
<td>Japan</td>
<td>41%</td>
<td>59%</td>
</tr>
<tr>
<td>Australia</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>15%</td>
<td>85%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>13%</td>
<td>87%</td>
</tr>
<tr>
<td>Thailand</td>
<td>21%</td>
<td>79%</td>
</tr>
</tbody>
</table>

### 2020 Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Domestic</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. Korea</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Japan</td>
<td>68%</td>
<td>32%</td>
</tr>
<tr>
<td>Australia</td>
<td>62%</td>
<td>38%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>61%</td>
<td>39%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>41%</td>
<td>59%</td>
</tr>
<tr>
<td>Thailand</td>
<td>63%</td>
<td>37%</td>
</tr>
</tbody>
</table>

### Post COVID-19 Consumer Behavioral Changes

- **Food / Dining**
  - 2019: 15%
  - 2020: 56%

- **eCommerce**
  - 2019: 14%
  - 2020: 63%

- **Domestic Activity/Travel**
  - 2019: 11%
  - 2020: 44%

- **Traditional Travel (cross-border)**
  - 2019: 48%
  - 2020: 1%

**Data sources:**
- statista.com
- www.mxmedia.co
- World Bank Report 2019 & 2020
- globenewswire.com
- businesswire.com

**Data period:** Flight searches from 1-30 June 2020 vs same period in 2019 for traveling in July - Dec 2020 vs. same period in 2019

**Data source:** ForwardKeys Flight Search Data
POST COVID-19 MARKET TREND

A MARKET NEEDS CHANGE

Result-driven Digital Solutions
Post COVID-19, 85% of existing travel companies aimed to adopt to Digital Solutions if not yet

End 2 End Consolidated Supply & Distribution
80% of traditional travel service providers focus on flights & hotels. Post COVID-19, travel providers need more to capture lost revenues and keep their customers

Flexible IT Supports To Meet Different Needs
Travel section requires easy-adoptable and low-cost IT supports

Ecosystem Approach
Connecting different parties to collaborate to maximize benefits for all
**FREED BRINGS POWER AND VALUE BACK TO PARTNERS**

<table>
<thead>
<tr>
<th>INNOVATIVE TECHNOLOGY (patented)</th>
<th>PROPRIETARY BUSINESS MODEL (pending for patent)</th>
<th>EQUAL VALUED, PERSONALIZED DISTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>AI Digital Solutions</td>
<td>$S2B2C$ Solutions + Supplier + Market Data =&gt; Business =&gt; Consumer</td>
<td>Consolidate multi-source content with one single connection and data source with patented AUTO-VALUING and SMART Recommendation Engine</td>
</tr>
<tr>
<td>SMART Distribution System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personalization Recommendation Engine</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AI Marketing Solution</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
AI Digitalization For Tourism Industry
- cost-efficient distribution strategy
- Consumer data for improvement
- Major Suppliers + SME

Channel Partner:
- Ancillary revenue streams
- Consumer behavior analysis

End consumers:
- Personalized content and service
END2END AI DIGITAL SOLUTION & SERVICES

SMART Inventory & Distribution System

Big-Data Analytics & Reporting

UNO Management Portal

AI Digital Solution (available on all digital channels)

GO-TO-Market Strategy (WeChat, LINE, Weibo)

RETAIL DIGITAL TRANSFORMATION

User Acquisition
- BANNER ADS, POPUPS, DIGITAL ADS PROMOTIONS

User Engagement
- WECHAT, WEBSITE, SOCIAL GAMES, SHOPS

User Retention
- DEAL, REVIEW, GIFT, DAILY EVENT...

Increased Trust & Credibility

Higher Engagement Rates and ROI

Staying Interest of Customer
Modulized Cross-Industry Data and technology utilization

- Consumer behavioral data analytics capability
- Market trend centric data processing
- Content & Service data cross-supporting functions
- Systematic AI Data processing & utilization
RESULT-DRIVEN INTEGRATED AUTOMATION AI ENGINE

- **AI Recommendation Accuracy**: 90%
- **AI Machine Learning Capability Ratio**: 85%
- **Overall Repeat User Ratio**: 36% (2020)
**UNO: ENTERPRISE MACHINE DATA ENGINE**

**CONSUMER DATA**
- Click-stream data
- Shopping cart data
- Online transaction data
- Chatbot interactions

**OUTSIDE DATA CENTER**
- Mobile network
- Telecom Location based
- Consumer preference
- Market trend

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**CLOUD**
- Registry
- Event Log
- Configuration
- File System

**Web/App**
- Web Logs
- Log4
- .Net Events
- Code & Scripts

**POS**
- CRM
- Zone Controls

**DATABASES**
- Configurations
- Audit/query logs
- Tables
- Schemas

**Networking**
- Configurations
- Syslog
- SNMP
- Net Flow
ARA BIZ: AN EVOLUTIONARY END-TO-END ENTERPRISE INTEGRATED SOLUTION

TRADITIONAL BI DATA
- Basic Sales Forecast
- Booking, Billing, Backlog
- Revenue Recognition
- Expense Management

ARA Biz Integration
- Collect & Index data
- Report & analyze
- Search & Investigate
- Monitor & Albert
- Added knowledge

AI-FIED RESULT
- User behavior metrics
- Quality of service
- Customer interaction management
- Supply planning
- Access management
- And more

Payable

Revenue

Purchase

Sales

Web
Mobile Application,
DB Event
Messaging
Marketing Events
Infrastructure

Website
Mobile App
Social Media
Others (RCS)

FREED GROUP
TO CREATE UNIQUE VALUES REQUIRES UNIQUE TECHNOLOGY & SOLUTIONS

- 15+ patents in key algorithm, technologies, solutions and business models
PROPRIETARY TRANSACTIONAL AI cCOM CHATBOT INTERFACE
(text + voice)

• 2020 South Korea NIPA ICT Innovation Of the Year Award
UTILIZATION OF FREED AI TECHNOLOGY & SOLUTIONS

- Website Domain
- MobileApp
- Social Media
PLATFORM ENABLEMENT & EMPOWERMENT

Enable businesses to generate ancillary revenue by cross-selling and upselling
- All-in-one consolidated Inventory Management & Distribution System
- Big-Data Driven Smart Recommendation System

Portfolio Revenue Performance Comparison
2020 vs. 2019

Data Source: FreeD Group clients and affiliates’ platforms revenue performance against 2019 (2019 as 100%)
ALL AROUND DATA REPORTING
FreeD Data Analytics and reporting capability ensure to capture client specific and market data for full understanding of the market trend and consumer behavior

POWER OF KNOWING YOUR CUSTOMERS

FREED BIG DATA ANALYTICS AND REPORTING

- Personalized Recommendation
- Patented Data Processing and Analytics Algorithm
- Real-time SAUS data processing engine
CAPABILITY TO UNDERSTAND ALL-AROUND CONSUMER BEHAVIOUR

Data Source: Consolidated data from TravelFlan, ARA and affiliate partners for the period of April 2019 – March 2020
EXPONENTIAL GROWTH OPPORTUNITY

Development History

- 2015 - 2018
  - Launch of 1st gen of AI Digital Travel Assistant Solution;
  - Development of 1st pilot B2C solution

- 2019
  - Transitioned to S2B2C business model (travel);
  - Launch of milestone pilot S2B2C projects
  - Expanding business scope to lifestyle and eCom;
  - Rapid growth in securing milestone projects with leading business partners worldwide

- 2020
  - Continued growth in securing milestone projects with leading business partners worldwide
  - Continued to grow business coverage to increase market shares in key markets

- YTD 2021
  - Continued growth in securing milestone projects with leading business partners worldwide
  - Continued to grow business coverage to increase market shares in key markets

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FREED GROUP
FOUNDING TEAM

Abel ZHAO  
CEO & Co-founder  
- Airline IT, Amadeus  
- Regional Head, Travelport  
- Global Sales & Strategy, Air Canada  
- Business Market, Hyatt Corporation  
- MBA, Columbia University  
- EMBA, London Business School  
- Bachelors in Hospitality Management, Switzerland

Kenneth LEE  
CPO & Co-founder  
- Project Head, TD Canada Securities  
- Project Lead, Canadian Government  
- Project Lead, CPP & Manulife  
- BS in Computer Engineering, University of Waterloo
FUNDRAISING HISTORY

**Seed Round**
- $ raised: $465K
- Valuation: $3M
- Time: 06 / 2016
- Lead: 500startups (USA)
- Follow: Radiant Ventures (HK), GWC (USA), Angel Investors

**Pre - A**
- $ raised: $2.5M
- Valuation: $7M
- Time: 09 / 2017
- Lead: Linear Venture (CN)
- Follow: Radiant Ventures (HK), Cyberport CMF (HK Government), Zhuhai DHQ Investment (CN)

**Pre-B (CB Round)**
- $ raised: $33M
- Valuation: convert to B round
- Time: 03 / 2021
- Lead: SPK AI Travel Tech Fund (KR)
- Follow: Linear Venture (CN), Radiant Ventures (HK), Artesian Capital (AU), SOSV Capital (USA), The Ventures Co (Korea Government), ITVFC Fund (HK Government)

**Series A**
- $ raised: $7M
- Valuation: $27M
- Time: 11 / 2019
- Lead: Linear Venture (CN)
- Follow: Radiant Ventures (HK), Artesian Capital (AU), SOSV Capital (USA), The Ventures Co (Korea Government), ITVFC Fund (HK Government)

**Series B**
- $ raised: $30M
- Valuation: $120M
- Time: June / 2021
- Lead: Radiant Ventures, SOSV Capital
- Follow: 500startups (USA), Radiant Ventures (HK), GWC (USA), Angel Investors
WORKING HARD TOWARDS OUR GOAL

- 2021 UNWTO Global Startup Competition Winner
- TRAVEL TO SEA Competition Winner 2020 (Korea Government)
- HKMOB Award 2020
- 2020 Facebook Accelerator
- 2019 SOSV China Accelerator
- 2019 Global Start-up Competition (HK) Winner
- 2019 & 2020 Qianhai International Innovation Competition Winner

- 2019 Marriott International Innovation Challenge Winner
- 2018 ITB China Start-up Of the Year
- 2018 APAC ICT Grand Award
- 2018 Hong Kong ICT Gold Award
- 2018 South Korea NIPA ICT Grand Award
- 2016 500Startups
- 2016 GWC Competition Winner

FREED GROUP
THANK YOU

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