

2018 INVESTOR DAY

September 17-18 Hangzhou China

Alibaba Strategy

Daniel Zhang, CEO, Alibaba Group

OUR MISSION

TO MAKE IT EASY TO DO BUSINESS ANYWHERE

THIS MEANS
TO MAKE IT EASY TO DO BUSINESS ANYWHERE IN THIS DIGITAL ERA

OUR MISSION IS TO MAKE IT EASY TO DO BUSINESS ANYWHERE IN THIS DIGITAL ERA

Consumers



SHOP @ ALIBABA



LIVE @ ALIBABA

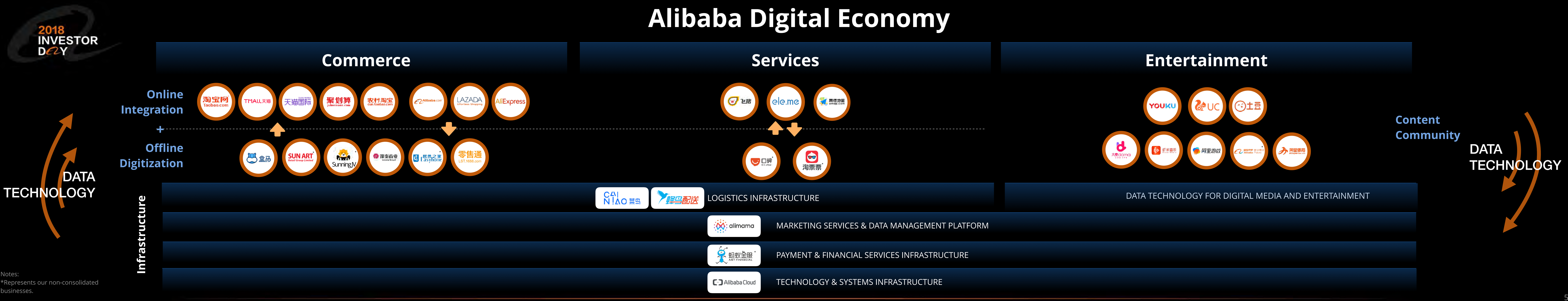
Enterprises



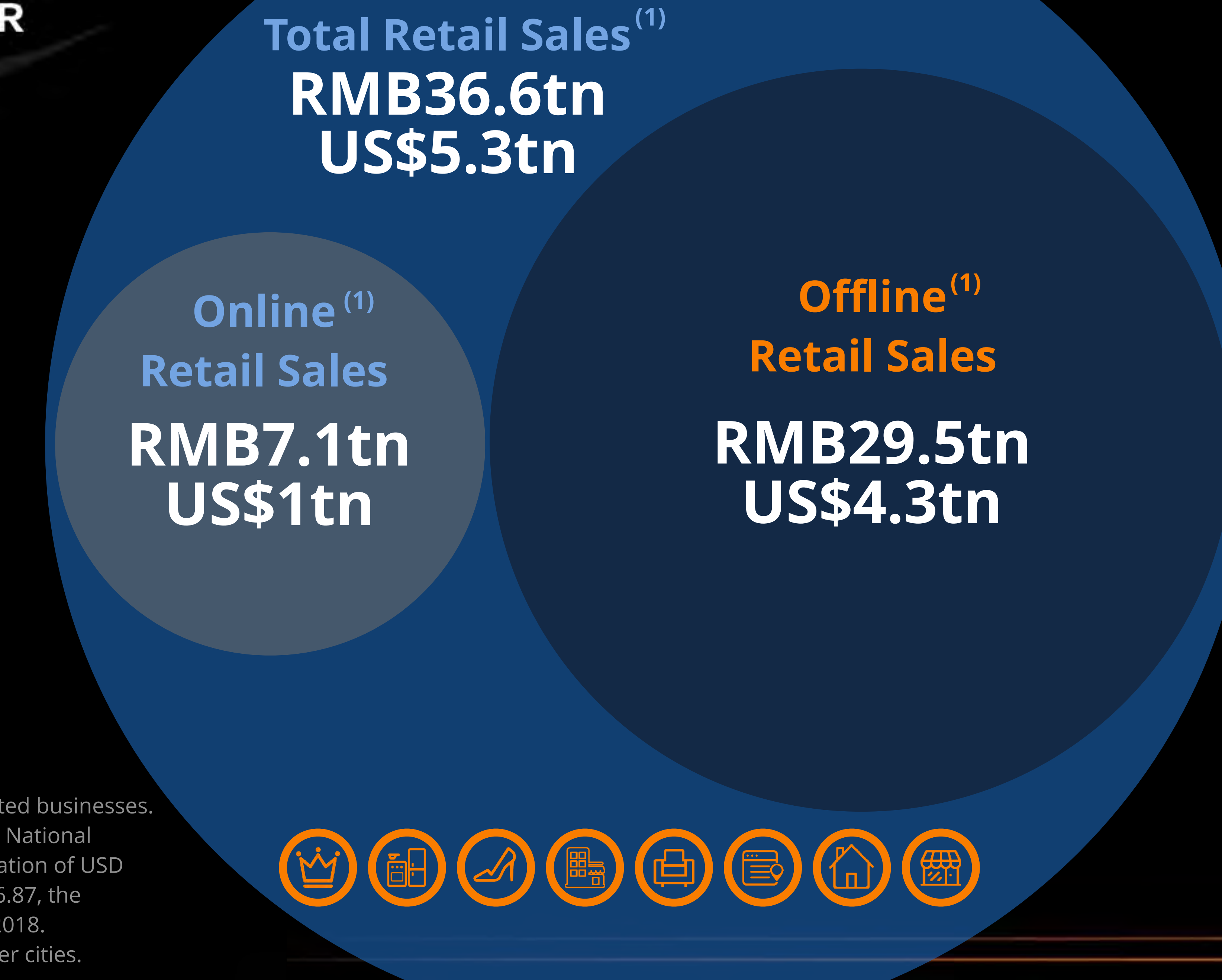
MEET @ ALIBABA



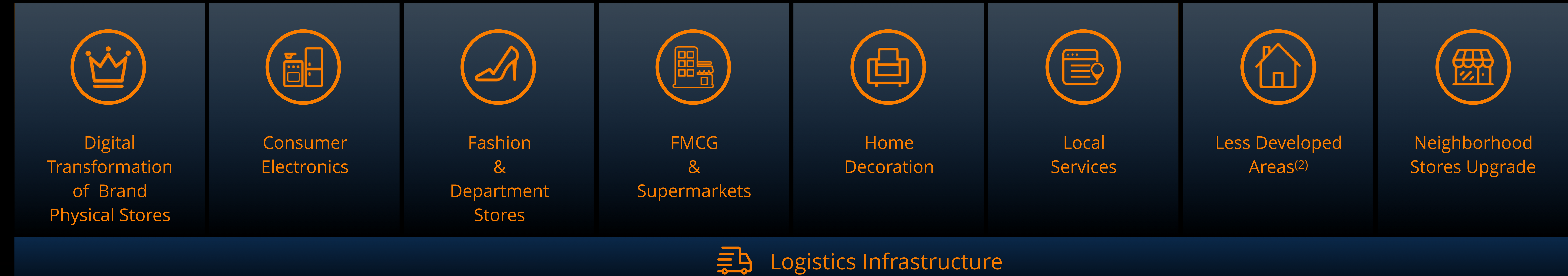
WORK @ ALIBABA



Consumption Upgrade Engine Catalyzed by New Retail



China Core Commerce Platform



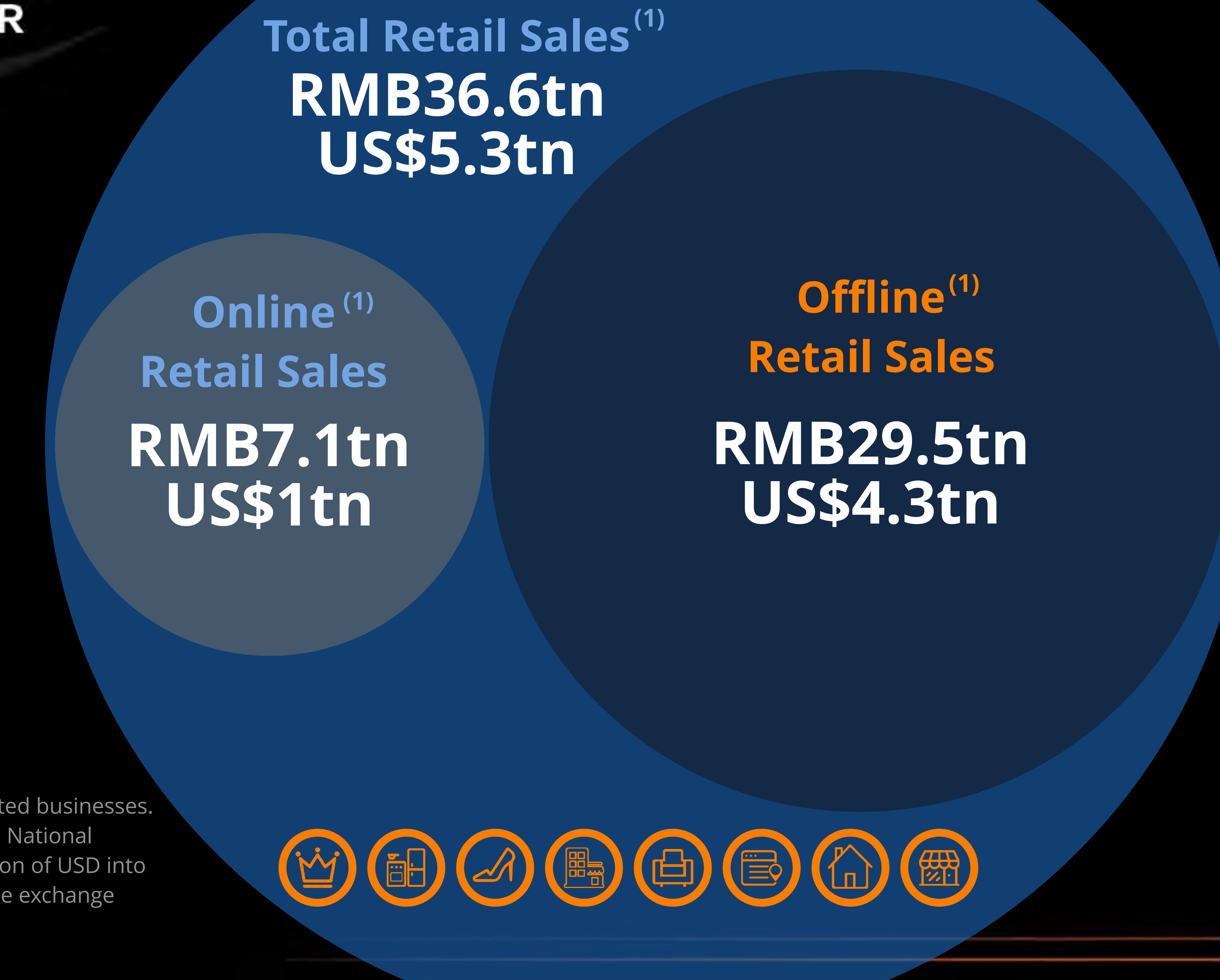
Notes:

*Represents our non-consolidated businesses.

1. CY17 data according to China National Bureau of Statistics; all translation of USD into RMB were made at RMB6.87, the exchange rate of August 30, 2018.

2. Represents third and lower tier cities.

Consumption Upgrade Engine Catalyzed by New Retail



淘 China Core Commerce Platform



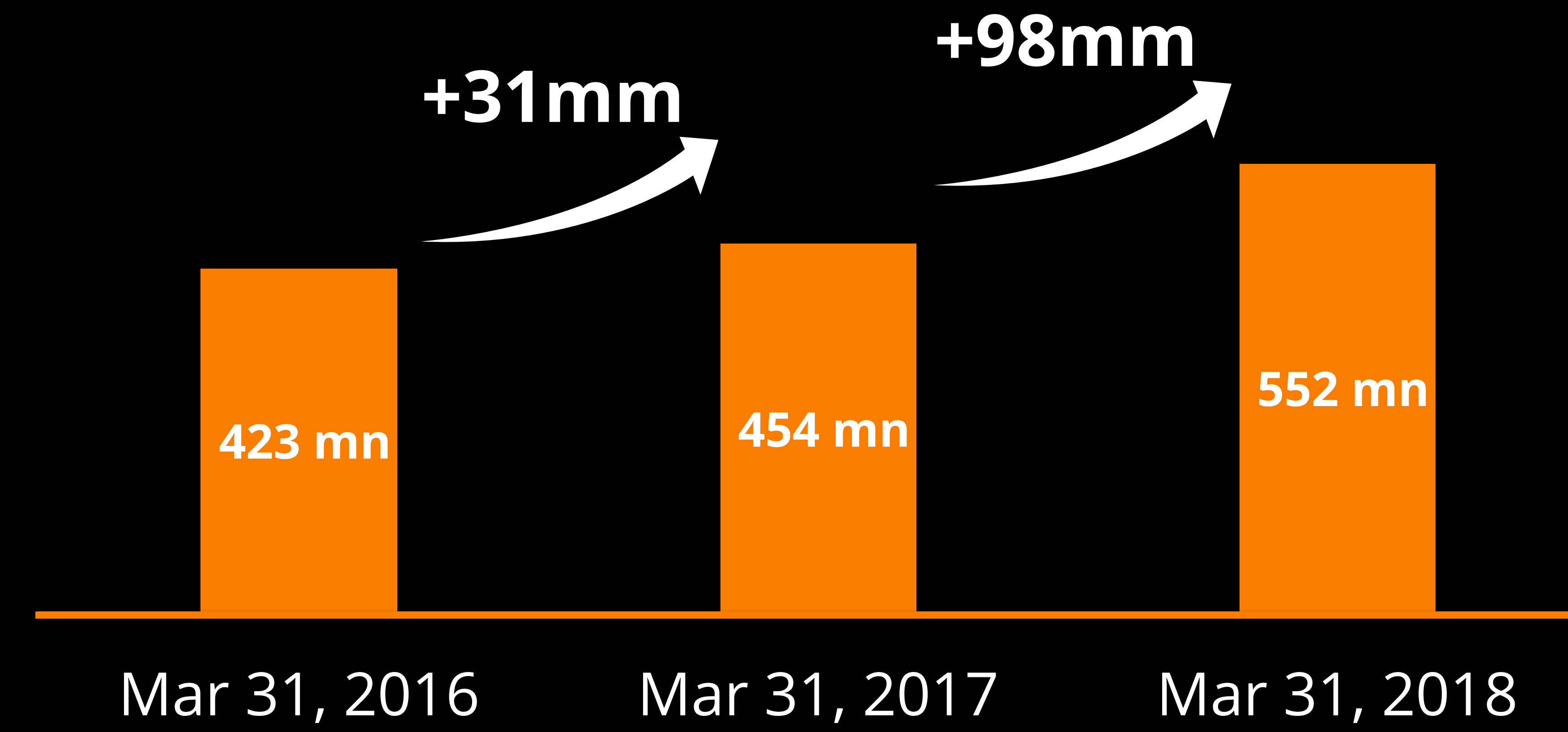
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1. CY17 data according to China National Bureau of Statistics; all translation of USD into RMB were made at RMB6.87, the exchange rate of August 30, 2018.

Growth Engine - Robust Consumer Growth

Robust User Growth ⁽¹⁾



China Market



70%
New Consumers from
Less Developed Areas ⁽²⁾

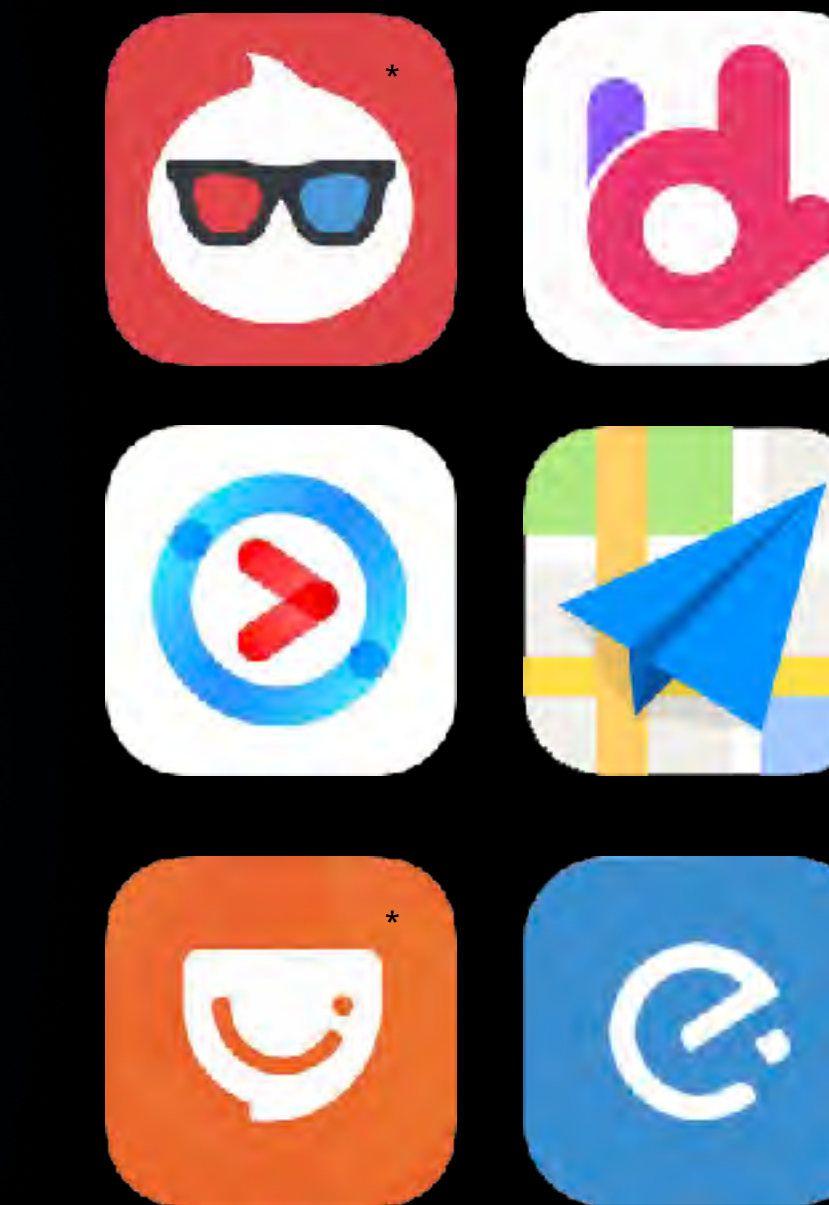
Global Market



LAZADA + AliExpress
Effortless Shopping
100mn+ Consumers ⁽³⁾

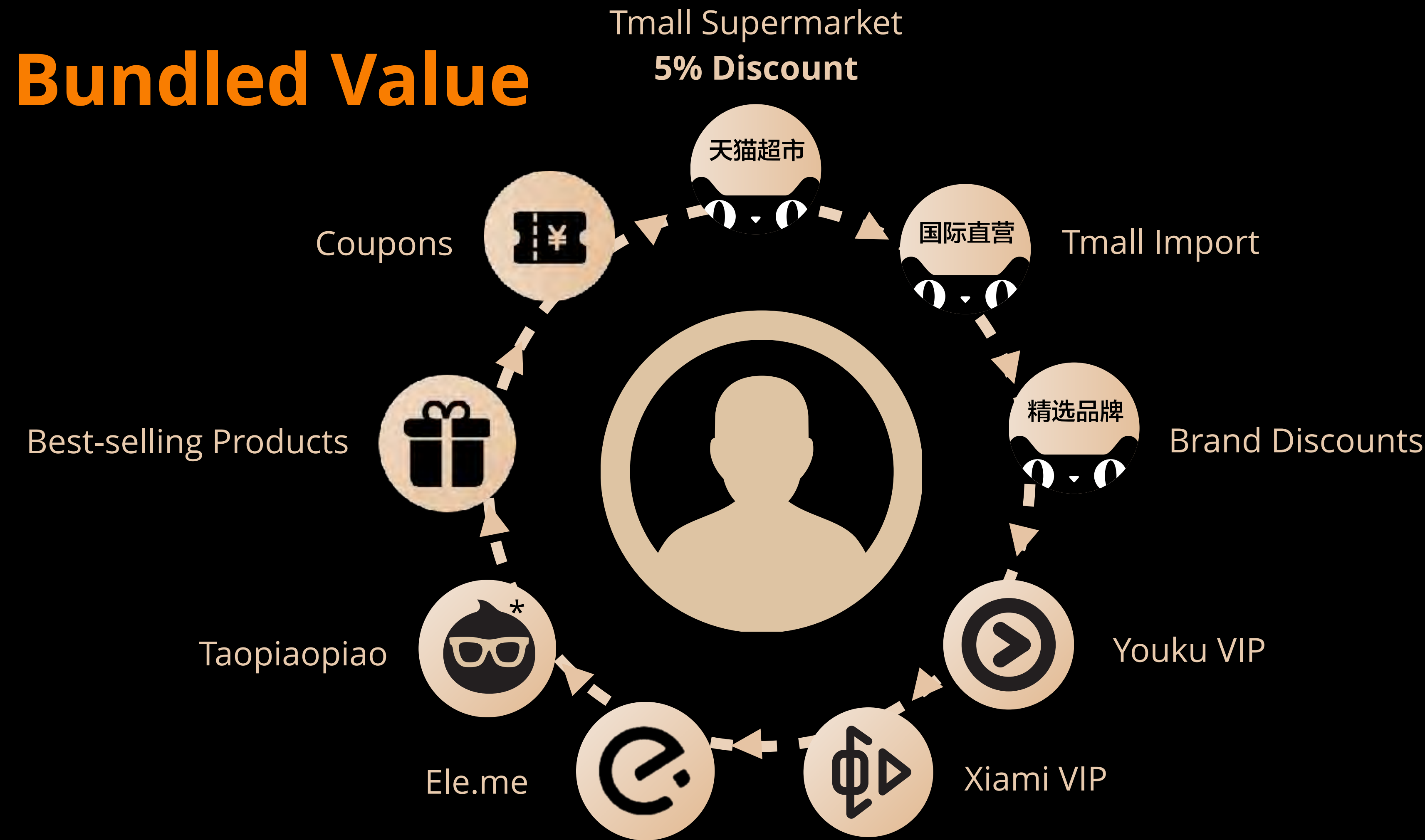
Notes:
1.Represents the number of annual active consumers on our China retail marketplaces for the twelve months ended on the respective date.
2.Represents third and lower tier cities.
3.Aggregated Lazada and AliExpress annual active consumer, for the twelve months ended Jun 30, 2018.

Growth Engine - Expand More Consumption Categories



Integrated Consumption Platform to Serve over 600M Users in China

Bundled Value



634mn MAUs ⁽¹⁾



870mn AAU ⁽²⁾



400mn+ MAUs ⁽³⁾



400mn+ MAUs ⁽⁴⁾



168mn AAC ⁽⁵⁾



100mn+ AAC ⁽⁶⁾



Notes:

*Represents our non-consolidated business.

1.Mobile MAUs on our China retail marketplaces for the month ended Jun 30, 2018.

2.During FY18, Alipay, together with its global JV partners, served approximately 870mn annual active users all over the world.

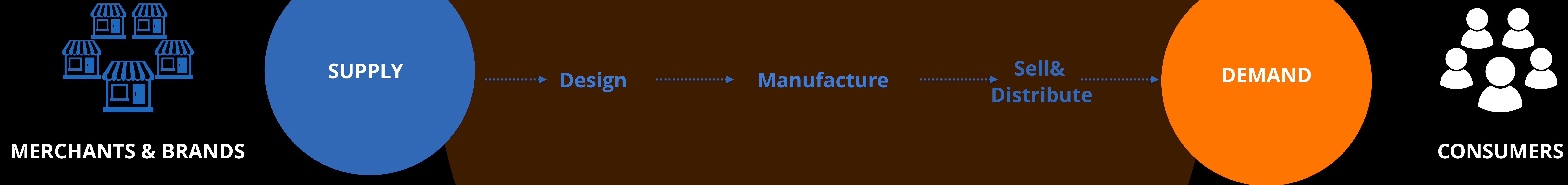
3.UCWeb MAUs is calculated as sum of 268mn China MAUs according to QuestMobile and 149mn international MAUs according to App Annie; as of Aug 2018.

4.QuestMobile as of Aug 2018.

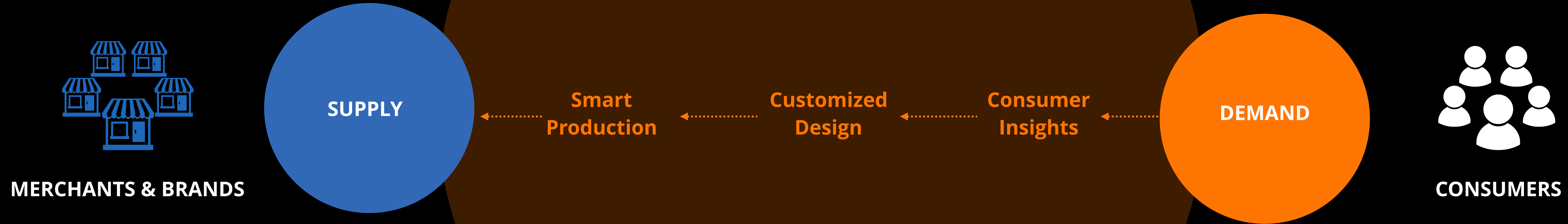
5.Represents Ele.me's annual active consumer for the last twelve months ended Jun 30, 2018.

6.Aggregated Lazada and AliExpress annual active consumer, for the twelve months ended Jun 30, 2018.

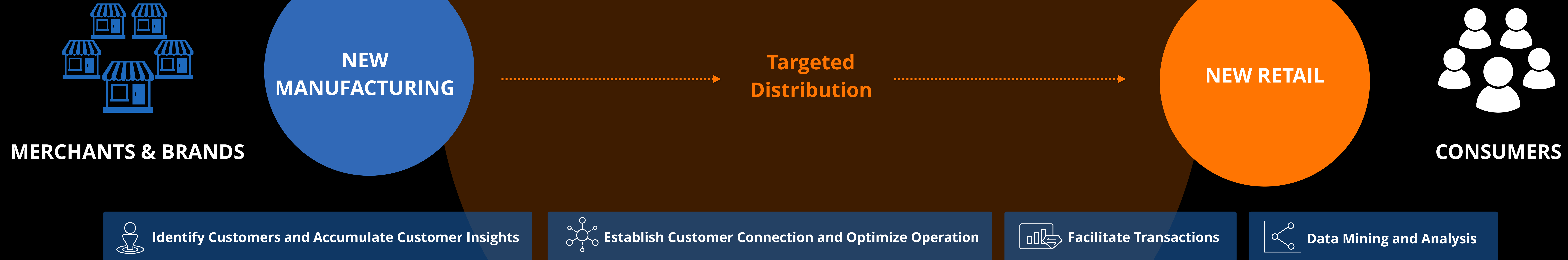
From B2C to C2B



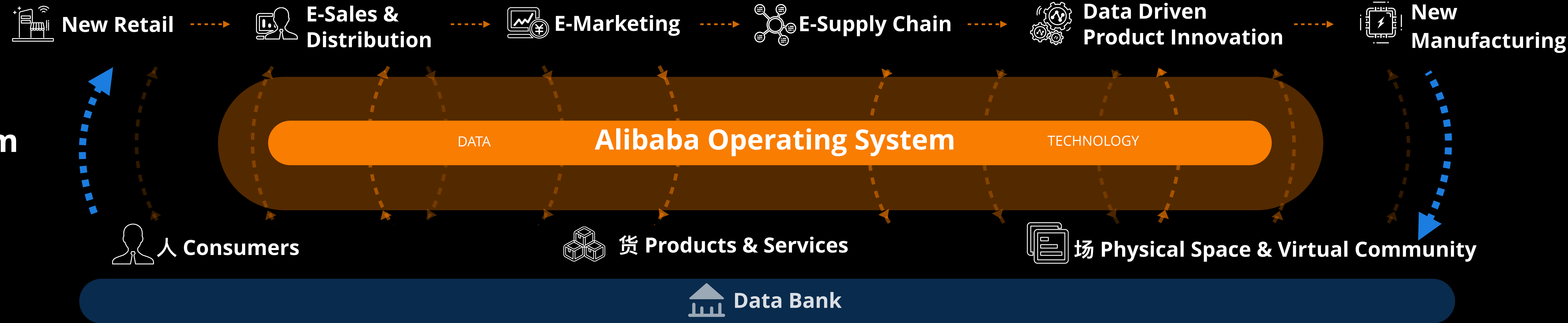
From B2C to C2B



From B2C to C2B



Alibaba Operating System Empowers Digital Transformation



Alibaba Current Logistics Network Coverage

Point-to-Point

Hub & Spoke

On Demand

Product Type



Seasonal &
Long-tail Products



Standardized
Products



On-Demand, In-store &
Dark Store Products

Logistics Method



Pick Up, Long-haul, Deliver



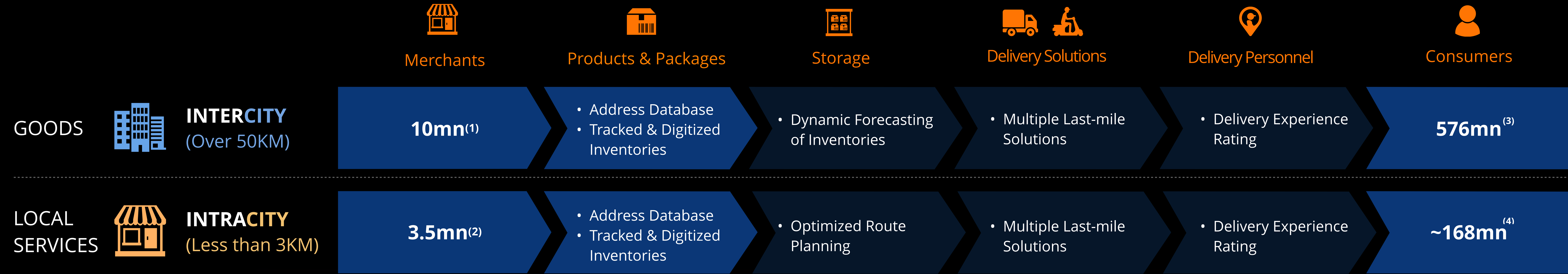
Warehouse
Pick, Pack & Deliver



Store
Pick, Pack & Deliver

From Digitizing Products and Packages to Digitizing the Entire Fulfillment and Delivery Process

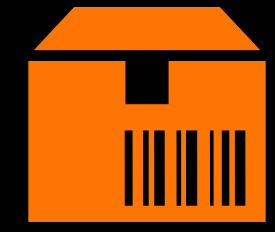
Notes:
 (1) Numbers of merchants on China retail marketplace as of March 31, 2018
 (2) Registered restaurants and service providers on Ele.me and Koubei as of June 30, 2018.
 (3) Annual active consumers on our China retail marketplaces for the twelve months ended June 30, 2018.
 (4) Represents Ele.me's annual active consumer for the last twelve months ended June 30, 2018.



Building a Hybrid Logistics Network of the Future



Merchants



Products & Packages



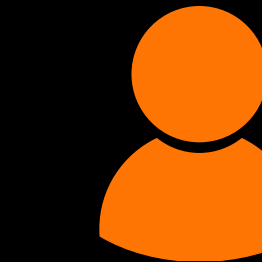
Storage



Delivery Solutions



Delivery Personnel



Consumers

GOODS



INTERCITY
(Over 50KM)

10mn⁽¹⁾

LOCAL
SERVICES



INTRACITY
(Less than 3KM)

3.5mn⁽²⁾

- Address Database
- Tracked & Digitized Inventories

- Dynamic Forecasting of Inventories
- Optimized Route Planning

- Multiple Last-mile Solutions

- Delivery Experience Rating

576mn⁽³⁾



~168mn⁽⁴⁾

Notes:

(1) Numbers of merchants on China retail marketplace as of March 31, 2018

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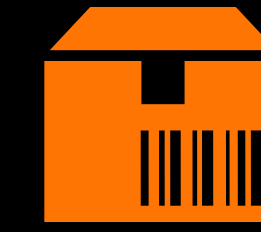
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Building a Hybrid Logistics Network of the Future



Merchants



Products & Packages



Storage



Delivery Solutions



Delivery Personnel



Consumers

GOODS



INTERCITY
(Over 50KM)

10mn⁽¹⁾

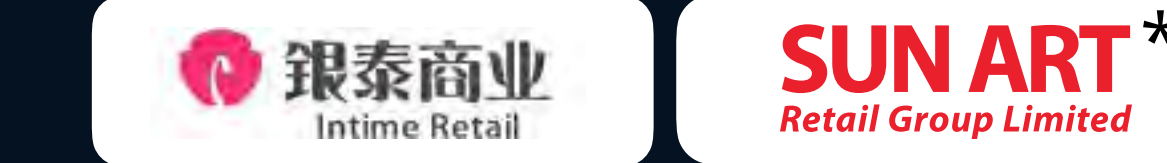
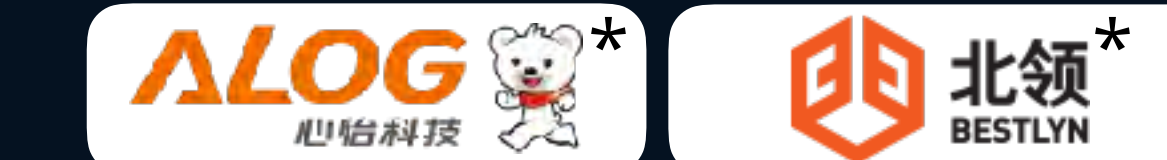


LOCAL
SERVICES



INTRACITY
(Less than 3KM)

3.5mn⁽²⁾



576mn⁽³⁾



~168mn⁽⁴⁾

Notes:

*Represents our non-consolidated businesses

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Business as a Service Powered by Alibaba



Notes:

*Represents our non-consolidated businesses.

Alibaba IoT Empowers Smart Future

Smart Living

Home



Automobiles

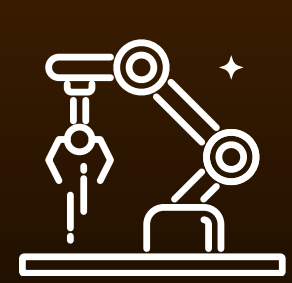


Away from Home

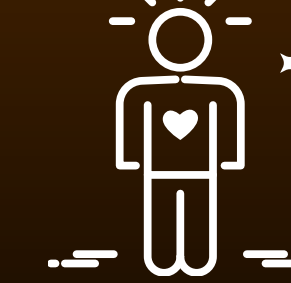


Smart Business

Manufacturing



Office

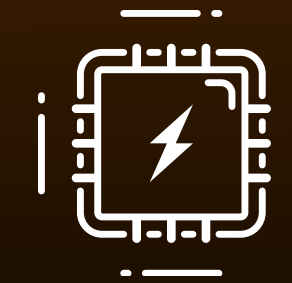


Real-estate
& Construction



Smart City

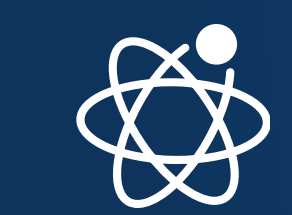
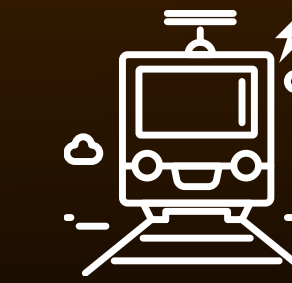
Public Utilities



Hospital



Traffic Management
& Public
Transportation



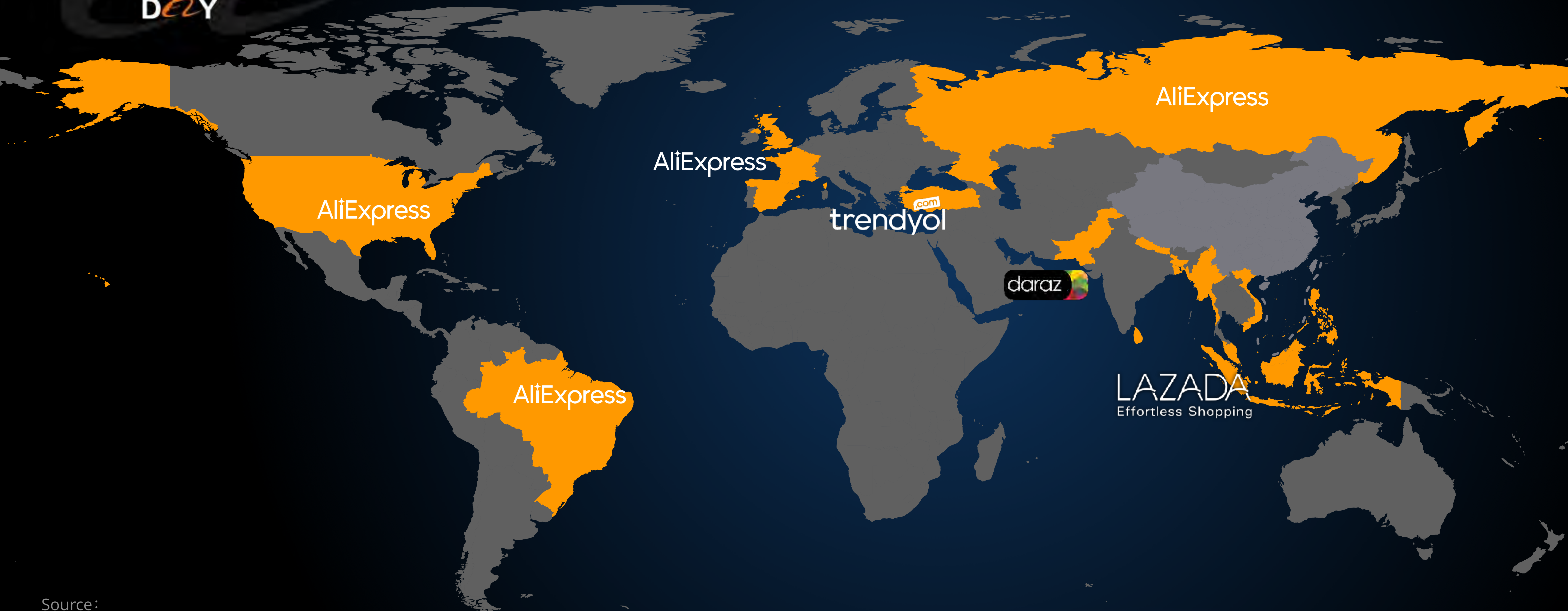
Alibaba IoT



Alibaba Cloud

GLOBALIZATION

Global Sell - **From** China to the World **to** Local to Local



AliExpress

LAZADA
Effortless Shopping

daraz trendyol

Total Population:
859mm

Internet Penetration:
74%

Total Population:
571mm

Internet Penetration:
41%

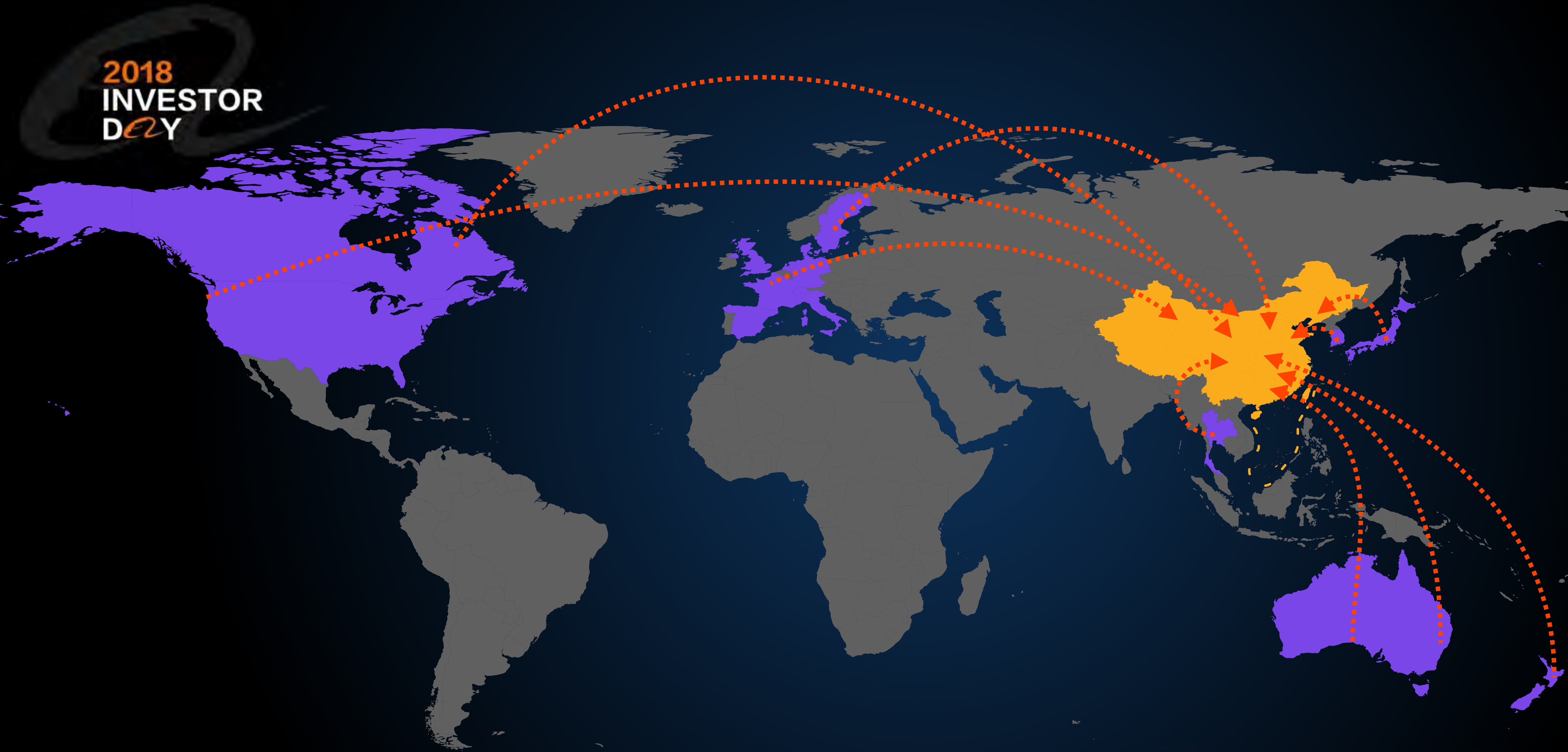
Total Population:
546mm

Internet Penetration:
25%

Countries & Regions	USA	Brazil	Russia	France	UK	Spain
Population as of 2017 (mm)	326	209	145	67	66	47
Individuals using the Internet (% of population)	76%	61%	73%	86%	95%	81%

Countries & Regions	Indonesia	Philippines	Vietnam	Thailand	Malaysia	Singapore
Population as of 2017 (mm)	264	105	96	69	32	6
Individuals using the Internet (% of population)	25%	56%	47%	48%	79%	81%

Countries & Regions	Pakistan	Bangladesh	Turkey	Myanmar	Sri Lanka	Nepal
Population as of 2017 (mm)	197	165	81	53	21	29
Individuals using the Internet (% of population)	16%	18%	58%	25%	32%	20%



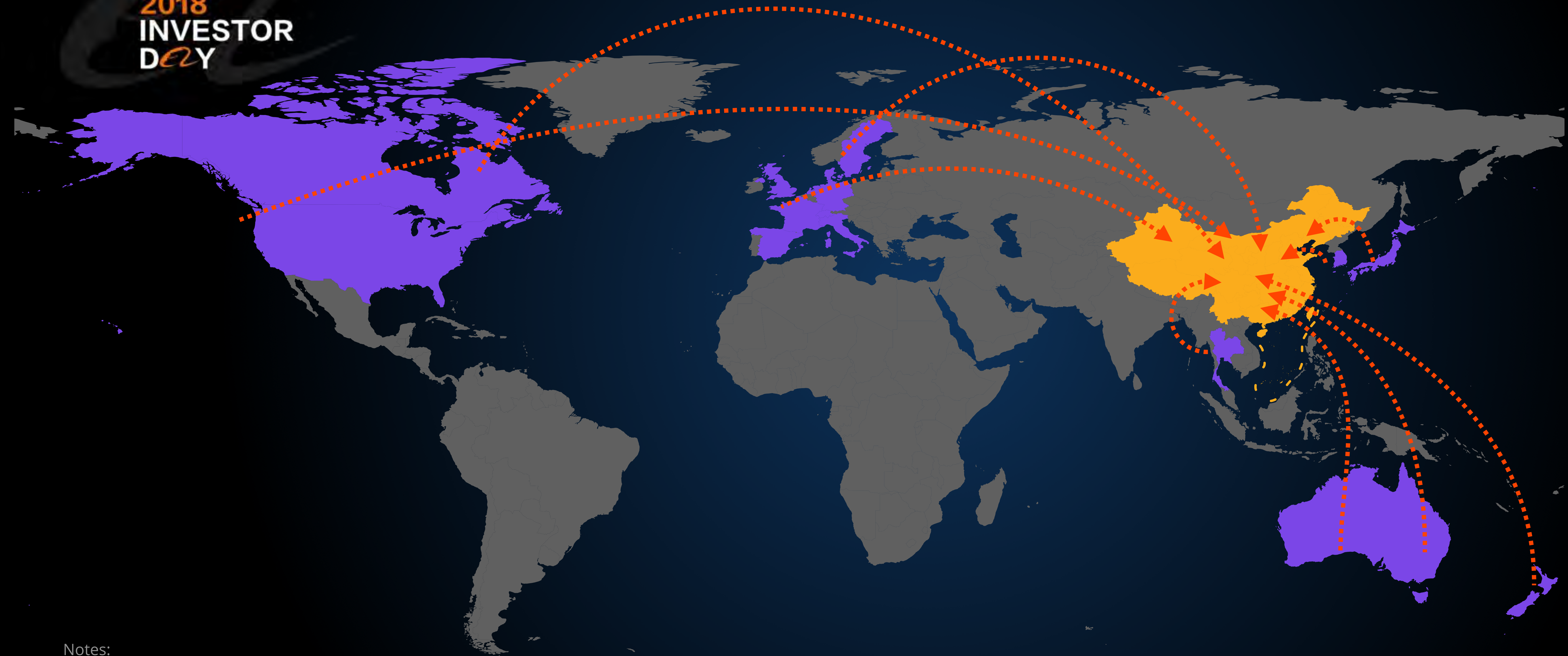
Global Buy - World to China

TMALL GLOBAL

Top Countries and Regions of Imported Goods

	Japan					
	USA					
	Australia					
	South Korea					
	Germany					

Global Buy - Global Joint Procurement Platform



Centralized
Joint
Procurement
Platform

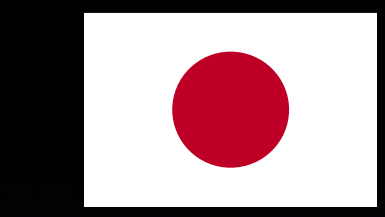
Tmall Global



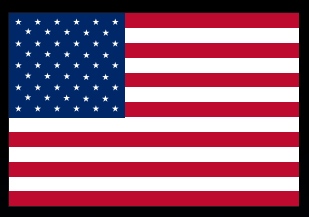
SUN ART
Retail Group Limited

零售通
LST.1688.com

Top Countries and Regions of Imported Goods



Japan



USA



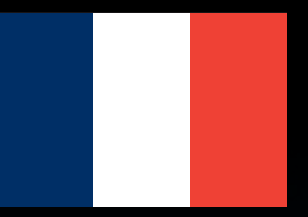
Australia



South Korea



Germany



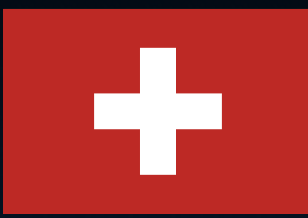
FRANCE



Italy



Sweden



Switzerland



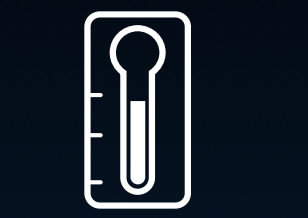
SPAIN



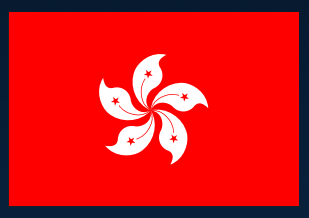
Canada



Thailand



UK



Hong Kong SAR



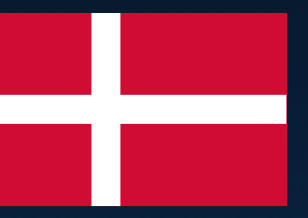
Netherlands



New Zealand



Austria



Denmark



Notes:

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● eHub ● 72-hour Logistics Network

Global Delivery - Making it Possible

Current Cross-border E-commerce Parcels Highly Fragmented



Building a More Efficient Cross-border Logistics Network

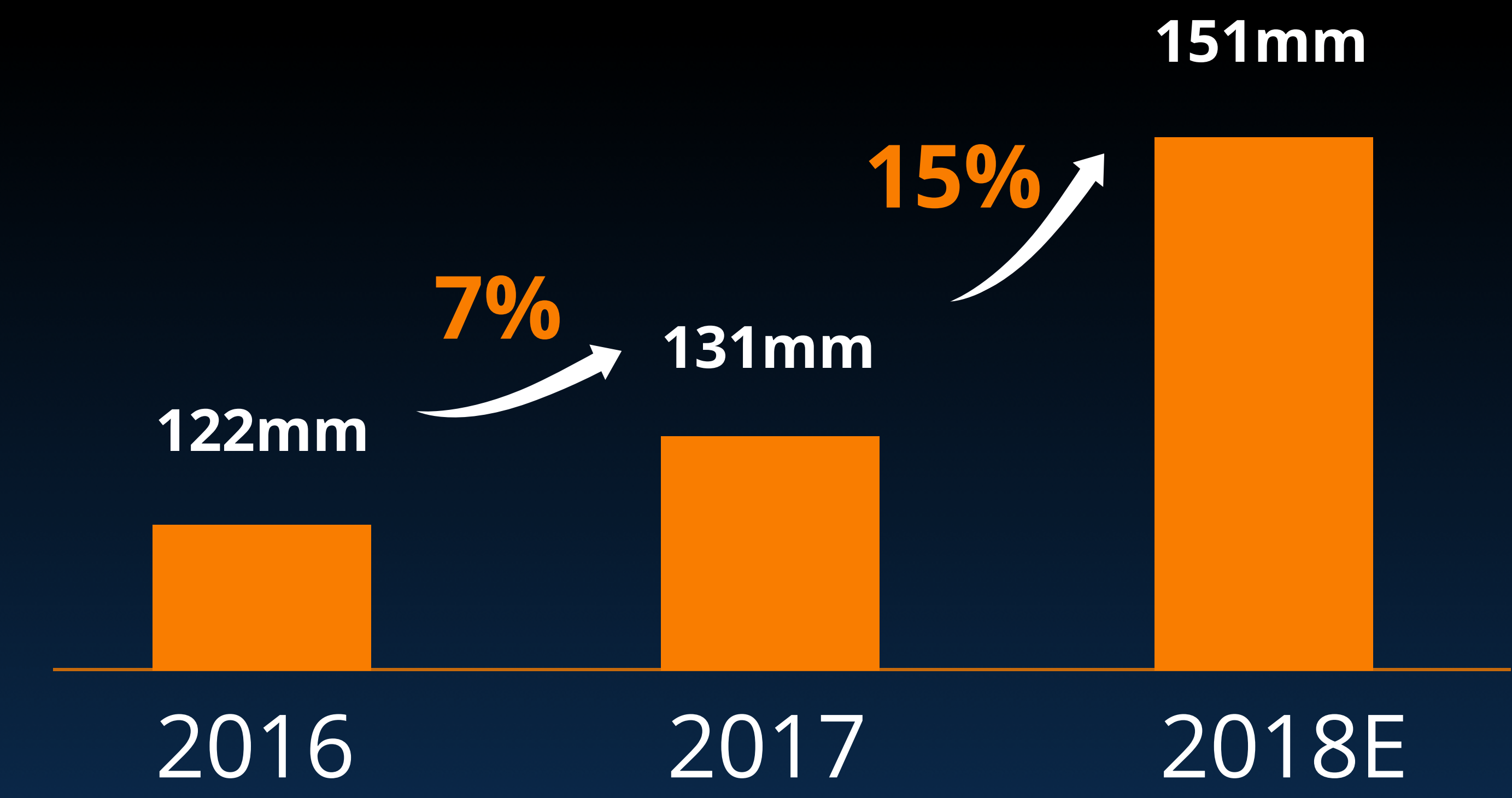




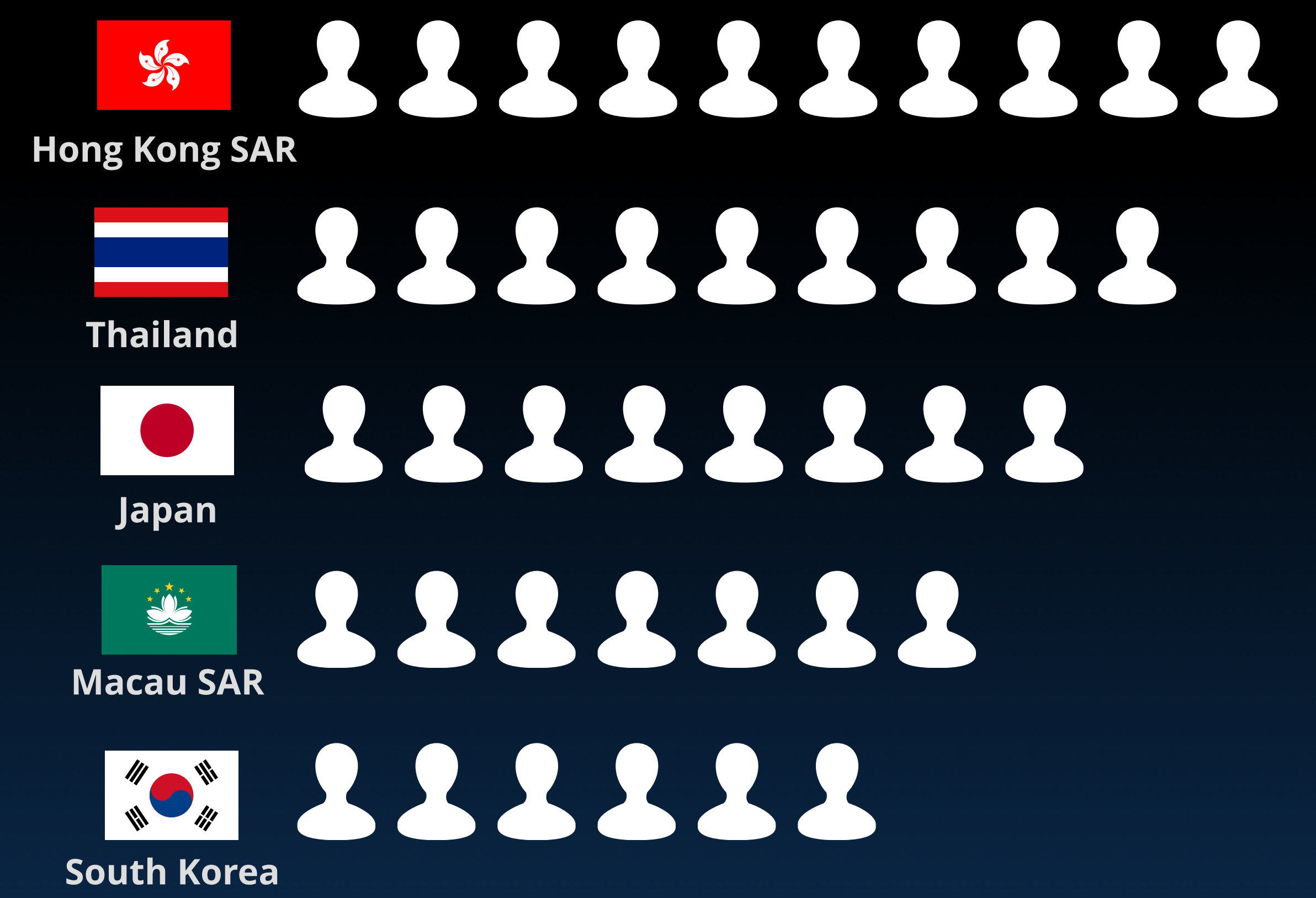
Note:
Source: China Travel Research Institute,
March 2018

Global Fun - Experience the World

Total Overseas Visits by Chinese Travelers
Continue to Grow



Top Destinations



Globalization - Integral Part of the Alibaba Economy



Notes:

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FY2018

FY2020

Our Near-term Goal



GMV

USD768 BN⁽¹⁾



USD1 TN

Note:

1. GMV on our China retail marketplaces,
translation of RMB into US\$ was made at
RMB6.2726 to US\$1.00.

Our Long-term Vision

Alibaba Digital Economy



Consumers

FY2018

642MN⁽¹⁾



FY2036

2 BN



Merchants

10MN
SMEs



10MN Profitable
SMEs



Job Creation

36MN⁽²⁾



100MN

Notes:

1. Includes 552 million annual active consumers in China and 90 million annual active consumers on AliExpress and Lazada as of March 31, 2018.

2. According to a recent report by the Renmin University of China, Alibaba created 36 million jobs in 2017 via its retail ecosystem, including 14 million jobs for online retailers and 22 million jobs for upstream and downstream sectors such as R&D, design, manufacturing and logistics.



THANK YOU
