

“Tmall Hong Kong” Launches Merchant Recruitment

New local B2C e-commerce service to provide all-round support to merchants and bring Hong Kong consumers a tailored shopping experience

Hong Kong, January 20, 2021 – Alibaba Group Holding Limited (NYSE: BABA and HKEX: 9988, “Alibaba,” “Alibaba Group” or “the Group”) has announced today the plan to launch “Tmall Hong Kong” (Tmall Hong Kong). A new local Business-to-consumer (B2C) platform, Tmall Hong Kong is fully committed to supporting merchants and brands to better serve local consumers through e-commerce. Tmall Hong Kong is expected to be available in the coming months. Leveraging on the robust e-commerce experience provided by Taobao Hong Kong, Tmall Hong Kong aims to help merchants swiftly and efficiently set up stores and provide customer and logistics services directly to consumers in the market.

Taobao Hong Kong, which has been mainly adopting a consumer-to-consumer (C2C) model, will continue to serve Hong Kong consumers with products from small- and medium-sized merchants from mainland. Tmall Hong Kong will be presenting a series of local and foreign brands that have been gaining prominence in the city, fully enhancing the product offerings to local consumers.

Tmall Hong Kong will be available through the Taobao mobile APP. In the very near future, when consumers open the Taobao mobile APP and select the Hong Kong region, they will not only see the current interface of Taobao Hong Kong, but can also switch it to Tmall Hong Kong and browse the wide range of products available and enter brands’ Tmall Hong Kong stores to shop.

“Shopping malls and offline shopping services are well-developed in Hong Kong,” said **CK Chan, Head of Hong Kong and Macau, Tmall Taobao World**. “However, there is huge untapped potential for e-commerce. Based on the vast client base accumulated in past years, Taobao Hong Kong can create synergy and complement Tmall Hong Kong, especially in bringing customer traffic to support brands and merchants on the new platform. We will also join hands with them to constantly improve the service, enrich the product selections and enhance the shopping experience of Hong Kong consumers.”

Merchants can set up their own online stores with unique branding style on Tmall Hong Kong and provide a full spectrum of services to local consumers, including refund for no reason within seven days of purchase, reliable delivery and authenticity guarantee. Tmall Hong Kong will cooperate with merchants to deliver various interactive content. On Tmall Hong Kong, local consumers can enjoy free shipping upon certain amount of consumption in a single store.

Tmall Hong Kong is now open to local and foreign brands and businesses of all sizes to set up the stores. Target industries cover different categories from cosmetics to fashion and home appliances. Tmall Hong Kong will support brand merchants to grow their presences on the platform from five aspects, including user base, cost, logistics, technology and marketing:

- 1. Strong user base:** Leveraging on the long-standing history of Taobao in Hong Kong as well as its strong user base, it helps via driving traffic to Tmall Hong Kong.
- 2. Flexible cost structure:** On the one hand, platform commissions are more competitive with a flexible structure available; on the other hand, logistics costs can be adjusted by merchants through

using different packaging and logistics methods, allowing merchants to decide the logistics arrangements based on their own promotion strategies or needs.

3. **Diversified logistics offerings:** Merchants can choose from the following logistics arrangements as needed for cost control.
 - a. The merchant to send goods to the local logistics partners' warehouse, and then local logistics partners to deliver them to customers from the warehouse.
 - b. Local logistics partners to arrange pick-up of goods directly from merchants and deliver them directly to consumers.
4. **Precise market insights:** Platform-based market and consumer insights can help merchants and brands understand the potential consumers as well as their needs, and hence, improve their sales performance.
5. **Effective marketing activities:** Tmall Hong Kong will partner with merchants to organize effective consumer-facing marketing activities, such as the 11.11 Global Shopping Festival, brand store opening, product launch and a full range of campaigns to build a close connection with local communities and shopping seasons.

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About Taobao Marketplace

Launched in 2003, Taobao Marketplace (www.taobao.com) is a shopping destination with a large and growing social community. It provides consumers from both large cities and less developed areas with an engaging, personalized shopping experience, optimized by big-data analytics and technology. Through highly relevant and engaging content and real-time updates from merchants, consumers can learn about products and new trends. They can also interact with each other and their favorite merchants and key opinion leaders. Merchants on Taobao Marketplace are primarily individuals and small businesses. Taobao Marketplace is a business of Alibaba Group.

About Tmall

Launched in 2008, Tmall (www.tmall.com) is a third-party online and mobile commerce platform for brands and retailers that caters to consumers' ever-growing demand for high-quality products and premium shopping experiences. It serves as a platform for consumers in China and overseas to buy both homegrown and international branded products as well as products not available in traditional retail outlets. A large number of international and Chinese brands and retailers have established storefronts on Tmall. Tmall is a business of Alibaba Group.

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