Fast Growing Global User Base

~900 million  In China
Alipay AAU¹

~1.2 billion  Globally
Alipay & Local Wallets AAU²

Notes:
¹ Annual active users of Alipay in China, as of June 30, 2019
² Global AAU include annual active users of Alipay in China, and overseas annual active payment users served by Ant Financial and its strategic local wallet partners during the twelve months ended June 30, 2019.
Global Leader in Digital Finance
Serving Both Consumers and SMBs

- Wealth Management
- Micro Financing
- Insurance
- Credit Service

Digital Finance

# of Consumers
740 million

# of SMBs
28 million

Notes:
1. Users who have used at least one category of digital finance services during the last twelve months ended June 30, 2019.
Product Innovation Fuels Strong Consumer Adoption

- Payment
- Wealth Management
- Micro Financing
- Insurance
- Credit Service

8 in 10 using 3+ categories of services
2018: 7 in 10
2019: 8 in 10

2 out of 10 using all 5 categories of services
2018: 3 in 10
2019: 4 in 10

Notes:
1. Figures presented at Investor Day 2018
2. Services penetration out of transacting users, figures as of June 30, 2019
Increasing User Relationship Balance Driven by Trust

Time with platform
~2x ~4x ~6x ~9x >10x
Entry year 1 Year 2 Years 3 Years 4 Years 5 Years

Relationship Balance

Notes:
1 Relationship balance is defined as the sum of the average balance of Yu'E Bao, Huabei, Jiebei, and annualized insurance premium during January to June 2019.
Opportunities in Merchant Services Unlocked by Our Technology

Payment “CHECK-OUT”

“CHECK-IN” for Digital Engagement

Marketing & Operation

IoT + SaaS

CRM

Supply Chain Management

Financing Solutions

SaaS Ecosystem Developers

Opportunities in Merchant Services Unlocked by Our Technology
Case Study: Re-defining Smart Vending Industry

- Facial Recognition + Credit Service
  - Unlock to shop

- Visual Computing

- Auto-Debit + Credit Pay

- Omni-channel Access
  - Alipay Mini-Program + Offline

\[
\begin{align*}
\text{Equipment Cost} & \quad \times \quad \text{Total SKU} \\
\text{High Margin SKU} & \quad + \\
\text{Data-driven SKU Optimization} & \quad = \\
\text{Unit Economics} & \quad \times \\
\text{& Point of Sales} & \quad \times 
\end{align*}
\]
Globalization of Ant Financial

- Enable Consumers to Buy Globally
- Enable Merchants to Sell Globally
- Enable Users to Transfer Globally
Globalization: A Differentiated Digital Global Platform

- Inclusive
- Fully Digitalized
- Open Platform
- Techfin Enabler

56 Markets Offline Merchant Acceptance
10 Markets Local e-Wallet
Globalization: One-stop Access to the World - Initial Progress

Consumers can now enjoy
- Offline payment in 56 markets
- Online shopping around the world

Consumers can now enjoy
- Online shopping and offline payment in the Mainland China
- Online shopping in Hong Kong, China
- Offline payment in Japan
- Cross-border transfer to the Philippines

Offline Merchants can now accept
- in Japan

Online Merchants can now accept
- in Mainland China
- in Hong Kong, China
- in Japan
- in the Philippines
- in the Philippines
- in Mainland China
- in Hong Kong, China
- in Japan
- in the Philippines
Globalization Strategy: Fully Aligned with Alibaba Digital Economy

- Inclusive Cross-border e-Trade
- Global Logistics Platform
- Global Digital Payment & Finance Platform
- Global e-Trade Policy
- Global Export
- Local Marketplace (e.g., Lazada, Daraz)
- Global Travel
- Global Import
Travel Case Study: Significant Value-Add to Consumers & Merchants Far Beyond Payment

**Pre-trip**
- Flight & Hotel
- Advance coupon
to consumers
- Targeted marketing
to merchants

**In-trip**
- Flight & Hotel
- Advance coupon
to consumers
- City discovery
- Car hailing
- Tax refund
- Repurchase coupon
to consumers
- Continuous customer reach
to merchants

**Post-trip**
- Flight & Hotel
- Advance coupon
to consumers
- Targeted marketing
to merchants
- Repurchase coupon
to consumers
- Continuous customer reach
to merchants
- Online cross-border purchasing

**Transparent and Favorable FX Rates**
Technology: Proprietary & Proven Technology for All

Empowering Our Businesses

Opening Up Our Technology

PaymentTECH
- AlphaRisk
- 3 mins to apply
- 1 sec to get approved
- 0 manual operation

CreditTECH
- 2 mins to file
- 1 sec to get approved
- 2 hours to process reimbursement

InsurTECH
- 5 secs to generate marketing reports
- 2 secs to identify key issues
- 1 sec to receive optimization recommendation

AMTECH
- 15 secs to apply
- 3 secs to get approved
- 2 mins to file
- 0 manual operation

Developing New Business

BASIC
- Blockchain
- AI
- Security
- IoT
- Computing
Blockchain: Ledger of Digital Economy

Network of Value Enabled by Technology

Companies
Government
ISVs
Financial Institutions
Individuals

A/R
Invoice
Contract
Certificate
Warehouse Receipt
Ant Blockchain Differentiation

- Global Leading Technology Capabilities
- Widest Commercial Applications
- Open Ecosystem to All
Global Leading Blockchain Platform

Blockchain Patent

#1 Globally for Three Consecutive Years¹

Differentiated Capabilities

- Efficient Smart Contract Engine
- Strong Privacy Protection
- Scalable Network of Consensus
- Multi-chain Interoperability

Leader in Commercial Application

>40 million Daily Upload Items²

Notes:

1. Clarivate Analytics, IPRdaily
2. Figure as of September 20, 2019
Case Study: Medical Invoices

Medical Invoice Issuance and Circulation on Ant Financial

Patients → Medical Bill Payment → Hospital & Local Finance Bureau → Invoice Issuance → Alipay → Invoice Managing & Claim Filing → Insurance Companies

Security: On-chain Encryption, Privacy Protection

Transparency: Off-line to Real-time Access to Invoices

Trusted Circulation: ~Rmb 100 to ~Rmb 1 Claim Processing Cost

Efficiency: Days to Minutes Reimbursement Time

Entire Claim & Reimbursement Process on Alipay

Medical Invoice Issuance and Circulation on Ant Blockchain
Blockchain-as-a-Service (BaaS) Platform - Open Ecosystem

- Financial Services
- Transaction Services
- Municipal Services
- Financial Institutions
- Corporations
- Government Bureaus
- Small Businesses
- ISVs

- High Compatibility
- Financial-grade Infrastructure
- Gateway to Ant Financial Ecosystem

In-house Developed BaaS Platform - MyChain
Our Principles

- Continuous Innovation
- Technology Focused
- Open Platform
Continuous Innovation: Lead Every Single Milestone in the History of Inclusive Finance in China

- **2003**: Online Escrow Payment
- **2009**: First Mobile Payment APP
- **2010**: Direct Debit Payment
- **2010**: AI-driven Unsecured SMB Loan
- **2011**: First QR-code Payment
- **2013**: YUE Bao
- **2014**: XIANGHUBAO
- **2015**: First Blockchain-based Cross-Border e-Wallet Remittance
- **2017**: Facial Pay
- **2018**: First Blockchain-based Cross-Border e-Wallet Remittance
Open Platform: Extensive Partnership with Financial Institutions

Wealth Management
-蚂蚁财富
- YUE Bao
- 第三方

Micro Financing
- 好享贷
- 某某

Insurance
- 蚂蚁保险
- 好医保
- XIANGHUBAO

Win-win Partnership
- ~120 Asset Management Institution Partners
- ~100 Banking Partners
- ~100 Insurance Partners

Healthier Ecosystem

Sustainable Inclusive Finance
Our Mission

TO MAKE IT EASY TO DO BUSINESS ANYWHERE
THANK YOU
THANK YOU
THANK YOU
THANK YOU