2020 INVESTOR DAY

Digital Transformation to New Wholesale

Trudy Dai, President of B2B Business, Alibaba Group
[VIDEO]
The Future: Digitalization

Market Leader with Huge Potential

'Make-it-easy' Value Proposition

The Future: Digitalization
Wholesale Addressable Market
批发贸易市场

**Domestic**

**RMB9.5 Tn**
Aggregate GMV of Large Wholesale Marketplaces (GMV > RMB100Mn) in China

**21Mn+**
Enterprises

**Export**

**US$2.5 Tn**
Total Chinese Exports

**1Mn+**
China Export Enterprises

Notes:
4. Number of registered export enterprises applying for customs clearance from China Custom as of June 30, 2017.
Wholesale Marketplace Leader

1688.com

920K
Paying Members
(2)

41Mn
Active Buyers
(3)

Alibaba.com

190K
Paying Members
(2)

26Mn
Active Buyers
(3)

Notes:
1. Analysys, 'Industrial Internet and its Development' (2019).
Alibaba Wholesale Marketplaces at A Glance

**Notes:**
2. Active small and medium business buyer number including both 1688.com & alibaba.com in the twelve months ended June 30, 2020.
Mobile Wholesale
贸易无线化

1688.com

6.7Mn (1)
App DAU

76% (2)
App buyers percentage

Notes:
2. Average app buyers as a percentage of total buyers for the month ended June 30, 2020.

1.6Mn (1)
App DAU

73% (2)
App buyers percentage
The Future: Digitalization

Market Leader with Huge Potential

'Make-it-easy' Value Proposition

The Future: Digitalization
Our Value Proposition

- Comprehensive Supply
- Assured Transaction
- Wide Coverage Payment
- One-stop Fulfillment
Comprehensive Supply

1Mn+ Online Stores
(1688.com + alibaba.com)

550Mn+ Product Listings
(1688.com + alibaba.com)

Notes:
1. Number of online stores as of June 30, 2020.
Comprehensive Supply

Lighting up Poor Neighborhoods in Africa
Comprehensive Supply

Connect Excellent Supply with Global Demand
Assured Transaction: Profile Verification

有保障的交易：认证服务

- Verification Video
- Virtual Factory Tour
- Main Products
- Verified Supplier
- Qualification Certificate
- R&D Capacity
- Quality Control
- 360 Inspection Service

SMB Sellers

- TÜV Rheinland
- SGS

SMB Buyers

- Buyer Verification
- Credit Profile
- Buyer Information and Behavior
- Financial Organization
- Third-party Organization
Assured Transaction: Trade Assurance

有保障的交易: 信用保障

7.6Mn
Trade Assurance Orders
信保订单规模

107%
Trade Assurance Orders YoY Growth
信保订单增速

Notes:
1. Number of Trade Assurance Orders in the twelve months ended June 30, 2020.
2. Number of Trade Assurance Orders YoY growth for the twelve months ended June 30, 2020.
Assured Transaction: Intellectual Property Protection

Notes:
1. Number of infringing items identified and processed from paying members in alibaba.com, FY2020.
Wide Coverage Payment

Global Payment Network
全球支付网络

26 Currencies

Competitive Cost & Efficiency
成本时效最优

Free large-sum T/T | T+1 Settlement

One-click Forex Conversion with Full Visibility and Traceability

One-click & Full Visibility
一键全程可视

C$ £ € A$
One-stop Fulfillment

Smart Customs Clearance
智能报关服务

Global Logistics Network
全球物流网络

Export Finance & Tax Service
出口贸易财税服务

Door-to-door Export Service

As fast as 5-day delivery
As fast as 12-day delivery
Continuing Enhancement of Marketplace

平台能力持续升级

Renewal Rate of Paying Members

| SMB Sellers | 69% (1688.com) | 76% (alibaba.com) |

CAGR of Active Buyers

| SMB Buyers | 22% (1688.com) | 29% (alibaba.com) |

Notes:
1. Subscription renewal rate for the twelve months ended March 31, 2020.
2. Number of annual active buyers, CAGR from FY2016 to FY2020.
01 Market Leader with Huge Potential
市场第一 潜力巨大

02 'Make-it-easy' Value Proposition
“让生意更简单”的价值主张

03 The Future: Digitalization
数字化是未来
New Wholesale Upgraded by Digitalization

New Interactive Scenarios
Value-added Services
New Buyer Growth
Global Buy, Global Sell
Acceleration of Digitalization During COVID-19

New Paying Members YoY Growth

- SMB Sellers
  - 41% (1688.com)
  - 46% (alibaba.com)

- SMB Buyers
  - 51% (1688.com)
  - 100% (alibaba.com)

Daily Average Buyers YoY Growth

- 41%
- 46%
- 51%
- 100%

Notes:
1. Number of new paying members YoY growth for the month ended June 30, 2020.
2. Number of average buyers per day YoY growth for the month ended June 30, 2020.
Online Trade Show

Global Live Streaming

Machine Translation

Remote 3D Factory Tours

New Interactive Scenarios

场景升级
Value-added Services

Intelligent Marketing

Omni-channel Data Visualization

Financial Services for Different Business Scenarios

Digital Value-added Services
New Buyer Growth

Content Social
人群定向

Video & Social

Buyer Profiling

Machinery
Packaging & Printing
Home & Garden

Online Retailers
Brand Owners
Manufacturers

Digital Innovation in Buyer Reach and Experience
Global Buy, Global Sell

Richer Supply, More Buyers, Better Matching

Note:
1. Number of paying members, YoY growth as of June 30, 2020.
Alibaba’s Digital Wholesale Future
面向未来的阿里数字贸易

Note:
1. Not a consolidated business of Alibaba Group.
Vietnam Fruit Drink's Global Market Dream
越南果饮逐梦全球
To Make It Easy To Do Business Anywhere

让天下没有难做的生意