Lazada - Building the Future of Digital Commerce in Southeast Asia

LI Chun, CEO of Lazada Group
01 Strong Fundamentals Drive High Quality Growth
坚实的基础驱动高质量增长

02 Unrivalled Advantage from Digital Commerce Infrastructure
电商基础设施创造无可比拟的优势

03 Alibaba Digital Economy Enables Lazada’s Progress
阿里巴巴数字经济体推动 Lazada 发展
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Southeast Asia | Early Days in Fast Growing Market

- **Large & Diverse Population**: 650 Mn+ People Speaking 1,000+ Languages & Dialects
- **Low Penetration of Digital Economy**: < 5% Size of Internet Economy as a Share of GDP in 2019
- **Increasing Spending Power**: 100%+ Growth of Middle Class Population by 2030
- **Huge Potential of eCommerce**: 4x+ Growth in GMV by 2025

**Notes:**
Lazada | Continuing Our Strong Growth Trajectory

**Fast User Growth**

- **100 Mn+** Monthly Active Users\(^{(1)}\)

**Large Customer Base**

- **80 Mn+** Annual Active Consumers\(^{(2)}\)

**Growing Order Volumes**

- **Orders**\(^{(3)}\)

Notes:

1. For the month ended June 30, 2020.
2. For the last twelve months ("LTM") ended July 31, 2020.
3. For the quarters ended June 30.

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Growing Order Volumes

- Jun Qtr 2018: 100%
- Jun Qtr 2019: 100%
- Jun Qtr 2020: 100%
Lazada | Advancing Our Position in All 6 Markets

Lazada | 提升六国市场地位

Indonesia

Largest Market in Southeast Asia
145%+ Orders Growth YoY(1)

Driving Adoption of Digital Payments
35%+ Buyers that Used Lazada Wallet(2)

Malaysia

Deepening Lifestyle Integration
1 in 2 Singaporeans use Lazada(3)

Emerging Digital Commerce Market
150%+ Growth in Online Sellers(5)

Singapore

Growing Demand for Branded Goods
230%+ LazMall Marketplace GMV Growth YoY(1)

Thailand

Strengthening Position Despite COVID-19
125%+ GMV Growth YoY(1)

Vietnam

Indonesia

LazMall Marketplace GMV Growth YoY(1)

Notes:
1. In Thailand, for the quarter ended June 30, 2020.
2. Percentage of total buyers in Malaysia that used wallet at least once for the quarter ended June 30, 2020.
3. Monthly active users in Singapore as compared to the total population of Singapore, for the month ended June 30, 2020; Department of Statistics Singapore (June 2019).
4. In the Philippines, for the quarter ended June 30, 2020.
5. YoY growth of online sellers in Vietnam with at least one item listed online on Lazada’s platform as of June 30, 2020.
Lazada | Strong Fundamentals Driving Sustainable Growth

Lazada | 坚实的基础驱动可持续增长

Notes:
1. YoY growth of user’s daily average time spend per device for the month ended June 30, 2020.
2. YoY growth of number of transaction orders per buyer for the month ended June 30, 2020.
3. YoY growth of sellers selling more than US$5K per month, for the month ended June 30, 2020.
4. YoY growth of marketing spend return on investment defined as GMV per US dollar marketing spend for the quarter ended June 30, 2020.
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Lazada | Most Comprehensive Digital Commerce Ecosystem

Local Marketplace | LazMall | Crossborder | Retail - 1P

Technology - Accelerating High Quality Growth
Logistics - Region’s Largest Digital B2C Commerce
Payment & Digital Finance Solutions

Note: Business unit split by GMV contribution for the LTM ended June 30, 2020.
Technology | Building the Infrastructure for the Future

技术 | 打造面向未来的基础设施

2018
State-of-the-Art Technology for eCommerce

Robust Foundation for Marketing Optimisation

2019
Integrated Supply Chain Management

2020
Better Search & Recommendations, Marketing Solutions

Logistics Platform for Route Optimisation & Superior Experience
Technology | Smart Algorithms Enhancing User Experience

Social Engagement

Growth in Users of Social Tools\(^{(1)}\)

7x+

Search & Recommendations

Growth in Products Viewed\(^{(2)}\)

100%+

Superior Product & User Matching

Growth in Conversion Rate\(^{(3)}\)

20%+

Notes:

1. Growth in users of social tools (e.g., LazLive, LazGame, LazCoins, Feed) for the month ended June 30, 2020 as compared to the month ended January 31, 2020.
Technology | Merchants Grow Faster & Smarter with Lazada

技术 | Lazada智能系统助力商家更快成长

Operating Data Dashboard
Business Advisor Enterprise

Powerful Seller Growth Tools
Store Builder, Promotional Tools, Digital Media & Advertising

Technology Driving Business Impact

25%+

Faster Growth for Sellers Adopting Core Seller Tools

Notes:
1. Consists of Seller Picks, Instant Messaging, Lorikeet PDP Decoration, Store Builder and promotional tools to drive sales and engagement.
2. For sellers with more than US$5K per month GMV for the month ended June 30, 2019, Yoy growth of June 2020 GMV of sellers among this group who adopted seller tools as of January 31, 2020 compared to all sellers in this group.
**Logistics | Largest Integrated Network for Digital Commerce**

**First Mile & Warehousing**

- Extensive Lazada Network for Better Freight Control
- 300,000 m² Fulfilment Centre Footprint\(^{(1)}\)
- Direct Relationship with Sellers
- 85% Parcels Sorted by Lazada in Own Facilities\(^{(2)}\)

**Network Intelligence Enabling Multi-City Market Access**

- Smarter Rate Cards, Faster Delivery, Superior Economics

**Last Mile**

- Data-Driven Allocation Driving Cost Down

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**Notes:**

2. First-mile parcels processed by Lazada in the month ended June 30, 2020.
3. Transport cost, for the quarters ended June 30.
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Alibaba Digital Economy | Enabling Lazada’s Progress

阿尔巴巴数字经济 | 赋能Lazada发展

- Unique Supply Chain Integration
  - TMALL天猫
  - Cainiao菜鸟
  - Quality International Brands, Integrated Cross-border Logistics

- Payment and Financial Services
  - ANT GROUP
  - Driving Digital Payments in All Lazada’s Markets, Powered by Ant Group

- Technology & Cloud Computing
  - Enterprise Infrastructure and Solutions Served by Alibaba Cloud

Note: 1. Not a consolidated business of Alibaba Group.
Winning the Southeast Asia Market

Continued Pursuit of High Quality, Sustainable Growth

Leveraging Resources of the Alibaba Digital Economy

Building & Strengthening our Data Technology & Logistics Capabilities

Commitment to Innovate & Invest in Our People For the Long Term
2020 INVESTOR DAY

To Make It Easy To Do Business Anywhere

让天下没有难做的生意