2020 INVESTOR DAY

Alibaba Group Import Strategy

Alvin LIU, President of Tmall Import & Export
China's Largest B2C Import Ecosystem

Note:
01 Import Market Overview
中国进口市场潜力

02 Leading Position of Alibaba Import
阿里巴巴进口领先地位

03 Strategy of Alibaba Import
阿里巴巴进口战略
China’s Underpenetrated and Fast Growing Online Import Market

2019 China Consumer Goods Import

- Cross-border Online Import: 6%
- Consumer Goods Retail: 14%
- Consumer Goods Import: 59%

RMB1.5 Trillion

Notes:
1. Source: China Customs.
Accelerating Online Consumption of Imported Goods

Overseas Spending Kept Onshore

Outbound Tourists Spending

-61% YOY

Cross-border e-Commerce Import

+29% YOY

Notes:
2. Source: China Customs.

Import Incentives

Strong Import Supported by National Policy Incentives
## Pandemic-induced New Consumption Trends

### Change in Environment

<table>
<thead>
<tr>
<th>New Demand</th>
<th>Stronger Demand</th>
<th>Essential Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protection</td>
<td>Home Life</td>
<td>Wellness</td>
</tr>
<tr>
<td>Liquid Soap</td>
<td>Coffee Maker</td>
<td>Probiotics</td>
</tr>
<tr>
<td>Mouthwash</td>
<td>Beauty Equipment</td>
<td>Multivitamins</td>
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<tr>
<td>Water Purifier</td>
<td>Diffuser</td>
<td>Bird’s Nest</td>
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### Post-pandemic New Normal

<table>
<thead>
<tr>
<th>Healthier Lifestyle</th>
<th>More Time at Home</th>
<th>A Healthier Lifestyle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthy living</td>
<td>Increased home time</td>
<td>Health awareness</td>
</tr>
<tr>
<td>Multivitamin</td>
<td></td>
<td></td>
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<td>Bird’s Nest</td>
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### Consumption Trends

<table>
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<tr>
<th>Environment Change</th>
<th>Consumption Trends</th>
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<tbody>
<tr>
<td>New Normal</td>
<td>Improved living</td>
</tr>
<tr>
<td>Health</td>
<td>Safety</td>
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<th>Products</th>
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<td>Coffee Maker</td>
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<td>Enhanced needs</td>
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<td>Water Purifier</td>
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<td>Increased demands</td>
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1. **Change in Environment**
   - New Normal
   - Home Life
   - Protection
   - Domestic Consumption

2. **Consumption Trends**
   - New Demand
   - Stronger Demand
   - Essential Demand

3. **Products**
   - Coffee Maker
   - Beauty Equipment
   - Diffuser
   - Probiotics
   - Multivitamins
   - Bird’s Nest
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阿里巴巴进口战略
China’s Largest B2C Import Platform

Notes:

Leading Position

China Cross-border B2C Market (1)
Apr-Jun 2020

Alibaba Import (2)

~30,000
Brands (3)

6,000+
Categories (4)

89
Countries & Regions (5)

Notes:
Strong Growth of Alibaba Import

Growth in GMV (Tmall Global)
天猫国际支付GMV增长

>40% YoY

Notes:
3. Annual active consumers of Tmall Global and Kaola Global as a percentage of annual active consumers for China retail marketplaces for the last twelve months ended June 30, 2020.
Empowering Brands for Rapid Growth

Newly Joined Brands
2,300+ (1)
Growth in Number of New Brands
新品牌入驻数量

Incubated Brands
64% YOY (2)
Numbers of New Merchants with Monthly Sales over RMB100 K
成功孵化新商家

100Mn Club
150+ (3)
Brands with Annual Sales over RMB100 Mn
亿元品牌俱乐部

Notes:
1. Number of new brands onboarded on Tmall Global and Kaola Global for the last six months ended June 30, 2020.
2. YoY growth of the number of new merchants incubated with monthly sales over RMB100 K for the last six months ended June 30, 2020.
3. Number of Tmall Global and Kaola Global brands with sales of more than RMB100 Mn for the last twelve months ended June 30, 2020.
Ali * Alibaba’s Import Infrastructure

Compelling Infrastructure

Direct Procurement Centers on 6 Continents

Overseas Warehouses in 5 Regions

1.7 Mln Sqm Bonded Warehouses

1,300+ Line-haul Import Freight Routes

Improve Efficiency

Supply Chain

Logistics

Finance

30%+ YOY

Out-of-Stock Rate

10% YOY

Cost Per Order

170+ Merchants

1. As of August 30, 2020
2. Out-of-Stock Rate in terms of top 80% merchandises by sales for the quarter ended June 30, 2020.
3. For the quarter ended June 30, 2020.
4. Accumulative numbers of overseas merchants financed from March 2019 to August 2020 provided by Ant Group.
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Note:
1. Number of China retail marketplace annual active consumers for the last twelve months ended June 30, 2020.
Tmall Global: First Stop for Entering China Market

Import Paths
Bonded Warehouses
General Trade
Overseas Warehouses

Incubation Stage

Matured Stage

TMALL天猫
Tmall Flagship Store

Tmall Global Store
天猫国际店

阿里巴巴新零售
Alibaba Import: Reconnecting The World
因我重连全世界
2020 INVESTOR DAY
To Make It Easy To Do Business Anywhere
让天下没有难做的生意