



Tmall.com Promotes Same-Day Grocery Delivery in China

Launches RMB1 Billion Campaign Exclusively for Beijing Customers

Beijing, China, July 24, 2015 – Tmall.com, China's largest business-to-consumer platform and a unit of Alibaba Group (NYSE: BABA), announced today it has launched a RMB1 billion (\$161 million) online grocery promotional campaign targeted at Beijing users, and teamed up with Cainiao, the logistics affiliate of Alibaba Group, to offer same-day delivery services to Beijing city residents.

Online grocery shopping is a rapidly growing e-commerce segment and a strategic area of interest for Alibaba Group. The convenience of online grocery shopping has already drawn in millions of users. According to Kantar Worldpanel, China's FMCG (fast-moving consumer goods) e-commerce penetration rate was 36 percent in 2014¹, while McKinsey states that 40 percent of Chinese consumers have bought food online.

Tmall Supermarket (chaoshi.tmall.com) will run its promotion three times a day, allowing Beijing-based Internet users a chance to win "red packets" that subsidize their grocery purchases. The promotion will end on July 31st.

Beijing residents who order from Tmall.com's supermarket before 11 a.m. will be eligible for same-day delivery service. In the future, Tmall Supermarket and Cainiao plan to roll out same-day delivery services to Shanghai and other Chinese cities.

Jeff Zhang, President of Alibaba Group's China Retail Marketplaces, said Tmall Supermarket will draw on Alibaba Group's complete e-commerce ecosystem – including Alibaba's advantage in logistics, strength in online payments, big data and cloud computing, to bring consumers the most convenient and secure online shopping experience for quality products.

Tmall Supermarket was established in 2012 and provides a one-stop shopping solution for Chinese users looking to purchase authentic food products, cosmetics, beverages, snacks, imported items, etc. In the past year, Tmall Supermarket's Beijing area GMV soared more than 700 percent with 90 percent of consumers shopping on their mobile phones.

About Tmall.com

Launched in April 2008, Tmall.com (www.tmall.com) is dedicated to providing a premium shopping experience for increasingly sophisticated Chinese consumers in search of top-quality branded merchandise. A large number of international and Chinese brands and retailers have established storefronts on Tmall.com. According to iResearch, Tmall.com was the largest

¹ <http://www.kantarworldpanel.com/global/News/FMCG-online-sales-to-reach-130-billion-by-2025>

brands and retail platform in China in terms of gross merchandise volume in 2013. Tmall.com is a business within Alibaba Group.

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