

JD.COM

Business Partnership



- Largest retailer in China, revenue size larger than the 2nd and 3rd player combined



- Third largest internet company globally after Amazon and Google
- First Chinese internet company on Fortune Global 500 list



2017 November 11 (“Singles Day”) Hits Another Record High



RMB127.1 billion

Transaction Value⁽¹⁾



More than **50%**
YoY Growth



240 million +

Total Orders



~3x

Industry Average
Order Value



85%

Orders Delivered
on the Same Day

Cumulative sales record 1-11 November



20,000 tons

infant milk powder



1.5 billion

infant diapers



55 million

facial masks



85 million

liters of milk



Why China Now



Why Partner with JD.com

01

Why China Now

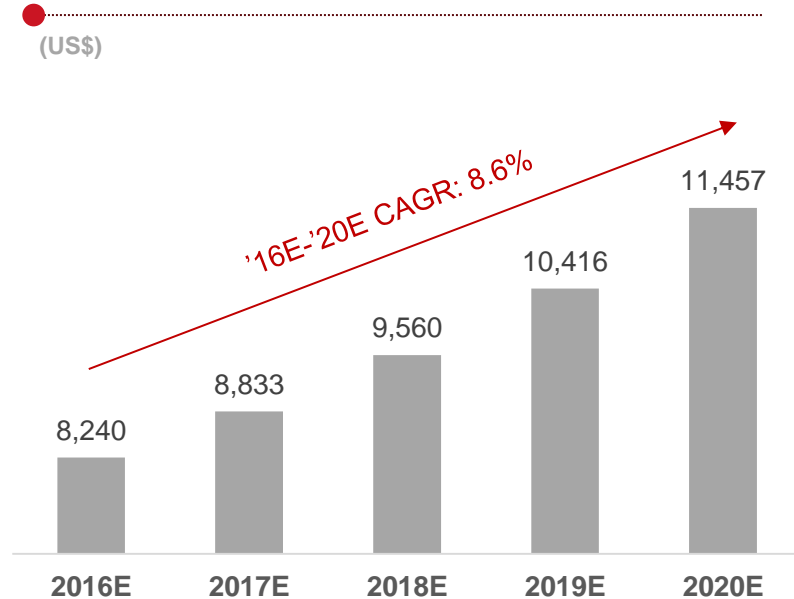


Shift to Authentic, Quality Goods due to increase in Household Income

With rising per capita GDP and household income, Chinese consumers increasingly demand in-season, authentic and high quality products. Authenticity and quality have become the top concerns on consumers' checklist.

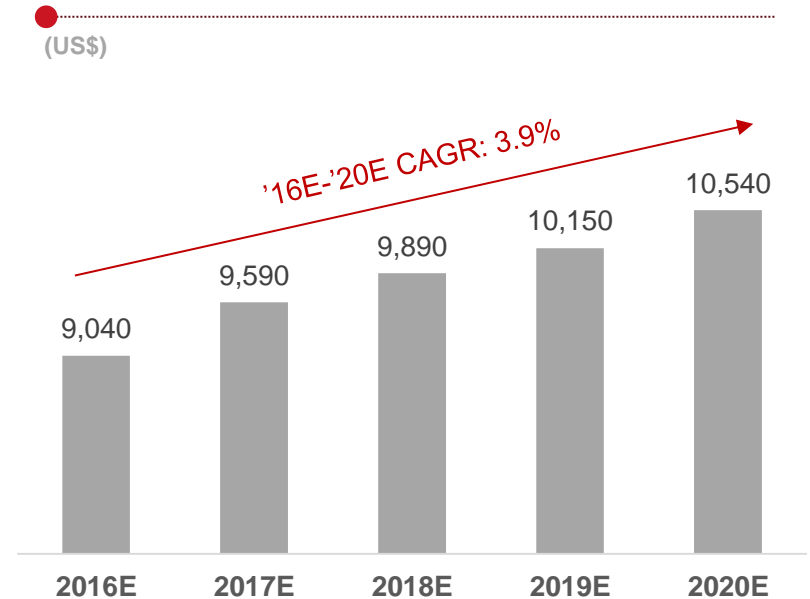
Continued Rising GDP Per Capita in China

(US\$)



Steadily Growing Household Income

(US\$)

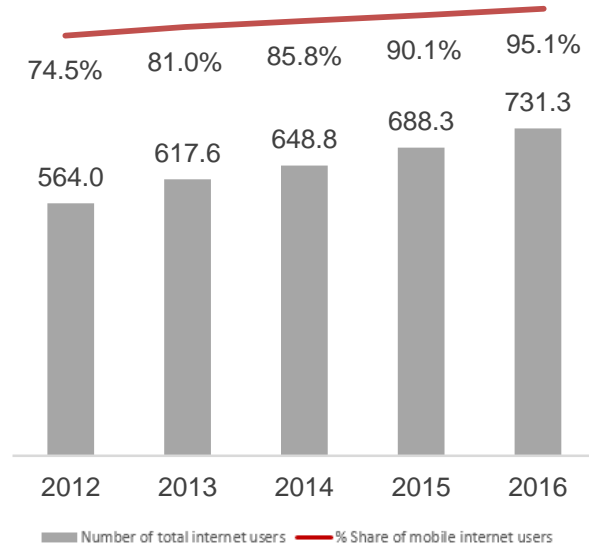


Offline Retail Not on Par with Rapidly Growing Online Retail

With the largest Internet and mobile user base globally, China's youth are increasingly transacting on-the-go via the mobile internet.

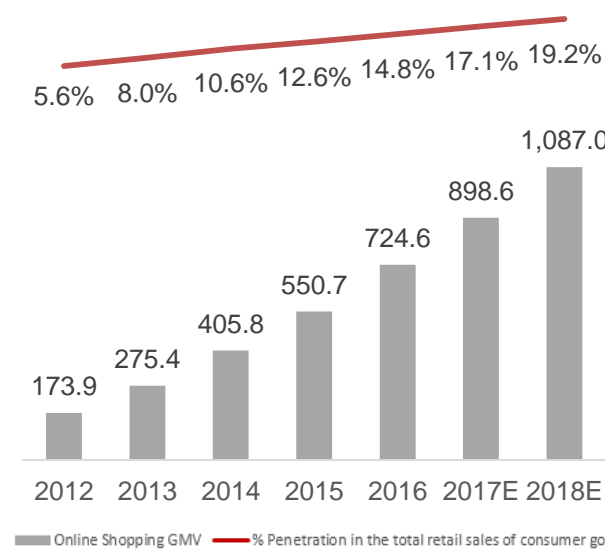
China's Internet and Mobile User Base

(million)

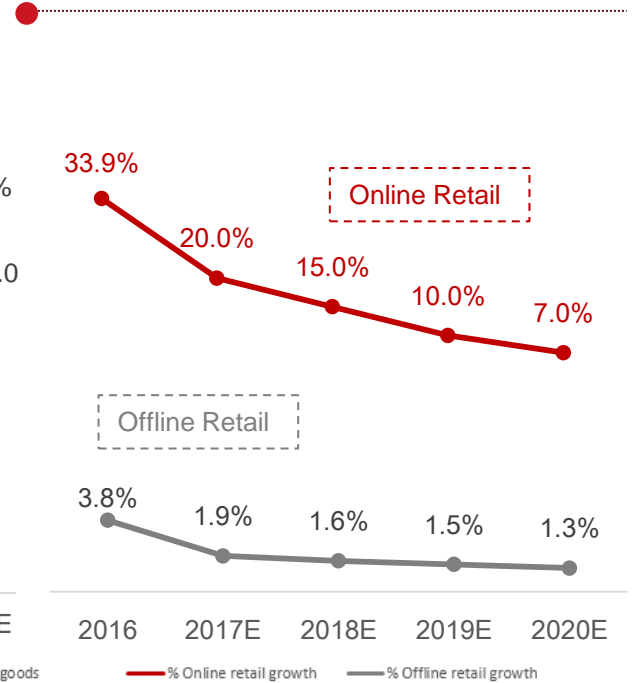


GMV of Online Shopping in China

(US\$ billion)



Forecast Online vs. Offline Sales Growth⁽¹⁾



Source: iResearch, CNNIC, Euromonitor.

Note: (1) Online retail includes online internet and mobile internet, offline retail includes non-store based retailing. USD/CNY: 6.934.

02

Why Partner with JD.com



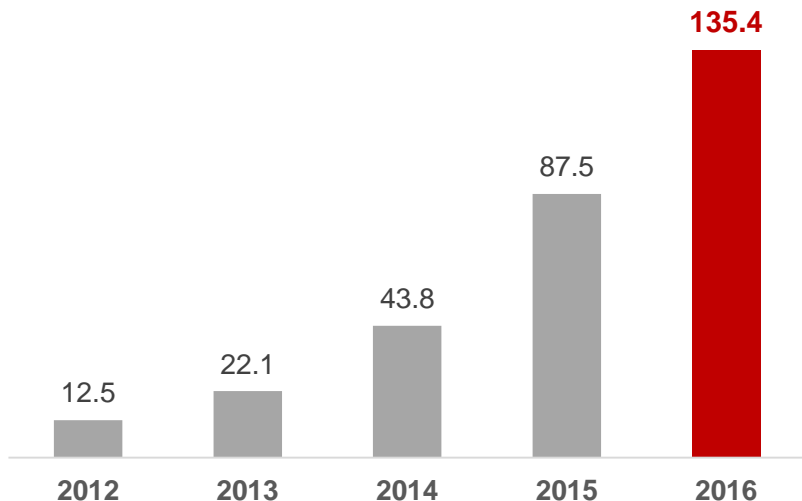
JD.com Is The Largest Retailer in China

JD.com is the largest retailer in China (both online and offline) by revenue. We have grown faster than overall China e-commerce market since our inception. Our focus on customer / user experience supports the growing base of 260 million active paying customers on our platform.

Historical GMV Growth⁽¹⁾

(US\$ billion)

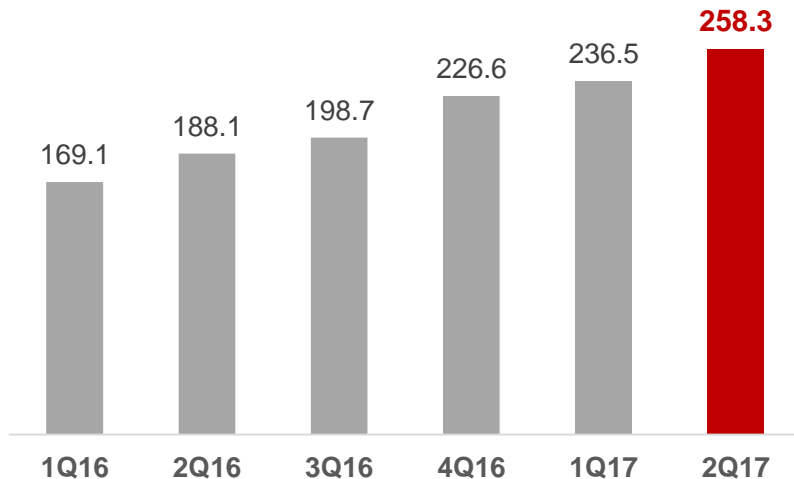
GMV has been growing at **152% CAGR** in **12 years**⁽²⁾



Number of Annual Active Accounts

(million)

2Q17 YoY Growth: 37.3%



Source: Filings, earnings release.

Note: (1) Using competitor's calculation method. (2) When JD.com launched its online retail website in 2004. USD/CNY: 6.80.

JD.com is the Best E-commerce Platform for Brands

One Stop Partner to Access Vast China Consumer Market

Powerful Partnership between Tencent and JD.com

Social: Largest mobile Internet user base

E-commerce: Large high value transactional user base

Tencent 腾讯

Monthly Active Users:

963.0mm⁽¹⁾

Social Network User Data

Digital Marketing

Highest Penetration among
Tier One City Population in China



Annual Active Customer Accounts:

258.3mm⁽²⁾

Average Order Value:

~6X Major Competitor⁽³⁾

Leading Online Partner in
Top Tier Cities in China⁽⁴⁾

Value for Brands

**Large
Customer Base**

**High Value
Customers**

**Powerful Distribution in
Top Tier Cities**

Sources: Filings, websites, press releases.

Note: (1) WeChat and Weixin combined monthly active user as of June 30, 2017. (2) As of June 30, 2017. (3) Major competitor's calculation method used for JD's GMV. JD's Average Order Value is US\$83.4, as of June 30, 2017. Alibaba's Average Order Value is US\$14.2, as of Mar 31, 2017. (4) 61% of JD's consumers are in mega cities and tier one cities, compared to 54% for Tmall, according to Analysys as of Mar 31, 2017.

Compelling Logistics Experience with Broadest Consumer Reach in China

With in-house nationwide logistics network covering nearly 99% of China's total population, JD.com provides compelling user experience by fast and accurate order fulfillment capabilities.

Nationwide Best-in-class Logistics Capabilities⁽¹⁾

- **7** fulfillment centers and **335** warehouses with **7.1 million** sqm², covering nearly **99%** of national population
- **Over 67,000** full-time delivery employees, **591.2 million** orders fulfilled
- **57** cities and **6,906** delivery stations and pickup stations in **2,691** counties and districts, penetrating into lower-tier cities



Superior User Experience by Fast and Comprehensive Fulfillment



of the orders have been fulfilled **same day or next day**



average in-house fulfillment time is **1.3 days**



national logistics networks including small to medium sized, oversized, cold chain, B2B, cross-border and crowdsourcing

Access to The World's Largest Mobile Internet User Base

JD.com and Tencent's exclusive partnership on Wechat provides brands access to China's largest mobile internet user base. JD.com's big data capabilities help tailor marketing to convert Tencent's casual user base to monetizable user base through JD.com.

Tencent 腾讯

~960 million monthly active users

Share, like, user behavior data on QQ and Wechat

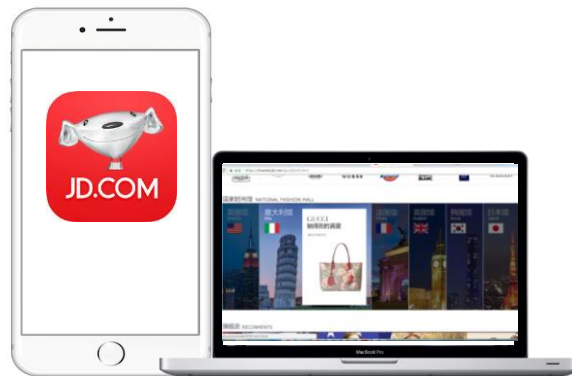


Primary and easy access to JD's e-commerce services on Wechat

JD.京东
.COM

~260 million active paying users

Purchase, product review data on JD.com



THANK YOU

