

Alipay

December 3rd, 2019

Roland Palmer, Head of North-West Europe, Alipay

2 | Alibaba Ecosystem

Make It Easy to Do Business Anywhere



COMMERCE

SERVICE

ENTERTAINMENT

ONLINE INTEGRATION



OFFLINE DIGITALIZATION



PGC

Computing Driven Digital Media

INFRASTRUCTURE



Specialized logistics infrastructure



Digital marketing and data operation platform



Payment and financial services infrastructure



Data and system infrastructure

Big data supporting digital media

Computing Driven Digital Media

3 | It all started in 2004, when Alipay was born



2004

Alipay

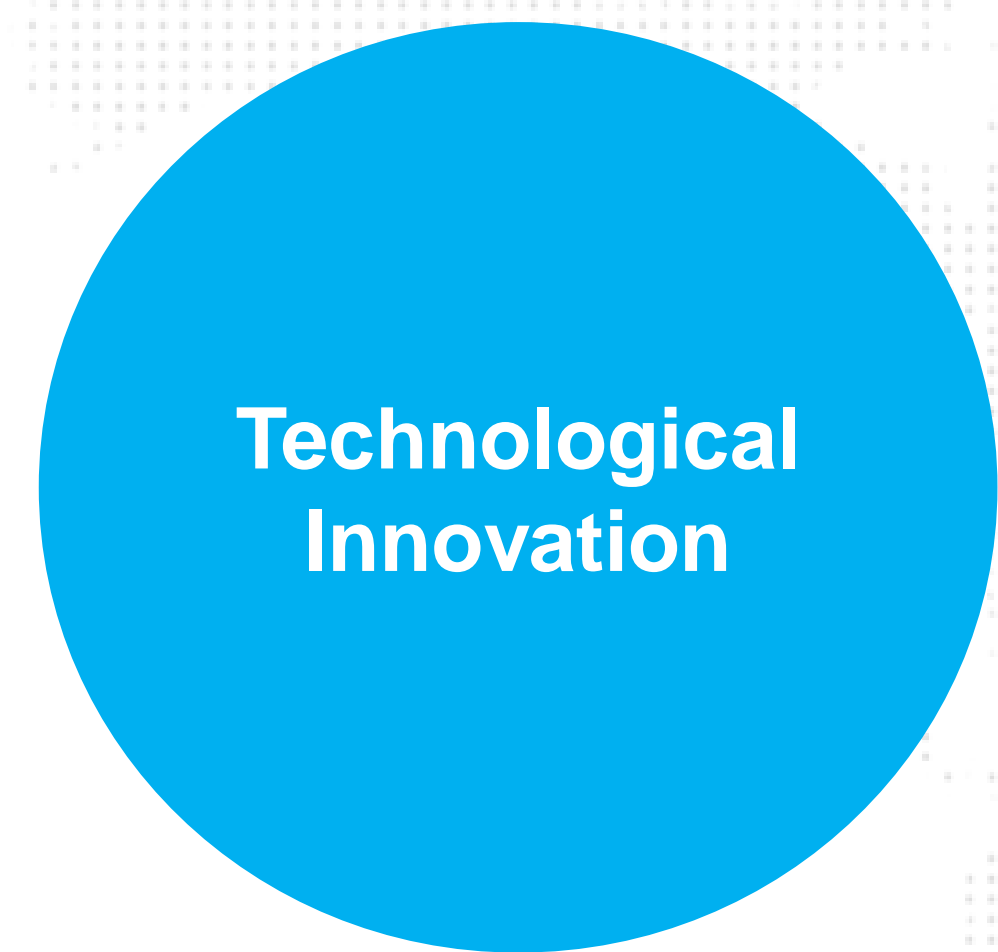
Escrow service to bridge **trust** between buyers and sellers on Taobao.com, Alibaba's e-commerce platform.

2014

Ant Financial

Parent company of Alipay, with the mission to **make it easy to do business anywhere** through building a **technology-driven** and **open ecosystem**, and by working with other financial institutions to support the future financial needs of our society.

4 | Alipay key strategies



Blockchain

Artificial Intelligence

.....



SME Development

Green Finance

.....



Asia leads in mobile payments

Global reach critical

.....

5 | Alipay - Initially focuses on payment but evolved to become a **life-style enabler** with **100+** kinds of services



Wealth management



Hail a taxi



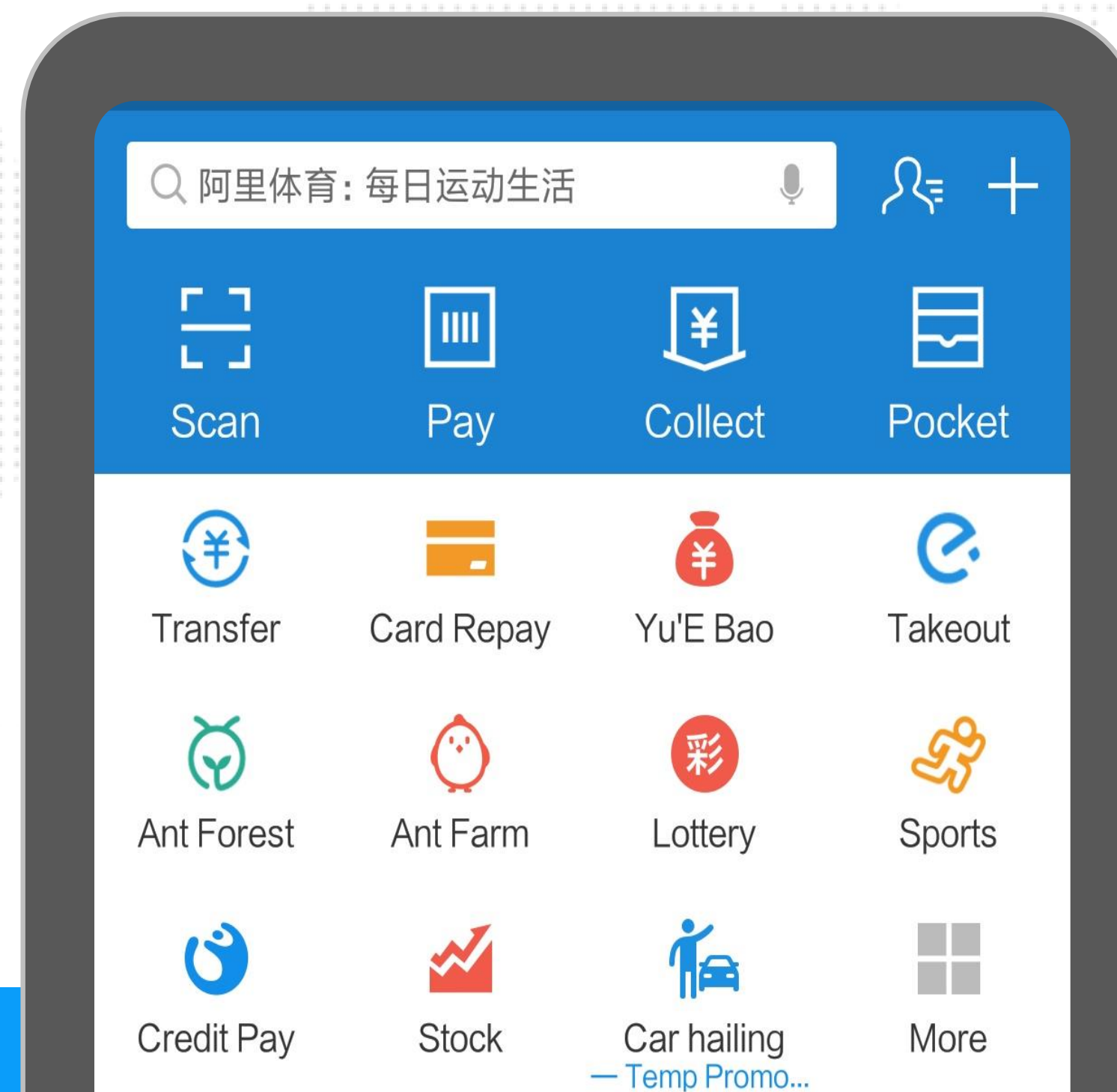
Insurance



Paying for utilities



Doctor appointment



6 | Using Simple QR Codes for Individuals and Small Businesses



Vegetable vendor in Hangzhou

Ms. Fan YANG

uses Alipay to collect payment from customers,
and accumulates line of credit over time

Tens of millions of

QR-code merchants

uses Alipay to collect payment from
customers



7 | Serving Millions of Micro and Small Businesses



MYbank loan supports

Small business owners

to start their business and scale up

As of June 2019, **17 million** SMEs in China received **3 trillion yuan** (\$426 billion) from MYbank and its over 400 partner banks



8 | AI and Cloud Computing Provide SMEs with Efficient, Customer-Driven Solutions



As of June 2019, **17 million** SMEs in China received **3 trillion yuan** (\$426 billion) from Mybank and its over 400 partner banks

Average loan size < **10,000 yuan** (\$1,422)

Non-performing ratio (NPL) of around **1%** < industry average of 3.56%*

3

minutes to apply

1

second to approve

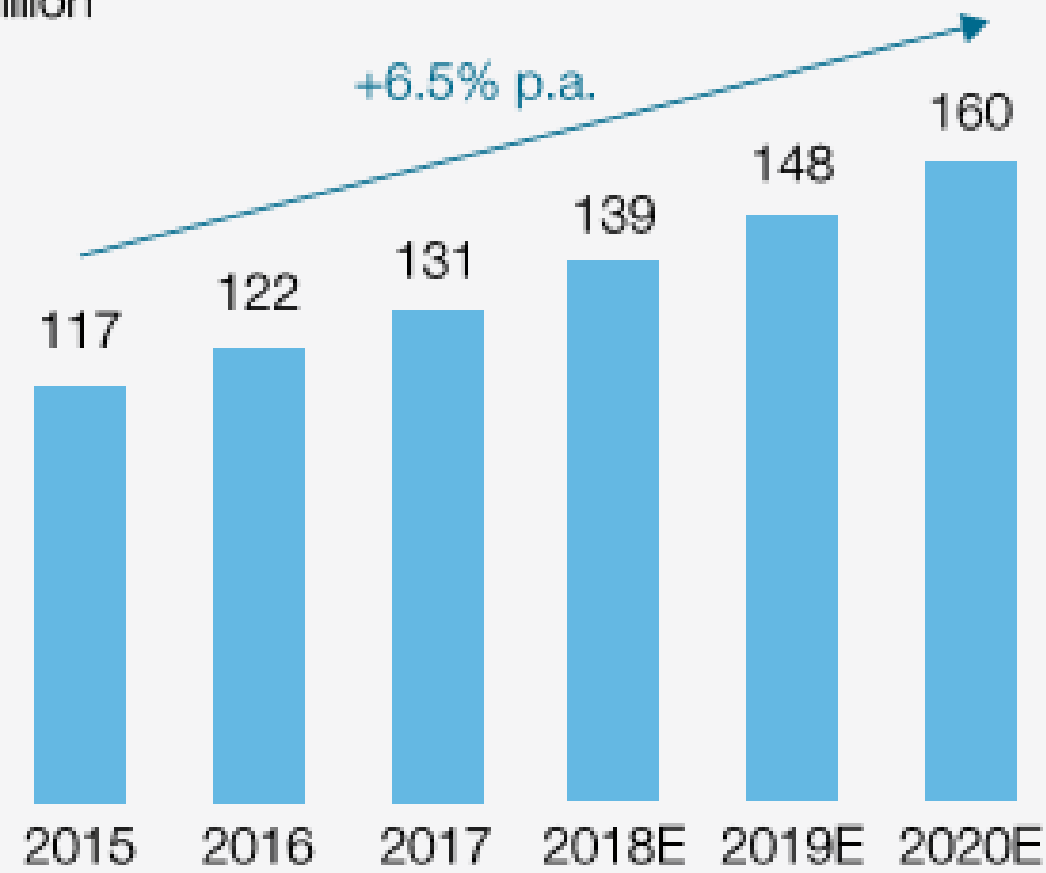
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human intervention

*Source: [PBOC](#)

9 | Globalization – Chinese outbound trips continues to grow, 160M estimated in 2020

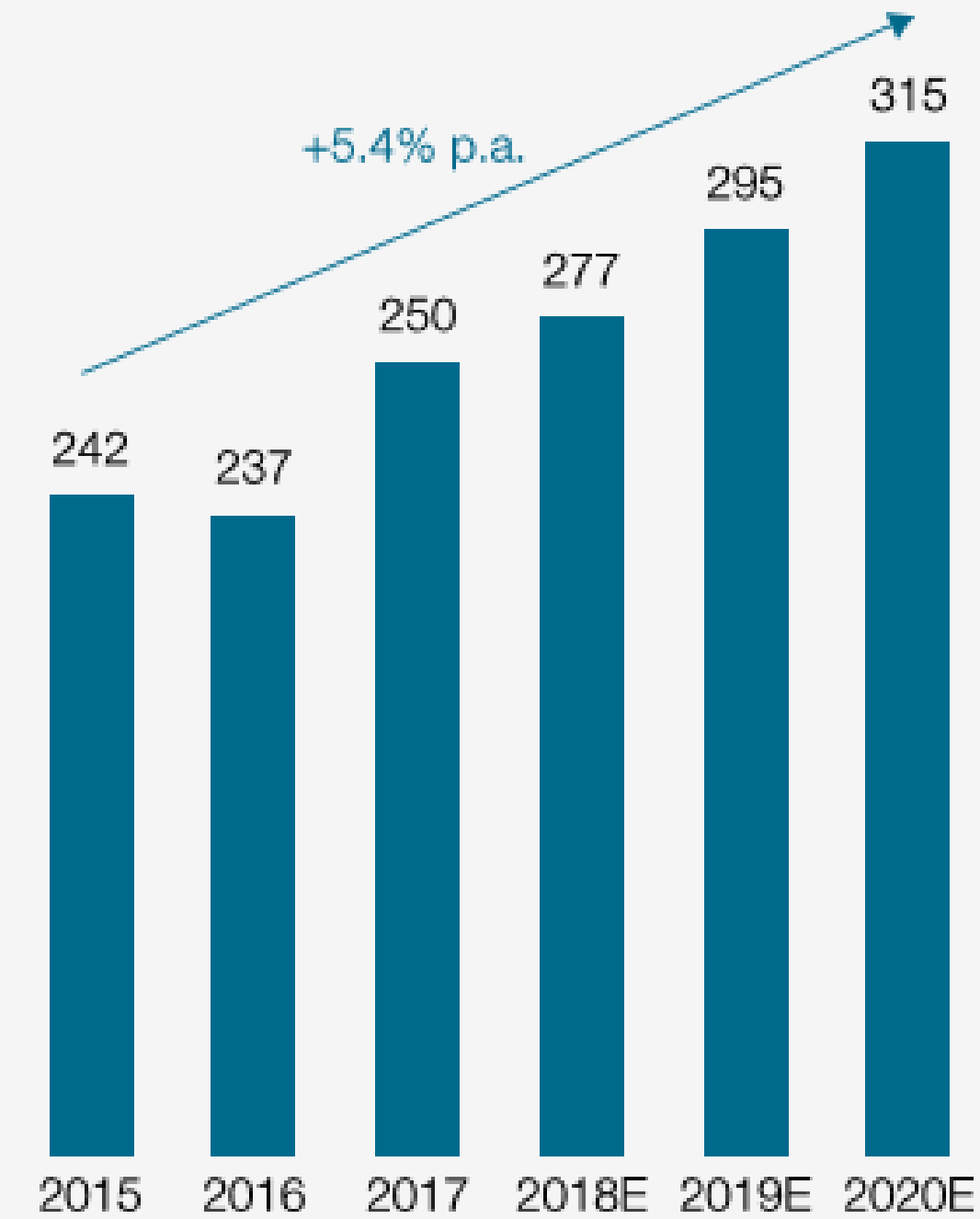
Number of outbound trips
Million



Average expenditure per trip
Thousand, \$



Outbound trip expenditure total
Billion, \$



- Outbound expenditure is expected to grow at a compound annual growth rate of 5.4%, slightly lower than that of outbound trips¹
- Average expenditure will decrease by 0.3% due to increase of travelers from Tier 3 and Tier 4 cities

¹ To calculate the expected numbers from 2018 to 2020, we used the average exchange rate of dollars against yuan from January 2018 to August 2018 to calculate the market size in dollars. The compound annual growth rate in yuan from 2015 to 2020 is 6.1% per annum due to the fluctuation of the exchange rate.

Source: China Tourism Statistical Bulletin 2017; McKinsey analysis

10 | Travel around the world with Alipay

📍 Brick-and-mortar merchants in **56** Markets
📍 **9** Local e-wallet partners

Brick-and-mortar merchants in **56** markets

📍 Europe:

- 1.UK
- 2.Germany
- 3.France
- 4.Italy
- 5.The Netherlands
- 6.Sweden
- 7.Finland
- 8.Austria
- 9.Czech Republic
- 10.Belgium
- 11.Russia
- 12.Monaco
- 13.Spain
- 14.Greece
- 15.Switzerland
- 16.Denmark
- 17.Norway
- 18.Luxembourg
- 19.Iceland
- 20.Portugal
- 21.Malta
- 22.Ireland
- 23.Poland
- 24.Liechtenstein
- 25.Slovenia
- 26.Slovakia
- 27.Hungary
- 28.Cyprus
- 29.Latvia

📍 Asia and Oceania:

- 1.Chinese mainland
- 2.Hong Kong
- 3.Macao
- 4.Taiwan
- 5.Japan
- 6.ROK
- 7.Singapore
- 8.Thailand
- 9.Malaysia
- 10.Australia
- 11.New Zealand
- 12.The Philippines
- 13.Cambodia
- 14.Laos
- 15.Israel
- 16.UAE
- 17.Myanmar
- 18.Qatar
- 19.The Maldives
- 20.Indonesia
- 21.Nepal
- 22.Sri Lanka
- 23.Brunei

📍 North America:

- 1.USA
- 2.Canada

📍 Africa:

- 1.South Africa
- 2.Mauritius

9 Local e-wallet partners

Serve more than **1.2 billion** users together with Alipay

- | | | | |
|-----------------------|---|---------------|---|
| 📍 1.India |  | 📍 6.Hong Kong |  |
| 📍 2.Thailand |  | 📍 7.Malaysia |  |
| 📍 3.Republic of Korea |  | 📍 8.Indonesia |  |
| 📍 4.The Philippines |  | 📍 9.Pakistan |  |
| 📍 5.Bangladesh |  | | |



11 | Value for Overseas Merchants

超优汇率 笔笔省



支付宝
ALIPAY

汇率由合作银行或机构提供

60%

Alipay merchants overseas

reported growth in both foot traffic and revenue



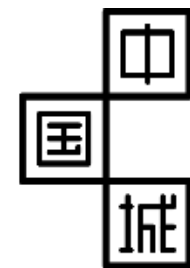
12 | Globalization – Alipay Accelerates Chinese Tourist Spending in U.K.



Department store & outlet



Food & Beverage



Health & Cosmetics



Fashion, Jewelry & Watches



Attractions



Strong growth of Chinese visitors in UK

~480k

Chinese Arrivals
in 2019 est.

↑ **23%** from 2018

£1+ billion

Total spend
in 2019 est.

↑ **53%** from 2018

£1700

spent per person
2018

17 days

length of stay
2018

500K

Chinese living in UK
2018, incl

106K Chinese
students

Source:





OFFICIAL PARTNER OF UEFA EURO 2020



*Bridging the
Sharing the*

Aleksander Čeferin (right) holds the EURO trophy with Jack Ma, executive chairman of the Alibaba group
©UEFA.com



EURO2020: 12 countries, UK in the spotlight



EURO2020 in UK

- London (Semi-finals + Final)
- Glasgow



OFFICIAL PARTNER OF UEFA EURO 2020

UEFA EURO 2020

The first time that a major tournament will be hosted across an entire continent.
An unprecedented multi-market sponsorship opportunity.



TOURNAMENT DATES
June–July 2020

AMOUNT OF MATCHES
51 matches

TOTAL LIVE TV AUDIENCE*
5.3 billion



* Based on TV audience projection

- ✓ Football Tickets
- ✓ Third Party Promotion
- ✓ Advertising Opportunity



14|Connecting European merchants

10 million

European Merchants

2 billion

Potential Consumers

We aim to help 10 million European merchants to digitally connect and engage 2 billion potential consumers around the world in the next 5 years.

Thank you!