



Alibaba's Investment and the Digital Economy

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Alibaba's Mission and Vision

Founded in Hangzhou in 1999



/ Mission

To make it easy to do business anywhere.

/ Vision

- To build the future infrastructure of commerce.
- To be a company that lasts at least 102 years.

Development of a Digital Economy

/ Digital Economy

Shared
Economy

Cross-border
eCommerce

Rural
eCommerce

Smart City

Mobility

New Retail

New
Manufacturing

New Finance

New
Technology

New Energy

/ Infrastructure

eCommerce
Platform

Digital Payment
Platform

Smart Logistics
Platform

Cloud Computing &
Big Data

/ Environment

Education

Government
& Policy

Integrated
Market

Entreprene-
urship

World
Factory

Finance
Market

Physical Infrastructure

Internet Infrastructure

Social Stability

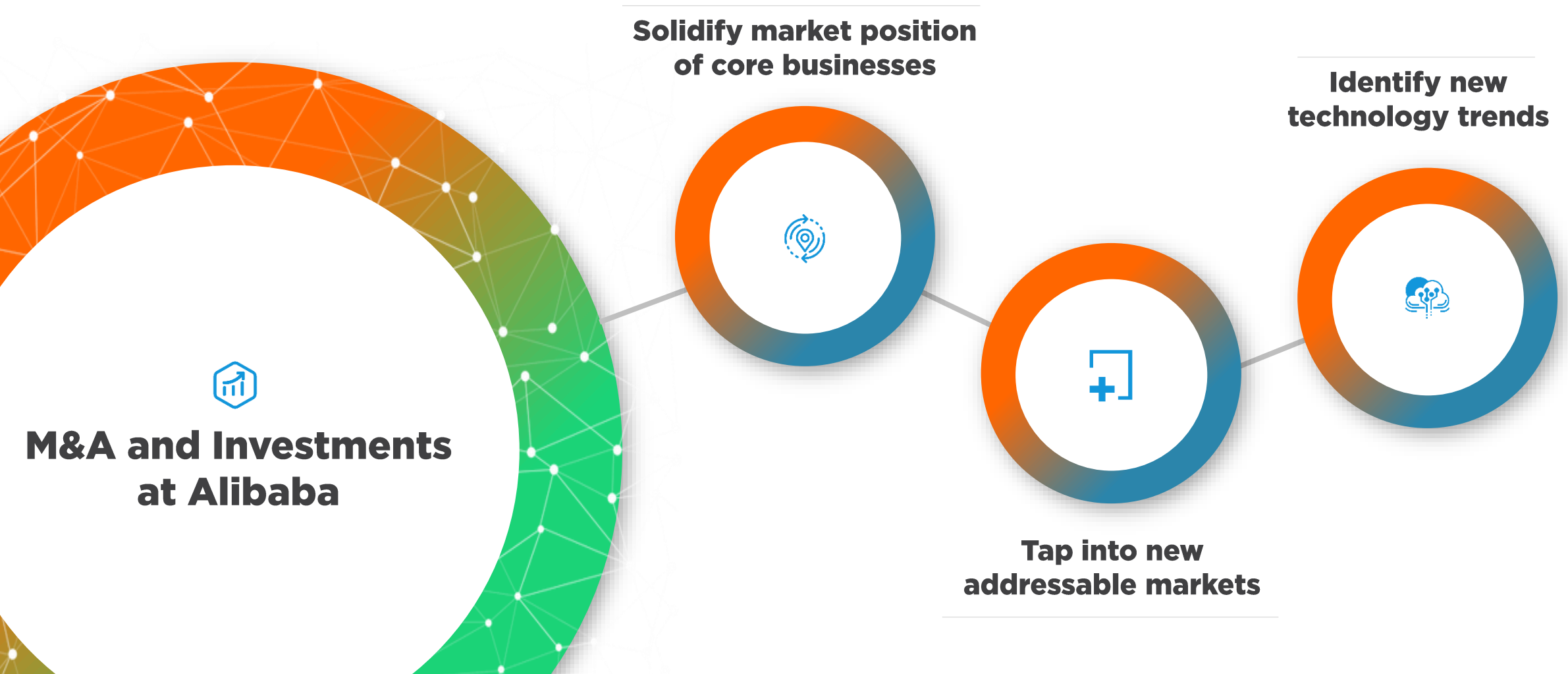
Population, Market Size

Domestic Market Trend

Global Market Trend

Goals of our M&A and Investments

- ✓ Complimentary to our business strategy
- ✓ Future technology & trends





/ Alibaba's Capital Allocation Philosophy

M&A and Investments are always done for strategic reasons, never for financial reasons.

Focus on **long term value creation and synergies** with Alibaba instead of standalone return of the acquired asset.

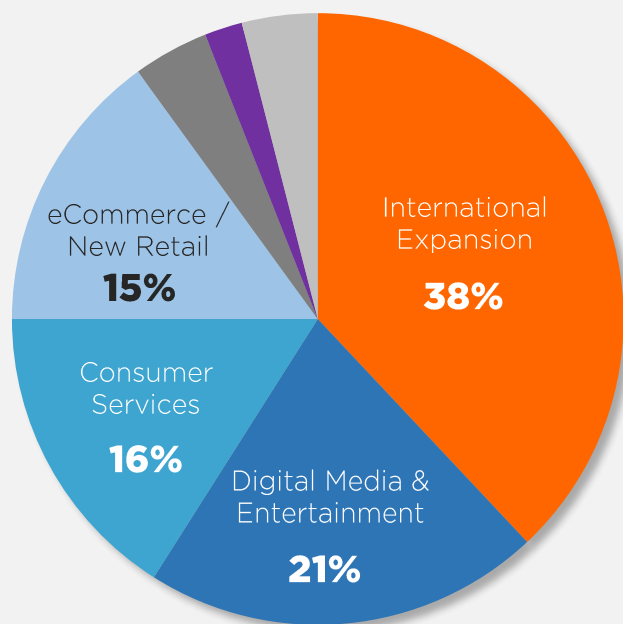
In some circumstances, we invest **minority stake** to develop an equity relationship of mutually aligned interests.

Success or failure depends on People + Innovation – we look for **company culture alignment**.

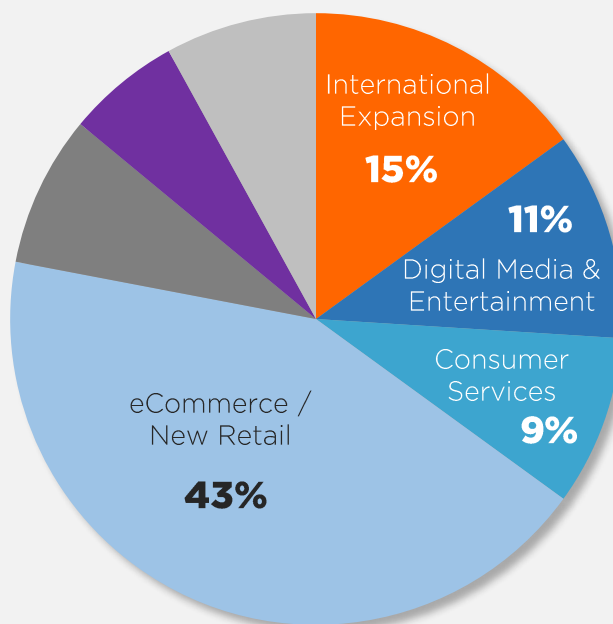
All investments and partnerships we create need to **add value to our mission**.



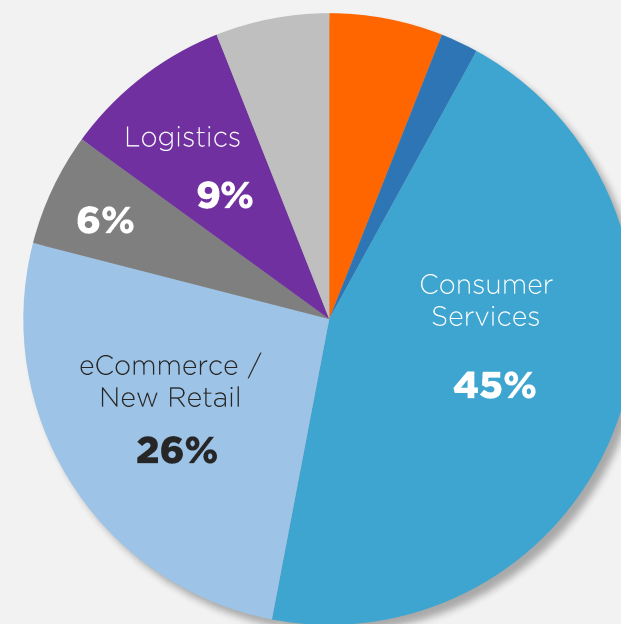
Evolution of Our Investments



FYR 2017



FYR 2018



1Q FYR 2019

Four Barriers that Impede the Transformation of the Digital Economy

Government Regulation & Policy



Government regulation and policy should give space to innovation and entrepreneurship. Create an open and inclusive environment (sandbox approach) for domestic and international companies and investors to participate.

Access to Capital



Create framework and platform for SME's and startups to access to capital. Government can consider setting up national funds or taxation policy to support startups and young entrepreneurs that are building the foundation for the ecommerce ecosystem.

Access to Talent



Upgrade the education system and encourage collaboration between academia and industry and digital capacity building programs at a national level to develop entrepreneurship, creativity and talents for the digital economy.

Infrastructure & Connectivity



Government can invest heavily in digital and physical infrastructure, i.e. port, airport, road, internet and 4G etc, improve the connectivity and speed. This is important for the development of logistics, payment, big data and ecommerce.

Thank you!

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