



JD.COM

DELIVERING THE FUTURE OF SHOPPING

BOOTH NO: LVCC S30329



JD.com (Nasdaq: JD) is China's largest retailer, online or offline. The e-commerce giant operates one of the world's first unmanned fulfillment center and drone delivery program. With over 300 million customers, JD is now the third largest Internet company in the world by revenue, and is revolutionizing global commerce by opening its advanced technology and infrastructure to other companies and industries.

For JD.com, the future of shopping is already here. @JD_Corporate



JD.COM

A Fortune Global 200 Company

Authentic products.
Delivered today.

OUR STORY SO FAR

- 1998:** Starts as a brick-and-mortar store in Beijing
- 2004:** Following SARS epidemic, online business launches
- 2014:** Largest Nasdaq IPO of the year (ticker:JD)
- 2015:** Launches Silicon Valley R&D Center
- 2016:** First and highest-ranking Chinese Internet company on the Fortune Global 500 list
- Today:** Largest retailer in China, online or offline
(In the U.S., the largest e-commerce company is less than half the size of the largest retailer)¹

HOW WE'RE DIFFERENT

- Strict "zero-tolerance" policy toward counterfeit goods
- Only e-commerce company globally of our scale that does nationwide logistics in-house
- Goods delivered by uniformed employees; autonomous delivery vehicles undergoing widespread trials
- "Retail as a Service" strategy empowers our partners

OUR TECHNOLOGY

- Approximately 12,000 engineers between China and Silicon Valley
- Research areas include data science, artificial intelligence, virtual and augmented reality, automation, robotics, autonomous vehicle systems, and more
- R&D is used for everything from intelligent pricing to inventory management and fraud detection

OUR LOGISTICS NETWORK

- Covers 99% of China's population
- Leverages a network of more than 550 warehouses including large fulfillment centers, small warehouses and cold-chain facilities for temperature sensitive products
- Nearly 7,000 delivery stations

OUR CUSTOMERS

- Higher penetration among affluent urban residents, and higher average basket size than the overall industry
- Over 80% of orders are made through mobile
- Over 10 million users in premium membership program

OUR PARTNERS

- Investors include Tencent, Walmart and Google
- Strategic partnership with Tencent includes access to WeChat, China's dominant social media platform with over 1 billion users
- We provide brands with the most comprehensive data available on Chinese consumers

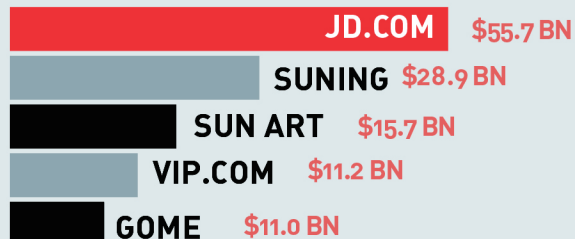


300m+
CUSTOMERS

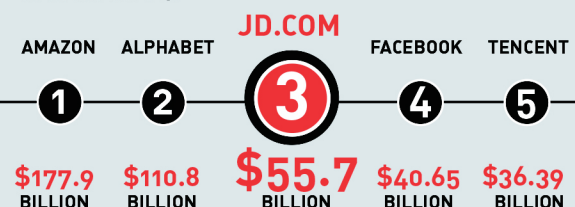
80%+

ORDERS MADE VIA MOBILE

LARGEST RETAILER IN CHINA (REVENUE IN 2017)²



3RD LARGEST INTERNET COMPANY GLOBALLY (REVENUE IN 2017)



YOY REVENUE GROWTH:



FASTEST-GROWING CATEGORIES:



MACRO:

E-COMMERCE PENETRATION
HIGHER IN CHINA (15%)⁴ VS. THE U.S. (under 9%)⁵

SPENDING TREND SHIFT TOWARD QUALITY
CLEAR SHIFT IN DEMAND TOWARDS HIGHER QUALITY PRODUCTS AND SERVICES

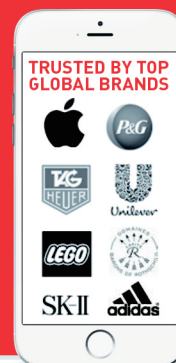
GROWING RETAIL SALES
UPWARD GROWTH OF 10% YEAR-ON-YEAR, FASTER THAN CHINA'S GDP



REACHED SAME AND NEXT DAY DELIVERY RATES OVER **90%**



100s OF DRONE AIR BASES PLANNED



¹By reported revenue 2017. ²Data from the companies' financial results. Exchange rates calculated at the December 29, 2017 rate of 6.5:1.

³FY 2017 growth. ⁴Source: National Bureau of Statistics of China. ⁵Source: U.S. Commerce Dept.



JD.COM

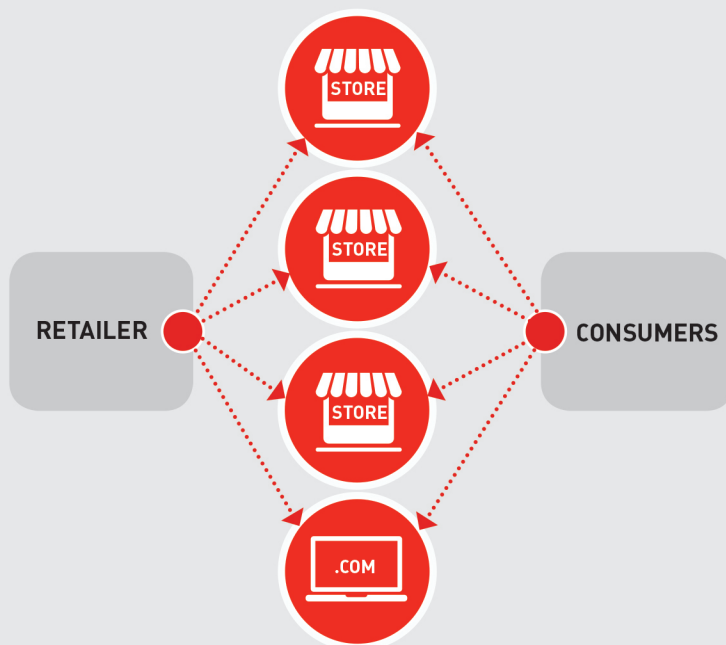
Corporate Strategy

THE FUTURE: BOUNDARYLESS RETAIL

E-commerce is leading the way for the future retail by modernizing supply chains, so consumers can get what they want, where they want it, when they want it - online or offline. JD.com's advanced technology and retail infrastructure enables better demand planning, higher efficiency and more profitability for global commerce.

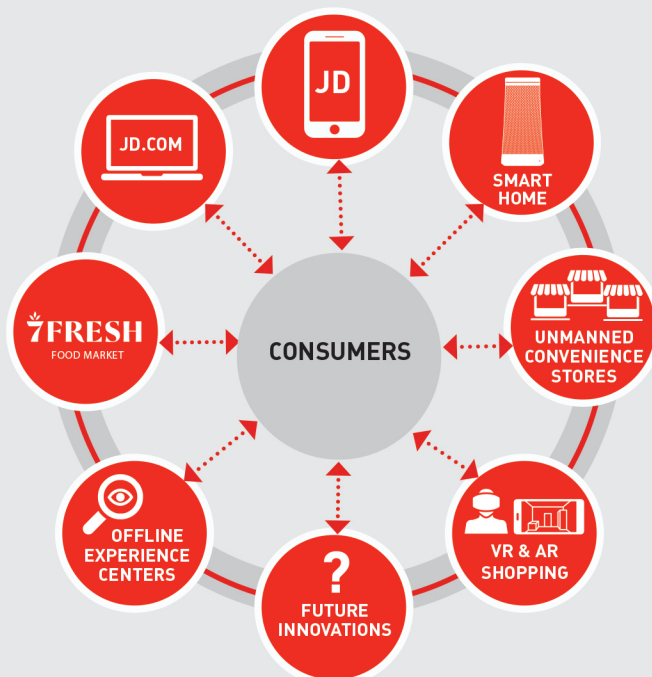
Traditional Model

- Focus on fixed sales channels
- Limited choices for consumers



Boundaryless Retail

- Focus on serving consumers
- Seamless shopping online and/or offline
- Agile, flexible and fully-connected retail network



THE FUTURE OF JD: RETAIL AS A SERVICE

Retail as a Service

The next step in the company's evolution will be to provide JD's retail infrastructure, technology and expertise, as a service. JD will serve not only merchants on its own platform, but other retailers and other industries.

Partners



Nestlé

sodexo



AUDEMARS PIGUET
Le Brassus

Walmart

FungRetailing



In-house Logistics

- State-of-the-art collaborative warehouses
- Transportation management
- Nationwide delivery within a day
- Higher fulfilment rates for suppliers than traditional distribution networks



Supply Chain Management

- Inventory replenishment and placement
- Digital B2B procurement
- Accurate demand prediction



Smart Marketing

- Targeted, data-driven marketing and online-offline shopping experiences
- Maximum visibility through strategic partnerships with Tencent, Toutiao, Baidu, Netease, iQiyi and others

Enabling Industry

JD is developing capabilities for AI, big data, robotics, and more - all which can be repurposed and provided as a service to a wide range of industries and initiatives:

- Agriculture
- Food Services
- Manufacturing
- Charity
- Healthcare
- Disaster Relief

Shorten the fulfillment process to increase efficiency and access customers faster with increased precision

Smart logistics - automation of facilities, operations and decisions

One-stop supply chain solution for JD merchants as well as other enterprises

Global Smart Supply Chain (GSSC) strategy: Revolutionize global commerce by enabling other companies and industries to discover more efficiencies.



48-hour cross-border shipping



Cloud-based smart supply chain management



Parcel-delivery service



Green Stream Initiative: ecofriendly packaging logistics

OUR STORY SO FAR

- 2007:** Dissatisfied with China's existing delivery infrastructure, JD.com builds its own logistics network with locations in Beijing, Shanghai, and Guangzhou
- 2010:** JD.com becomes the first e-commerce company in the world to launch same-day and next-day delivery service
- 2015:** Launches JDX, our research and logistics innovation lab, to develop smart logistics and unmanned technologies including delivery drones, autonomous vehicles, and automated warehouses
- 2017:** Establishes JD Logistics as a separate business group and launches specialized services including scheduled and luxury white glove delivery

ROBUST LOGISTICS CAPABILITIES

- Covers **99%** of China's population
- Can deliver over **90%** of orders same-day or next-day
- 6** major logistics networks: normal-sized items, bulky items, cold chain, B2B, cross-border, crowd-sourced
- 16** Asia No.1 logistics parks
- Leverages a network of over **550** warehouses with a total of approximately **11.9 million** square meters
- Nearly **7,000** delivery stations and pickup stations

OUR TECHNOLOGY

Warehouse Automation:

- 16 Asia No. 1 logistics parks with the most advanced logistics centers in Asia, equipped with cutting-edge warehouse technologies
- Fully-automated warehouses and sorting centers
- Robotics including shuttles AS/RS systems, parallel robots and automated ground vehicles

Delivery Drones:

- World's first e-commerce company to commercially deploy drones for rural deliveries
- World's first 300 km radius low-altitude general aviation logistics network built in Shaanxi
- World's first Delivery Drone Scheduling Center (operating in Suqian)

Autonomous Delivery Vehicles:

- Developed to serve dense urban environments; currently being piloted on university campuses in Beijing
- Self-driving trucks currently being piloted on selected routes





JD.COM

Technology. Innovation.
Excellence.

THE WORLD'S FIRST LARGE-SCALE E-COMMERCE APPLICATION OF DRONE TECHNOLOGY

Using proprietary technology developed at JD-X, JD.com's logistics innovation lab, the JD Drone program aims to bring the benefits and advantages of ecommerce to remote rural communities in China, a population that is currently underserved by the ecommerce industry.



OCTOBER 2015:
JD begins developing drones



JUNE 2016:
JD begins drone trial runs to customers



TODAY:

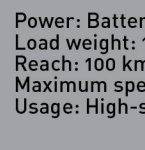
- 7 types of last-mile delivery drones
- More than 100 drone routes in several provinces
- Over 400 thousand minutes of flight accumulated

SHAANXI DRONE INITIATIVE

- Agreement with the Shaanxi provincial government to build China's largest low-altitude drone logistics network, spanning a 300 kilometer-radius.
- Drone research partnership with Northwestern Polytechnical University, including development of a heavy-load drone that can carry a ton
- Partnership with China West Airport Group to build airbases for drones throughout the region
- Agreement with the municipal government of Hangcheng to test urban drone delivery and smart logistics
- Agreement with Linyou County to modernize logistics for the local agricultural industry



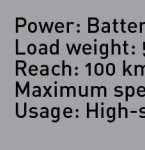
Power: Battery
Load weight: 5KG
Reach: 7 km per charge
Maximum speed: 54km/h
Usage: 'Short-hop' delivery



Power: Battery
Load weight: 10KG
Reach: 100 km per charge
Maximum speed: 100km/h
Usage: High-speed; long-distance delivery



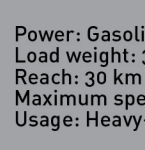
Power: Battery
Load weight: 10KG
Reach: 10 km per charge
Maximum speed: 72km/h
Usage: Automatic discharge; high-speed



Power: Battery
Load weight: 5-10KG
Reach: 100 km per charge
Maximum speed: 100km/h
Usage: High-speed; long-endurance



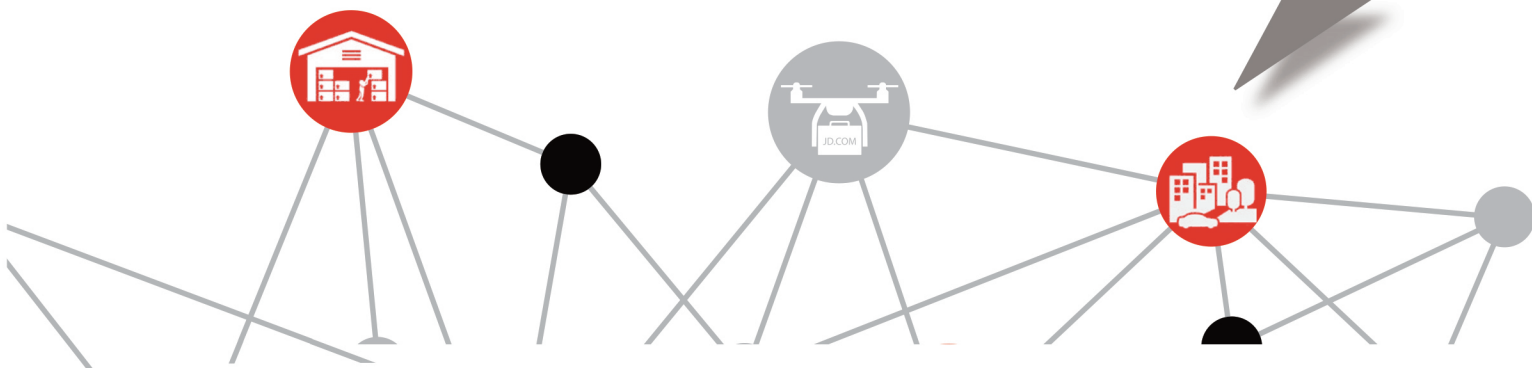
Power: Battery
Load weight: 10KG
Reach: 10 km per charge
Maximum speed: 72km/h
Usage: High-speed; long-endurance



Power: Gasoline
Load weight: 30KG
Reach: 30 km per charge
Maximum speed: 54km/h
Usage: Heavy-load; long-endurance



Power: Battery
Load weight: 20KG
Reach: 15-20 km per charge
Maximum speed: 54km/h
Usage: Automatic discharge, embedded cabin





JD.COM

CHINA'S LARGEST RETAILER-**ONLINE OR OFFLINE**

JD FASHION: THE MOST TRUSTED ONLINE SHOPPING PLATFORM FOR TOP FASHION BRANDS

- Sales of fashion goods surpassed RMB **100 million** in one minute during JD's Singles Day Shopping Festival in 2018.
- JD launched a virtual pop-up store for Fendi on its luxury shopping platform TOPLIFE in May 2018.
- JDX, JD's crossover fashion project released a limited-edition pair of sustainably produced jeans with G-Star Raw in June 2018. The jeans were sold out **in three minutes**.
- In 2017, JD began partnering with Kering and LVMH.
- "Super Brand Days" capture the attention of JD's more than 300 million customers:
 - Sales over the entire day during JD's Super Category Day for sports products increased **600%** as compared with a similar promotion in September 2017.
 - Sales of Daniel Wellington products increased **3.8x** during the brand's June 2018 Super Brand Day as compared with one day sales on Singles Day 2017.
 - Campaigns feature highly-targeted, engaging social media content leveraging JD's partnership with Tencent and access to social media data covering almost a billion consumers

OUR SHOPPERS

- Growing disposable income
- Located in top-tier cities and, increasingly, mid-tier cities
- Majority of customers were born in the 1980s
- Increasingly female
- Hungry for quality products and the latest trends

HIGHLIGHTS

- March 2017** ● JD.com creates new fashion business unit
- April 2017** ● Joins the American Apparel & Footwear Association (AAFA)
- June 2017** ● JD.com launches partnership with fashion e-commerce platform Farfetch
- June 2017** ● Launches JD Luxury Express, a specialized white-glove delivery service for luxury and specialty products
- Fall 2017** ● JD begins supporting designer communities, including through sponsorship of BFC/Vogue Designer Fashion Fund and CFDA/Vogue Fashion Fund.
- October 2017** ● JD launches TOPLIFE, an independent platform for luxury shopping

Authentic products.
Delivered today.





TOPLIFE is JD's exclusive platform built for premium luxury brands. Launched in October 2017, it is a full-price marketplace operated as a stand-alone luxury site, giving brands an exclusive, clean and sophisticated environment to ensure that consumers get an amazingly luxurious online experience that even exceeds what they would get at a premium brick and mortar store.

UNIQUELY POSITIONED IN CHINA

Exclusive, full-price, e-flagship store platform

Best-in-class customer service, including luxury white glove treatment from start to finish

China's trusted source for authentic, premium quality products

THE TOPLIFE DIFFERENCE

- A dedicated team, experienced in both the luxury and e-commerce sectors; helps brands navigate the China market
- Targeted marketing to luxury consumers, leveraging JD.com data from more than 300 million customers and a partnership with Tencent
- Curated content to fully immerse customers in a luxury universe
- Flexible design and full creative control for brands

PRODUCT CATEGORIES



WATCHES & JEWELRY



FASHION



BEAUTY



LIFESTYLE

WORLD'S FIRST HIGH-TECH LOGISTICS SOLUTION DESIGNED FOR LUXURY

Total flexibility and control for brand owners with 24/7 dedicated team for each brand

- Exclusive warehouse facilities located in JD's most advanced, AI-powered Asia No. 1 logistics park
- Luxury merchandise is stored in dust-free, sealed spaces with strict temperature and humidity controls
- TOPLIFE luxury goods are protected 24/7 by advanced facial recognition access and security systems
- Secure, same or next-day delivery via JD Luxury Express, JD's exclusive delivery service via electric car by a well-dressed courier in white gloves
- Dedicated pick-up service for easy, worry-free returns

PARTNERS

CHA LING
L'ESPRIT DU THÉ



PERRIN

PORTS
1961

Pomellato

SAINT LAURENT



TRUSSARDI



LAPERLA

dyson

ESCADA

HOGAN

PLAY

ALEXANDER MCQUEEN

ATELIER SWAROVSKI

EMPORIO ARMANI

DEREK LAM



JD.COM

Quality products.
Delivered fresh.

JD.com began offering fresh food in 2012, then launched **JD Fresh**, an independent fresh food business unit, in January 2016. With nationwide cold chain logistics reach, JD Fresh is able to offer rapid delivery of tens of thousands of high-quality fresh fruits, vegetables, seafood, meat and frozen products sourced from global partners. In 2018, JD.com opened a new line of premium offline stores called **7FRESH**, offering a grocery shopping experience that is unlike anything previously available in China.

- Sources items from more than **50** countries and regions
- More than **60,000** imported fresh products
- In 2017, orders of imported fresh food on JD.com increased by more than **250%** YoY
- Direct sourcing ensures high-quality fresh products can quickly reach consumers' tables from their places of origin

7FRESH

JD has signed agreements with 16 real estate companies, including China Poly Group, Joy City, Vanke, Yuexiu Property and Greenland Holdings, to expand its premium supermarket chain in China.

- More than **20%** of products are selectively sourced from overseas suppliers
- Fresh products account for more than **70%** of merchandise
- Restaurant area enables consumers to have their produce and fresh food cooked on site
- **30-minute delivery** from stores to online shoppers

COLD CHAIN LOGISTICS

- China's largest frozen and chilled e-commerce warehousing and delivery network, covering **300** cities
- Ability to monitor temperature and humidity at every step of the process
- Products sold directly by JD are guaranteed to arrive as advertised, or customers get their money back



ADVANCED TRACEABILITY TECHNOLOGY TO ENSURE QUALITY

JD is working with a growing number of partners to use blockchain for tracking every step in the supply chain, from production to delivery, giving consumers confidence in the safety and authenticity of products. JD formed the Blockchain Food Safety Alliance with Walmart, IBM and Tsinghua University in 2017.

For beef and chicken for example, we are able to collect information on the animal's origin, what they are fed, and their time of slaughter from suppliers and farmers. We also track handling of the beef, including transportation and storage conditions like warehouse temperature, all the way until it reaches our customers. Customers can track all of the information about tracing through the JD app.





**CONNECTING THE WORLD'S TOP BRANDS
WITH CHINESE CONSUMERS**

**20,000
Brands**

**10 million
SKUs**

**70+
Countries**

Launched in April 2015, JD Worldwide offers international merchants the ability to tap into the Chinese market even if they do not have a physical presence in China. The cross-border e-commerce platform enables Chinese customers to purchase products from other countries with the ease and convenience that they expect from JD.com.

Best-selling categories:



INFANT & MOM



BEAUTY



DIGITAL PRODUCTS

Best-selling origin countries:



US



JAPAN



GERMANY

Global shipping solutions for secure delivery:



Customs clearance:

- Digital process that takes as little as 10 min
- High-volume products are stored in bonded warehouses, enabling same and next-day delivery in cities
- Orders are delivered via JD's unparalleled nationwide last-mile delivery network

Coverage:

- Bonded warehouses in seven cities, covering every region of China, including Shanghai, Tianjin, Guangzhou and Chongqing
- Overseas warehouses in Hong Kong, Los Angeles, Tokyo, Osaka, Amsterdam, Bangkok, Incheon and Jakarta

Best-selling brands

- | | | |
|------------|------------|---------------|
| • Aptamill | • Merries | • Swisse |
| • Nintendo | • a2 | • MeadJohnson |
| • SONY | • Nutrilon | • MOONY |



JD.com, working with JD Foundation, develops innovative solutions for the company to leverage its technology, logistics infrastructure and relationships with consumers and suppliers to benefit society. JD believes in putting its business assets to use to build not only the future of retail, but a better future for all stakeholders.



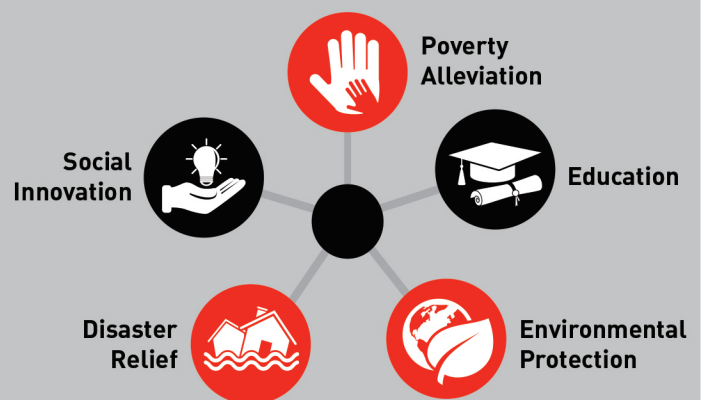
ONLINE DONATION PLATFORM*

- More than **100 NGOs** served
- Over **642 campaigns** initiated
- More than **2 million** items collected
- Uses JD's nationwide in-house logistics network; traveled over **9,000,000km** for deliveries

In 2017, JD launched China's trusted online donation platform, leveraging its e-commerce expertise and cutting edge technology to ensure transparency in the donation process. All donated goods are delivered by JD's own logistics network, enabling JD.com's over 300 million customers to donate products directly to non-profit organizations serving groups in need across China.

*Data as of October 2018

DONATION FOCUS AREAS



DISASTER RELIEF

JD has participated in **about 20** immediate disaster relief programs, and donated **4,000 tons of supplies** so far.

ENABLING TRUST WITH TECHNOLOGY

Blockchain

JD.com is testing blockchain for tracing donations, using JD.com's blockchain technology, developed to trace products back to their origin for product safety.

Beginning in September of 2017, JD.com customers donating toys and notebooks under the blockchain initiatives to children in Yunnan, through Teach for China, can trace their donation and confirm that it was received by the school it was intended for.



Delivery Drones

In December 2017, JD.com also started a program to deliver donated pharmaceuticals to hard-to-reach mountain villages using drones. The donated drugs can be transferred to village located on the sides of steep cliffs using drones developed by JD. A delivery run for critical medical supplies that was previously impossible by truck, and required a two-hour climb, now takes four minutes.



SUSTAINABLE CONSUMPTION

As China grows as a consumer market, and increasingly moves online, JD.com believes that its influence and infrastructure can be used to limit the impact all this consumption has on the environment, from finding a purpose for pre-loved goods to recycling boxes and limiting the company's own carbon footprint.

- Expects to cut **150,000** tons of annual carbon dioxide emissions by switching to solar power
- Replacing hundreds of thousands of vehicles with new energy vehicles in **three years**
- Delivery fleet includes solar energy tricycles and hydrogen energy trucks
- Developing greener materials:
 - Began use of "green boxes" recycling boxes for delivery
 - "Slim" tape, saving **100 million** meters of tape for packaging*
 - Biodegradable packing bags that decompose in **three months**
- Collection of used goods for donation and recycling, to cut waste*:
 - **1.6 million** items of clothing
 - **400,000** toys

*Data as of October 2018.



For more information go to corporate.jd.com
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