

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)
- 2014:** ● 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 17,000 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 over 700 warehouses including large fulfillment centers, small warehouses and cold-chain facilities for temperature sensitive products

OUR CUSTOMERS

- Higher penetration among affluent urban residents, and higher average basket size than the overall industry
- Serves more than one billion Chinese households
- Over 15 million users in premium membership program

OUR PARTNERS

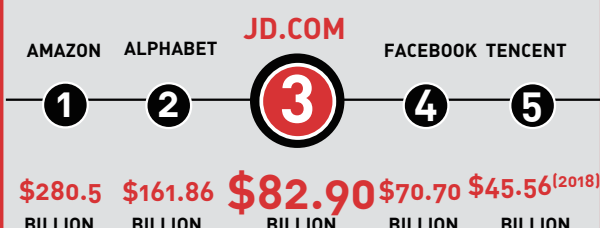
- Investors include Tencent, Walmart and Google
- Strategic partnership with Tencent includes access to WeChat, China's dominant social media platform with over one billion users
- We provide brands with the most comprehensive data available on Chinese consumers



360 m +
CUSTOMERS

90% +
ORDERS MADE VIA MOBILE

3rd Largest Internet Company Globally: (REVENUE IN 2019)



YoY NET SERVICE REVENUE GROWTH

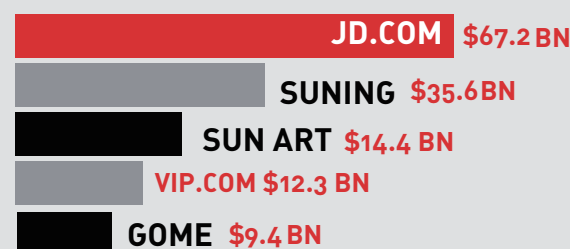


44.1%²

MACRO:

E-COMMERCE PENETRATION	SPENDING TREND SHIFT TOWARD QUALITY	GROWING RETAIL SALES
HIGHER IN CHINA (20.7% ³ VS. THE U.S. (11.0%) ⁴)	CLEAR SHIFT IN DEMAND TOWARDS HIGHER QUALITY PRODUCTS AND SERVICES	UPWARD GROWTH OF 8% YEAR-ON-YEAR, FASTER THAN CHINA'S GDP

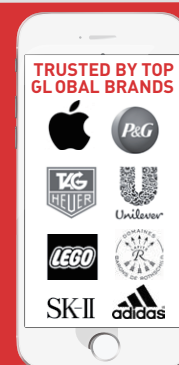
LARGEST RETAILER IN CHINA (REVENUE IN 2018)⁵



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



100s
OF DRONE AIR
BASES PLANNED



¹ BY reported revenue. ² FY 2019 growth. ³ Source: National Bureau of Statistics of China

⁴ Source: US. Commerce Dept. ⁵ Data from the companies' financial results. Exchange rates calculated at the December 31, 2018 rate of 6.88: 1.



JD.COM

**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 without a physical presence in China. The platform enables Chinese customers to purchase products from other countries with the ease and convenience that they expect from JD.com.

Best-selling categories:*



BEAUTY



INFANT & MOM



HEALTH SUPPLEMENTS

Best-selling origin countries:*



Customs clearance:

- Fully digital process that takes within 1 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:

- Access regions of China with bonded warehouses in cities such as Shanghai, Tianjin and Guangzhou
- Overseas warehouses in Tokyo, Osaka, Amsterdam, Bangkok, Incheon, Melbourne, London and Jakarta

Best-selling brands: *

- | | | |
|------------|------------|-----------------------|
| • Aptamill | • DYSON | • MeadJohnson |
| • a2 | • SCHIFF | • The history of Whoo |
| • Nintendo | • Shiseido | • Swisse |

*Data as of 2019

**Cross-border Platform.
Global Reach.**

Partners around the world...

JD.COM

BAYER

Woolworths

P&G

Johnson & Johnson

强生

Swisse

SHISEIDO

Wyeth

Nestle

Walmart 沃尔玛全球购

Rakuten

a2

GNC LIVE WELL

Ocean Spray

Attent

rb

Sam's Club

Move Free JOINT HEALTH

HEALTH • HYGIENE • HOME

March 2020

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 research and logistics innovation lab, to develop smart logistics and unmanned technologies
- 2017:** Establishes JD Logistics as a separate business group and launches specialized services such as JD Luxury Express - JD's luxury white glove delivery service
- 2018:** Opens its leading logistics network to consumers with the launch of parcel delivery
- 2019:** Launches Open Platform for Digital Supply Chain, expanding the benefits for smart supply chain to a wide range of industries

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
- 25** Asia No.1 logistics parks
- Leverages a network of over **730** warehouses covering approximately **17 million** square meters

OUR TECHNOLOGY

Warehouse Automation:



- 25 Asia No.1 logistics parks with the most advanced logistics centers in Asia, equipped with cutting-edge warehouse technologies
- Robotics technology, including AS/RS shuttle systems, parallel robots and automated ground vehicles, is deployed to pick, stock or move goods in various fulfillment locations

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 Robots:



- Developed to serve dense urban environments; currently being piloted on university campuses and at residential and office buildings
- Launched two smart delivery stations in the cities of Changsha and Hohhot
- 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:

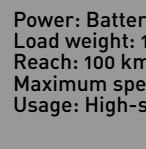
- 7 types of last-mile delivery drones
- More than 100 drone routes in several provinces
- Over 400 thousand minutes of flight accumulated

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



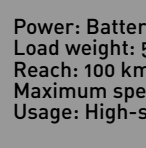
Power: Battery
Load weight: 5KG
Reach: 7 km per charge
Maximum speed: 54km/h
Usage: 'Short-hop' delivery



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



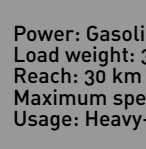
Power: Battery
Load weight: 10KG
Reach: 10 km per charge
Maximum speed: 72km/h
Usage: Automatic discharge; high-speed



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



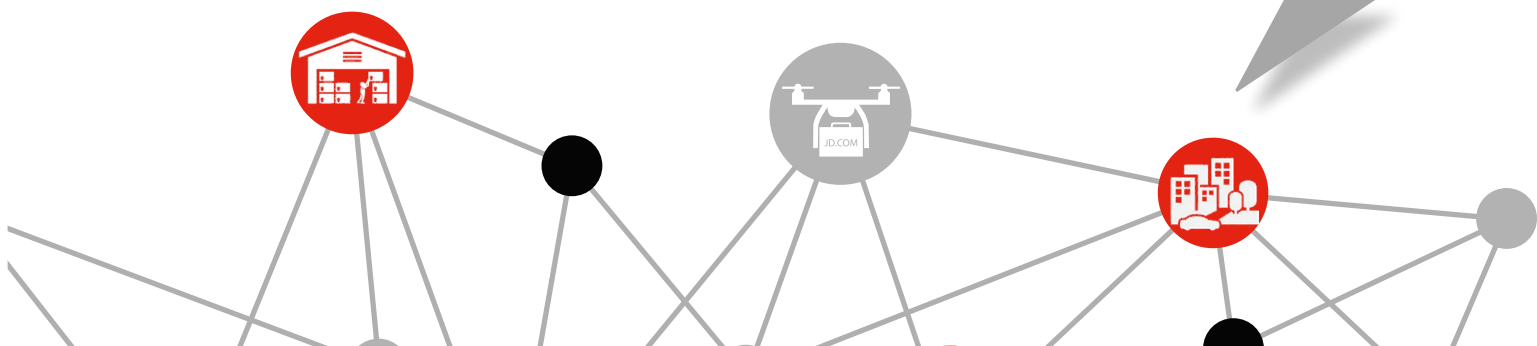
Power: Battery
Load weight: 10KG
Reach: 10 km per charge
Maximum speed: 72km/h
Usage: High-speed; long-endurance



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

JD Smart Supply Chain

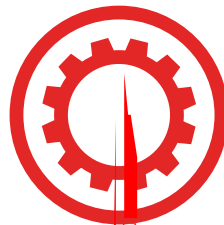
JD's AI and big data driven **smart supply chain** enables the company to achieve unparalleled operational efficiency for its online and brick-and-mortar operations, and to deliver a level of customer service that is unmatched globally. As part of JD's Retail as a Service strategy, in which it shares its capabilities with its partners and suppliers to help them improve their operations, JD has built an open supply chain platform to enable brands, third party merchants and offline retail stores to increase their efficiency and boost innovation in the industry as a whole.

As a result of its smart supply chain capabilities, JD has averaged:

- **37-day reduction** in inventory turnover days
- **23% reduction** in invalid runs in picking areas
- **10% reduction** in long and short-haul transportation costs
- **25% improvement** in delivery performance

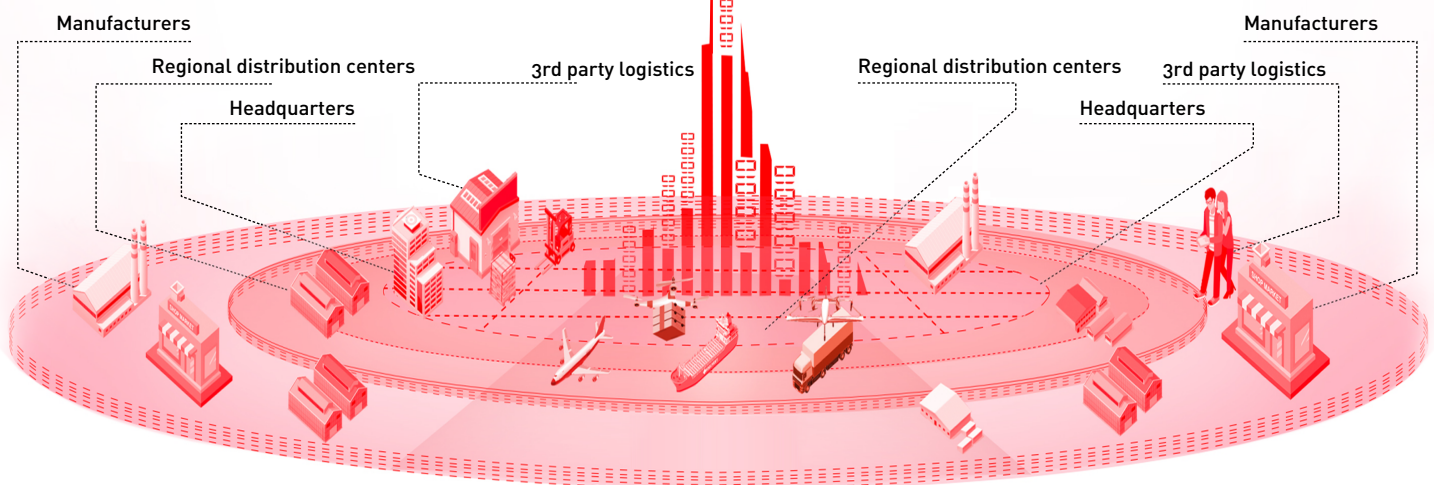
- Smart Assortment and Optimization
- Dynamic Pricing
- Demand Forecasting
- Planning Management
- Procurement Management

Planning
Sensing



Decision
Response

- Network Planning
- Commodity Traceability
- Capacity Management
- Inventory Management
- Delivery Management



Cell Phones



PCs



Wearables



Internet of Vehicles



Robots



Smart Home

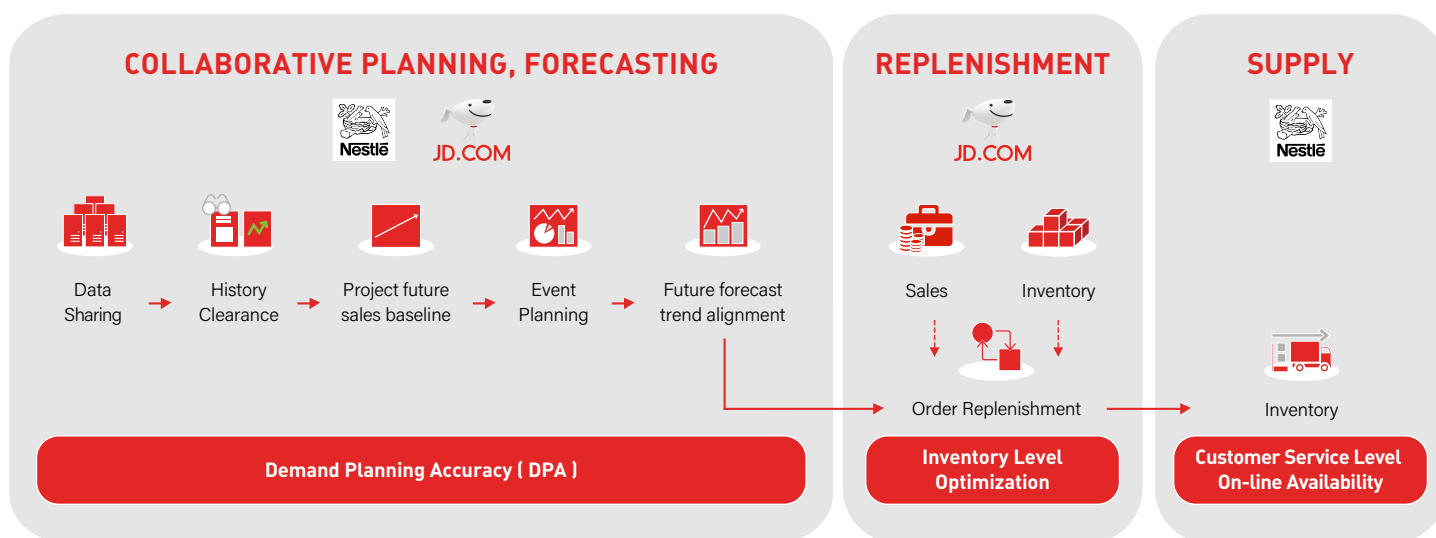


Smart Stores

Collaborative Planning, Forecasting and Replenishment

Brands provide JD.com with key characteristics of products, including life cycle, termination information, volume limits for sales events, and promotions and advertising campaigns that may impact sales.

JD applies this information to improve the accuracy of forecasts.



Working with JD.com to optimize its supply chain efficiency, Nestlé was able to:

- Improve demand forecast accuracy from **45%** to **85%** for products sold on JD
- Boost in-stock service level from **73%** to **95%**
- Shorten order lead time by **50%**
- Shrink delivery lead time from **5-8 days** to **2-3 days**

