



Ant Financial

JPMorgan June 2016

Our Vision



CREDIT = WEALTH

Bring small and beautiful changes to the world

**Leverage the Power Of
Internet and Big Data**

**Empower Financial Institutions
To Create Ecosystem**

**Serve SMEs and Individual
Customers**

**Provide Inclusive Financial
Services**



Ant Financial to Evolve Into A Global Leading Fintech Company

PAYMENT	WEALTH MANAGEMENT	FINANCING	INSURANCE	CREDIT REFERENCE
 <p>451mn Annual Active Users⁽¹⁾</p> <p>153mn No. of Daily Avg. Transactions⁽²⁾</p>	<p>152mn Annual Active Users</p>  <p>AUM RMB 760bn⁽⁴⁾ 3-Yr Operation</p>	  <p>SME Loans</p> <p>3mn⁽⁴⁾ Cumulative Users</p>	 <p>380mn Cumulative Users</p>	 <p>130mn⁽⁴⁾ Cumulative Users</p>
<p>PayPal 180mn active users⁽¹⁾ 16mn daily average transactions⁽³⁾</p> <p>Visa 2.2bn accounts⁽¹⁾ 260mn daily average transactions⁽³⁾</p>	<p>Charles Schwab 9.9mn active users</p> <p>CITIC Securities 7mn active users</p> <p>Lufax 3.6mn active users</p>	<p>China Merchants Bank 38mn cards in circulation</p> <p>China Minsheng Bank 4.5mn cumulative borrowers</p>	<p>China Life 400mn cumulative users</p> <p>Ping An 110mn cumulative users</p>	<p>People in credit reference system in the US ~250mn</p>

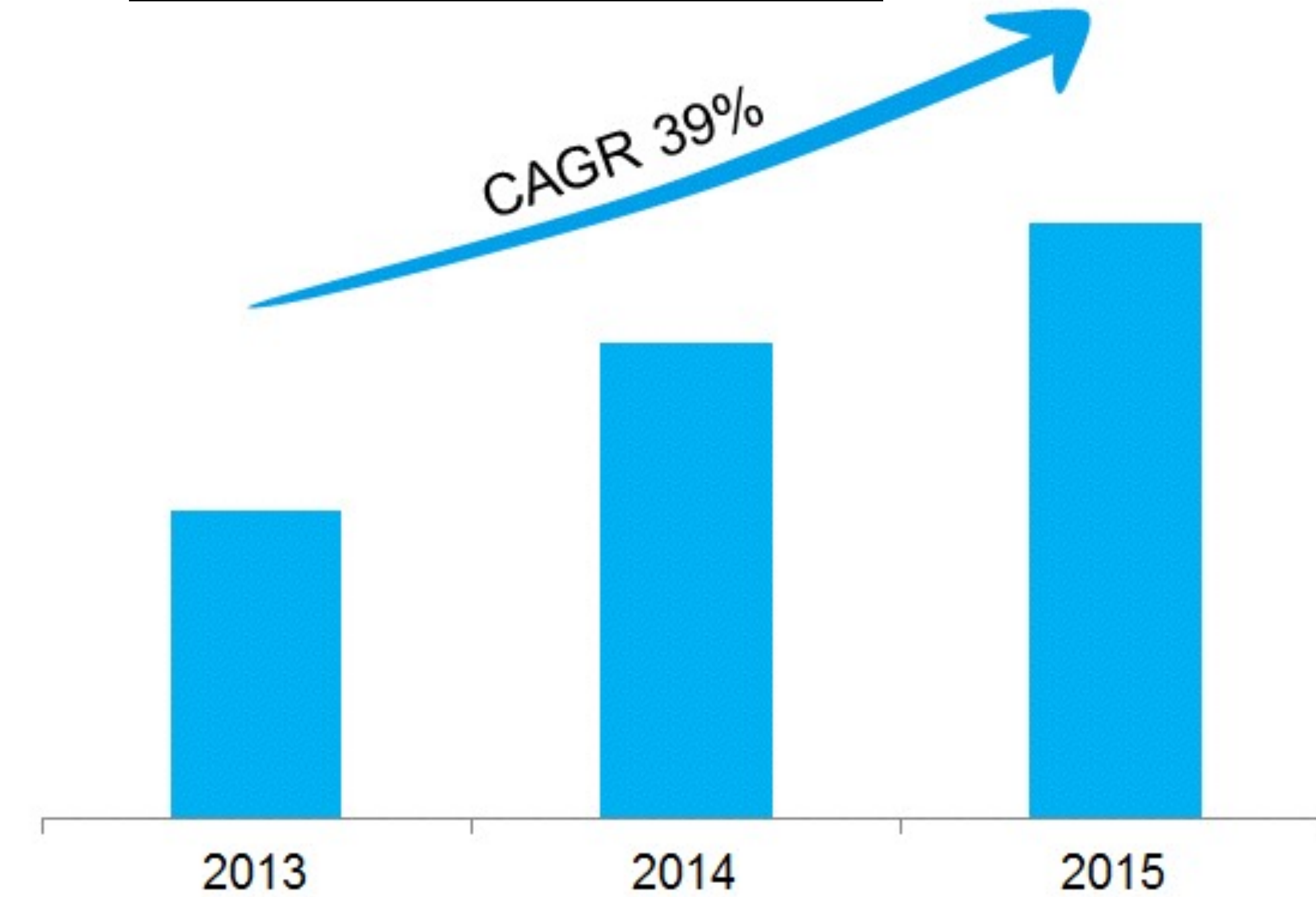


1: Number of users of Alipay and PayPal with one or more successful transactions in 2015. Number of accounts of Visa and MasterCard as of the fourth quarter of 2015
2: Daily average transactions of the first quarter of 2016
3: Daily average transactions of the fourth quarter of 2015
4: As of March 31, 2016
All data without footnote above refer to the year of 2015 or as of 2015
Source: annual reports, IR websites, research reports, public news

Massive and Fast-Growing User Base

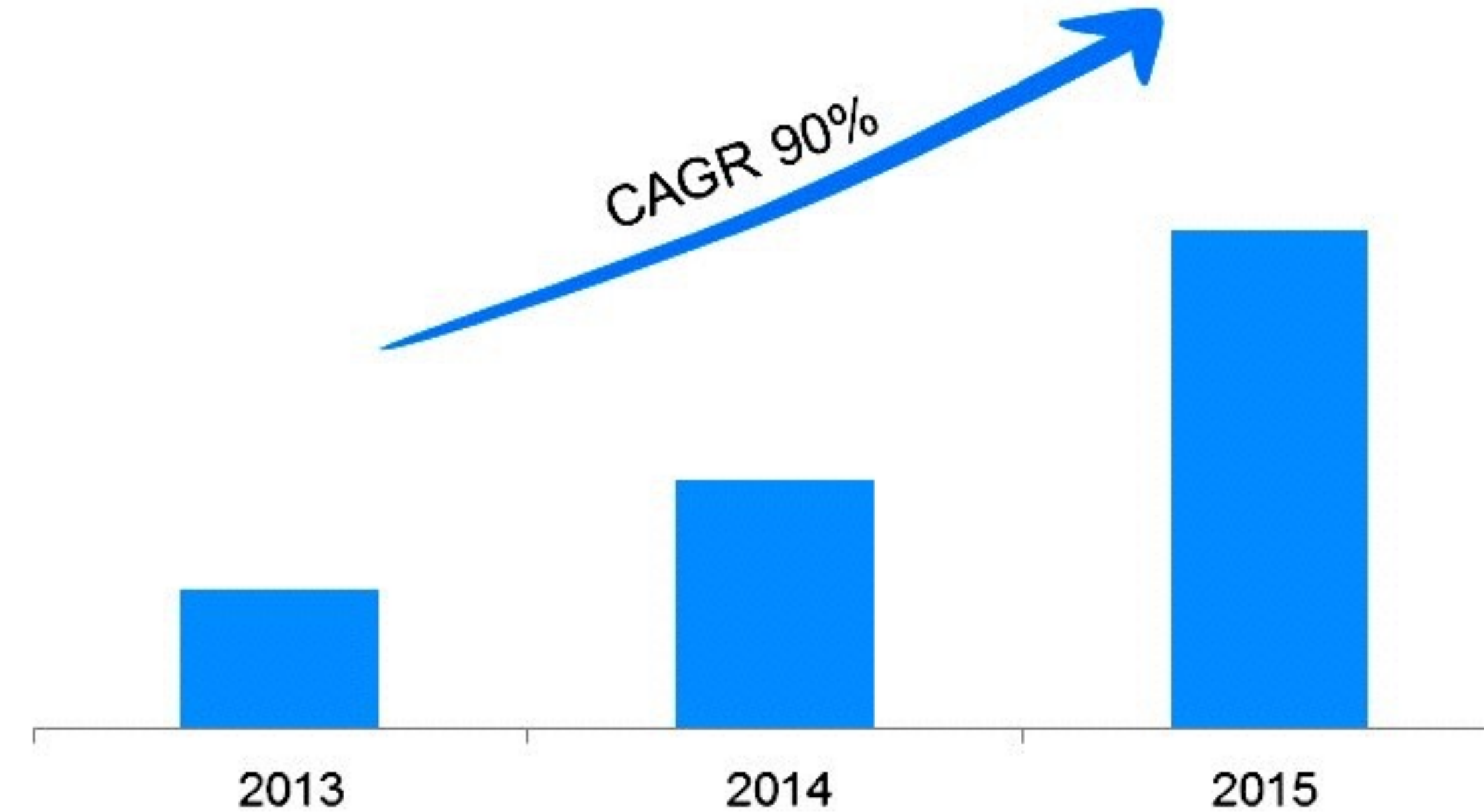
RAPIDLY EXPANDING USER BASE

Users of Ant Financial



CATERING TO THE NEEDS OF MORE SMES

Cumulative Customers of SME Loan Business



Note: number of SMEs cumulatively served in the year



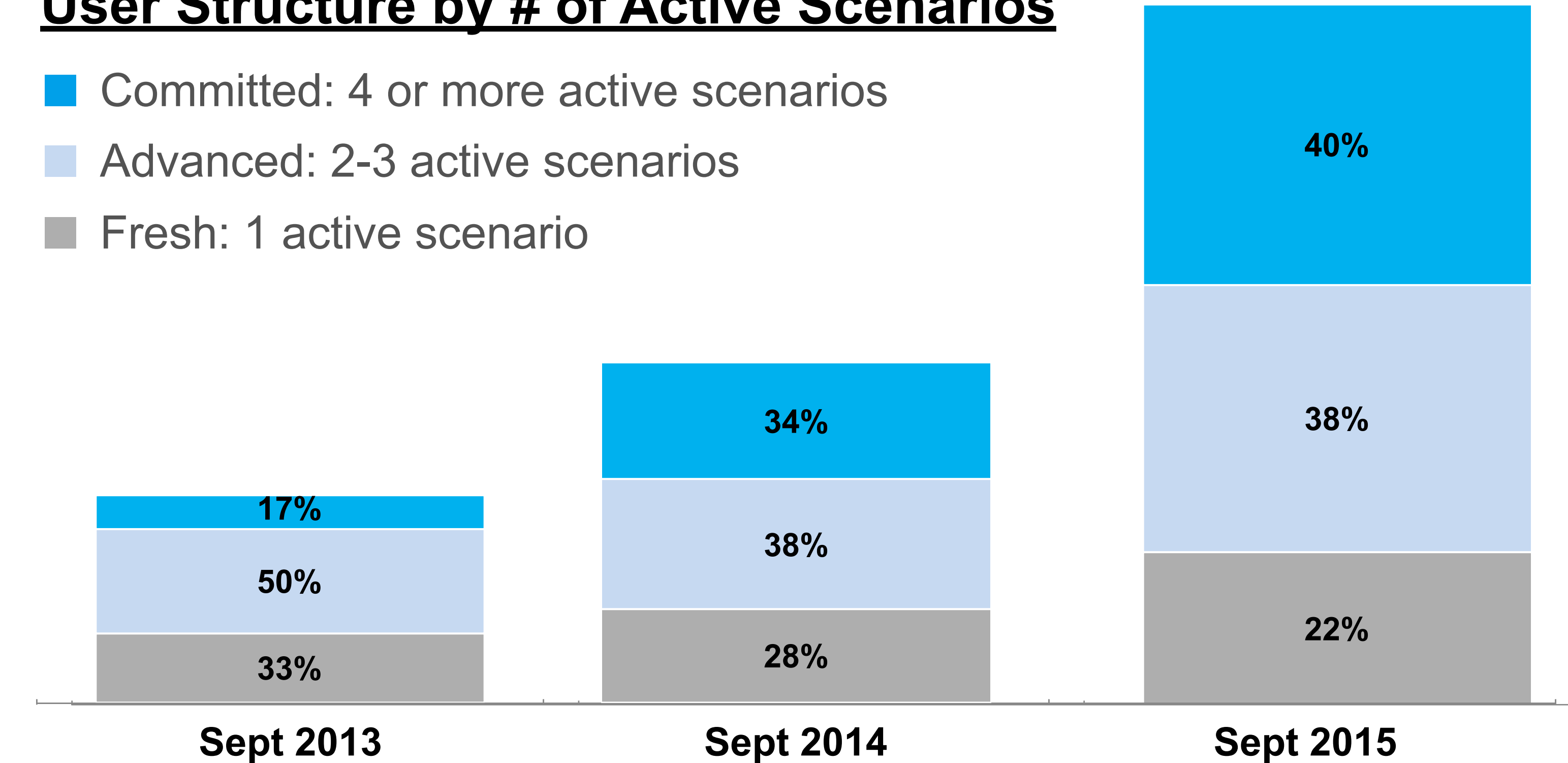
Highly Engaged Users

PENETRATE INTO MORE CONSUMPTION SCENARIOS TO INCREASE THE PORTION OF USERS ACTIVE IN MULTI-USER CASES AND THUS GENERATE MORE COMPLETE DATA






User Structure by # of Active Scenarios

- Committed: 4 or more active scenarios
- Advanced: 2-3 active scenarios
- Fresh: 1 active scenario



More Powerful Platform Effects When Introducing New Products

The characteristics as a platform become more apparent as the period is becoming shorter for one financial product from inception to over 100mn users

Products	Launch Time	Reaching to 100mn+ Cumulative Users	
 芝麻信用 SESAME CREDIT	Sesame Credit	January 2015	<div></div> 11 months
 余额宝	Yu'e Bao	June 2013	<div></div> 20 months
	Insurance	November 2010	<div></div> 31 months



Our Competitive Advantages

Huge User Base with Great Potential

Incubator for Vital and Innovative Financial Products

World-Class Financial Cloud Technology Platform

Pioneer in DT Era Employing Data to Drive Innovation



Yu'e Bao: Convenient Cash Management Service



POSITIONING

The money market fund provides convenient cash management service for users, enhances efficiency of client funds and lays down the foundation for other wealth management services

SMALL BALANCE

~**RMB 6,300**
per holder

MASSIVE USERS

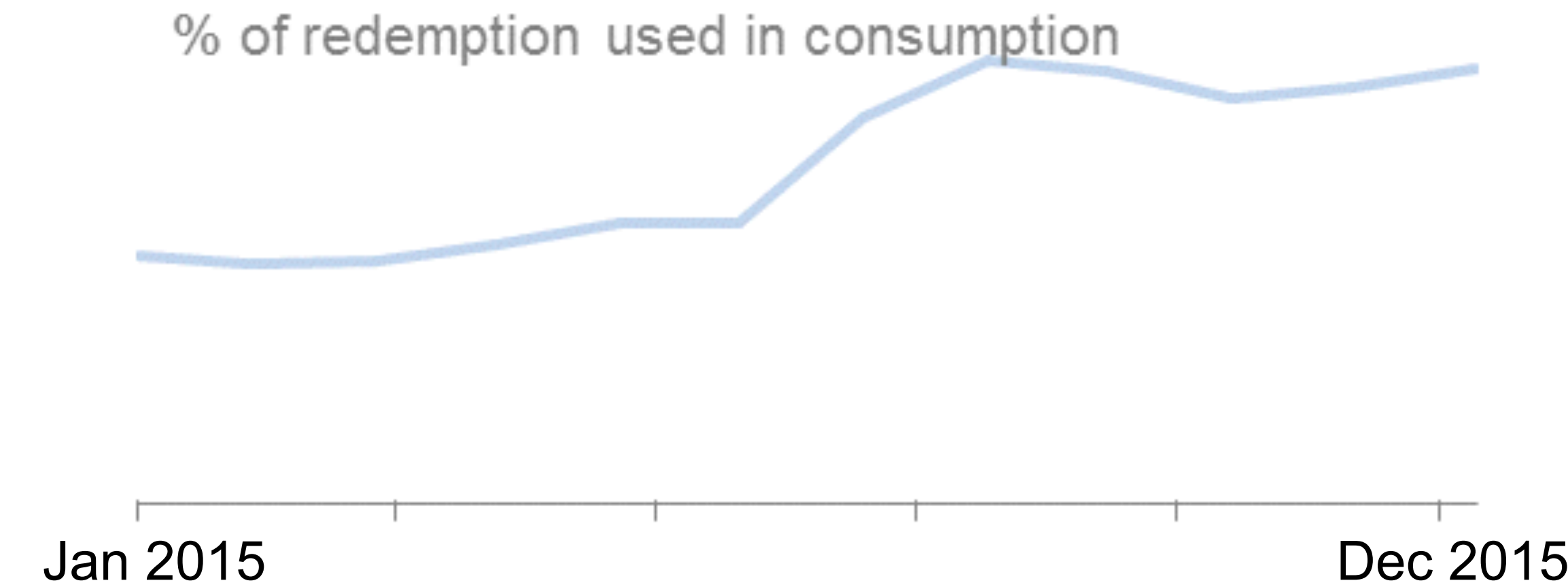
>120mn
outstanding users

LARGE SCALE

>RMB 760bn
Ranked #3
Globally

IT Edges Enable High Frequency Usage

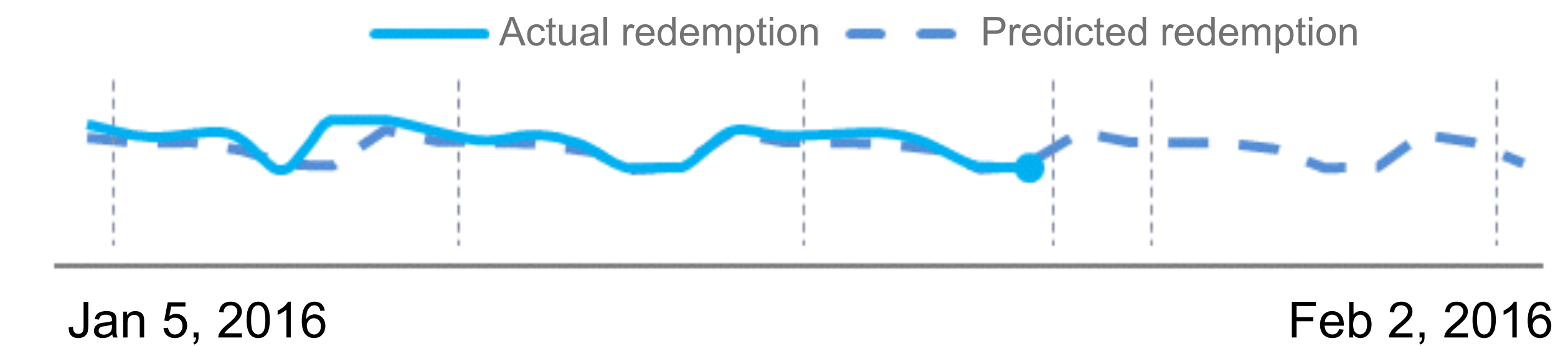
Seamless connection between Yu'e Bao and consumption enjoys wide popularity due to great **user experience** and **ever-expanding user scenarios**



Big Data Helps Liquidity Risk Mgmt

Financial risk management: Analysis of indicators such as future redemption ratio based on big data ensures the liquidity and safety of Yu'e Bao

Big Data-based liquidity management accurately predicts fund flows



Note: data of Yu'e Bao as of March 31, 2016

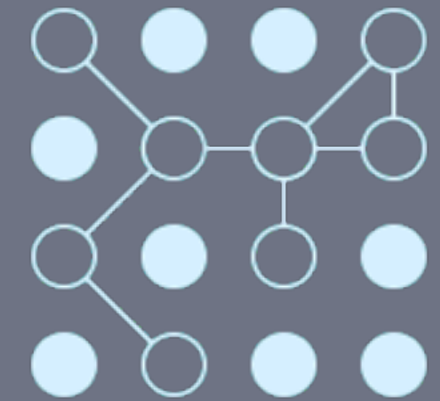
Our Growth Strategy: Rural, Global and Data-Driven



To capture the urbanization trend, to serve users in rural areas, and to make the financial services more inclusive



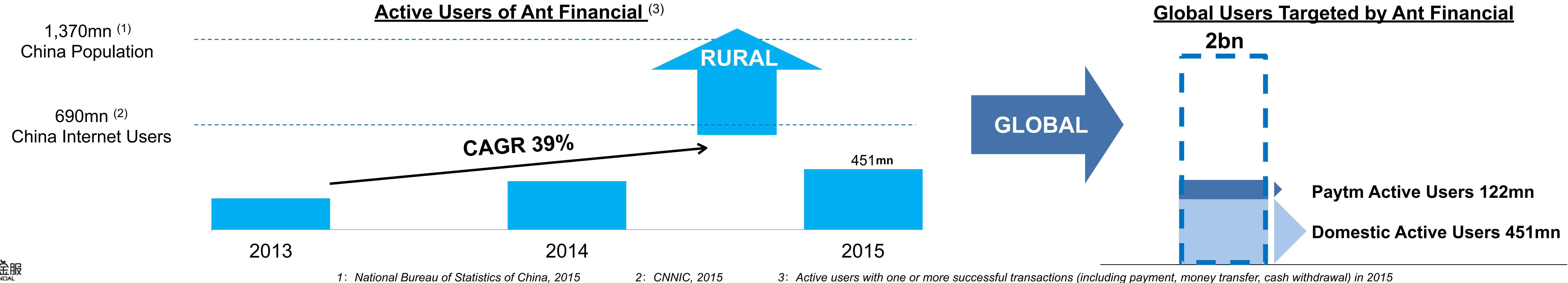
To collaborate with local partners through technology transfer, to make the financial services more accessible



Dynamic data are generated from the businesses, while the data in turn feed the business ecosystem

Aim to Serve 2 Billion Customers Globally in 10 Years

Inclusive Financial Service Driven by Technology is the Key Strategic Opportunity for Ant Financial



APPENDIX

Shareholding Structure of Ant Financial Group



As of May 31, 2016

76.4% → 51.2%⁽³⁾

Alibaba Partnership
Management & Employees⁽¹⁾

23.6% → 15.8%⁽³⁾

Domestic China
Investors

1: Includes cross grants to Alibaba Group

2: Right to a 33% equity stake subject to regulatory approval

3: Ownership percentage if Alibaba Group converts to a 33% equity stake

