



For Immediate Release

Alibaba Group and Fung Retailing Form Strategic Partnership

Aim to enhance access to massive Chinese market for global brands

Shanghai, November 6th, 2018 - Fung Retailing Limited, with a global network of over 3,000 stores, and Alibaba Group Holding Limited (NYSE: BABA), today announced a strategic partnership to bring more international lifestyle brands to mainland China.

This collaboration aims to meet the increasing demand of Chinese consumers, building on the strengths of both parties in online and offline retailing. At the same time, it will better serve global brands by leveraging Fung Retailing's global portfolio of brands, offline retail channels and marketing know-how, as well as Alibaba's ecosystem, digital retail leadership, technology, and consumer insights from Alibaba's over 600 million users.

That will help global brands tailor their product development and marketing strategies to meet the ever-changing needs of Chinese consumers. The brands can also draw on Alibaba's new retail channels, including Tmall and Intime, as well as Fung Retailing's offline stores, thereby reducing costs, risks, and the time traditionally associated with entering the China market.

Under the MOU, both companies will join forces in global brand recruitment and offer brands merchandising, marketing and omnichannel distribution services. This collaboration will focus on the mainland China market as a first step, and potentially expand to other regions riding on Alibaba's platforms.

Speaking during the signing ceremony at the CIIE in Shanghai, Alibaba Chief Executive Officer Daniel Zhang said, "It is an honor to kick off full-scale strategic cooperation with Fung Retailing at the historic China International Import Expo. We endeavor to help global brands expand their foothold in the China market by fully integrating Alibaba's strong capabilities in New Retail, big data and technology with Fung Retailing's unparalleled advantageous in brand and supply chain resources. We believe this partnership represents the beginning of a new chapter for New Retail."

Fung Retailing Ltd. Group Managing Director Sabrina Fung said retail is changing exponentially, so it's important to stay ahead of the curve, which this agreement allows it to do.

"Through this exciting strategic partnership with Alibaba, we will help customers navigate the full Chinese retail economy and reach China's 1.4 billion consumers more easily. In this evolving retail landscape, and faced with changing consumer behavior



and disruptive retail technologies, we are focused on developing new ways to do business," said Fung.

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About Fung Retailing Limited

The retailing business of the Fung Group are brought together under privately-held Fung Retailing Limited and extend from Greater China to the UK, France, Korea, Singapore, Malaysia, Thailand, and the Philippines through a combined network of over 3,000 stores. They include stores operated separately and independently by publicly-listed Convenience Retail Asia Limited (SEHK: 00831) and Trinity Limited (SEHK: 00891), as well as the privately-held Branded Lifestyle Holdings Limited, Fung Kids (Holdings) Limited, Toys "R" Us (Asia) Limited, Suhyang Networks Company Limited and UCCAL Fashion Group. Fung Retailing employs over 18,000 staff, and its turnover exceeds US\$1.8 billion. The Fung Group (www.funggroup.com) is a Hong Kong-headquartered multinational group whose core businesses are in trading, logistics, distribution and traditional and digital retailing. Note to Editors: Privately-held Fung Retailing Limited is totally separate from the publicly-listed company Li & Fung Limited.

About Alibaba Group

Alibaba Group's mission is to make it easy to do business anywhere and the company aims to achieve sustainable growth for 102 years. For fiscal year ended March 2018, the company reported revenues of US\$39.9 billion.

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