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Presentation

March 2017

“To make brands successful in e-commerce”

We Are the Market Leader in Brand E-Commerce Service in China

 **Largest** brand e-commerce service

partner, with c. **22%** market share⁽¹⁾ in 2015
V.S. 20% in 2014

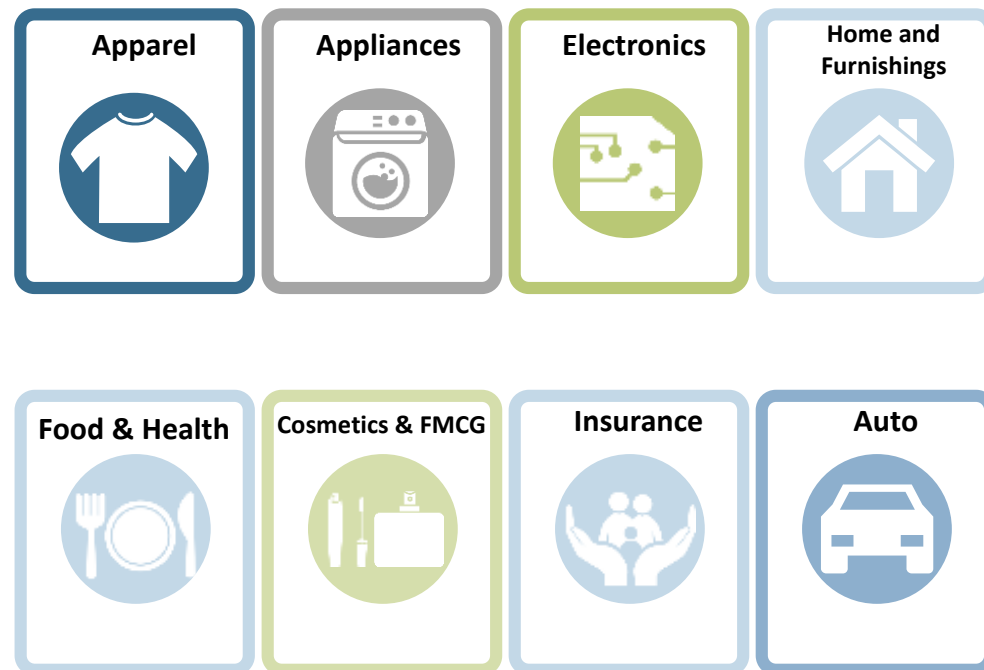
 **End-to-end** solutions with
omni-channel capabilities

 **Six-star** e-commerce service partner
recognized by Tmall

 **133** brand partners⁽²⁾, **8** categories

RMB11.3BN GMV⁽³⁾, up 67% yoy

Leading Global Brand Partners Across 8 Categories



Our Mission is to Make Brands Successful in E-Commerce

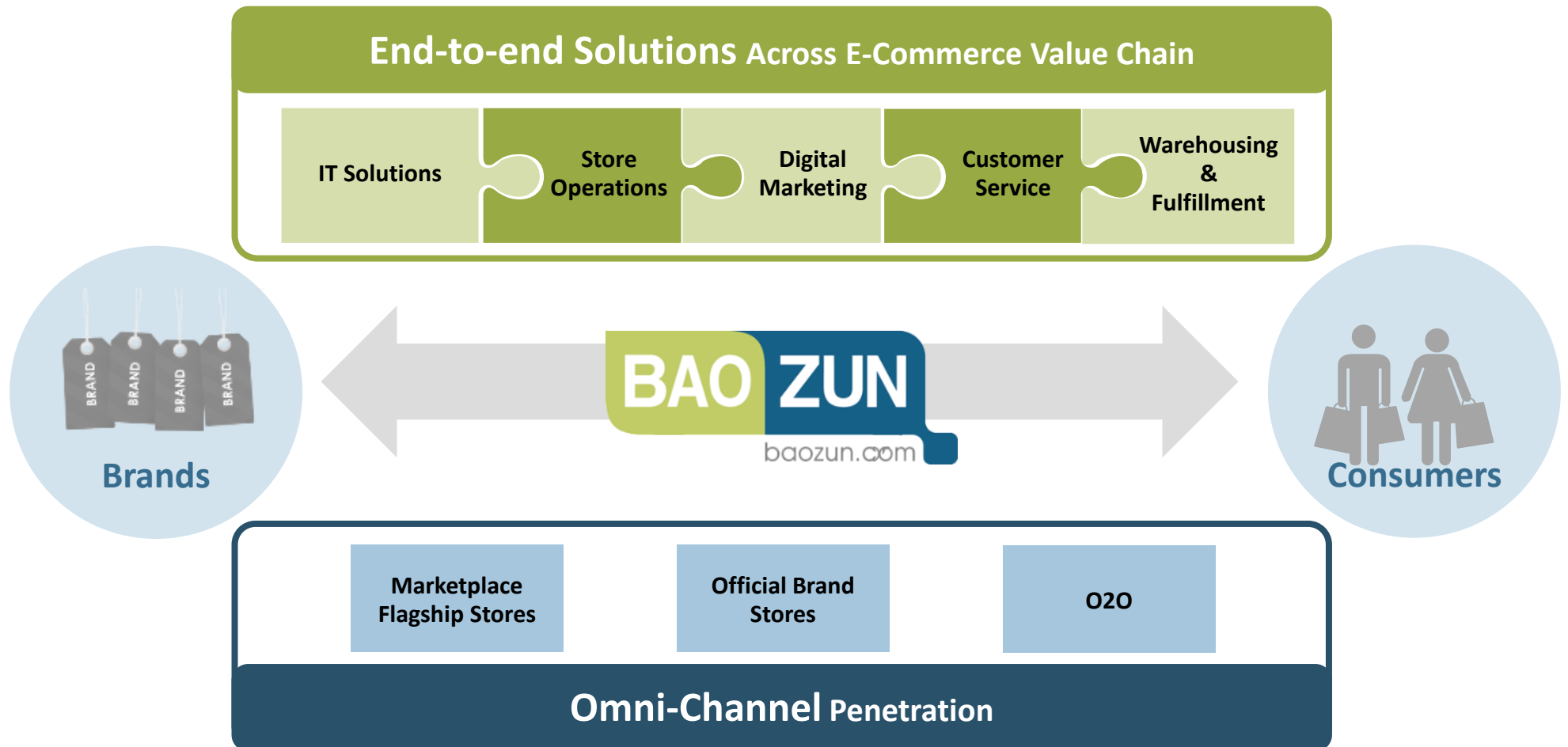
Notes: Exchange rate used: Notes: US\$1 = RMB6.9430

1. Source: iResearch. Based on China's total brand e-commerce service market size of RMB43 billion (US\$6.5 billion) in terms of transaction value in 2015.

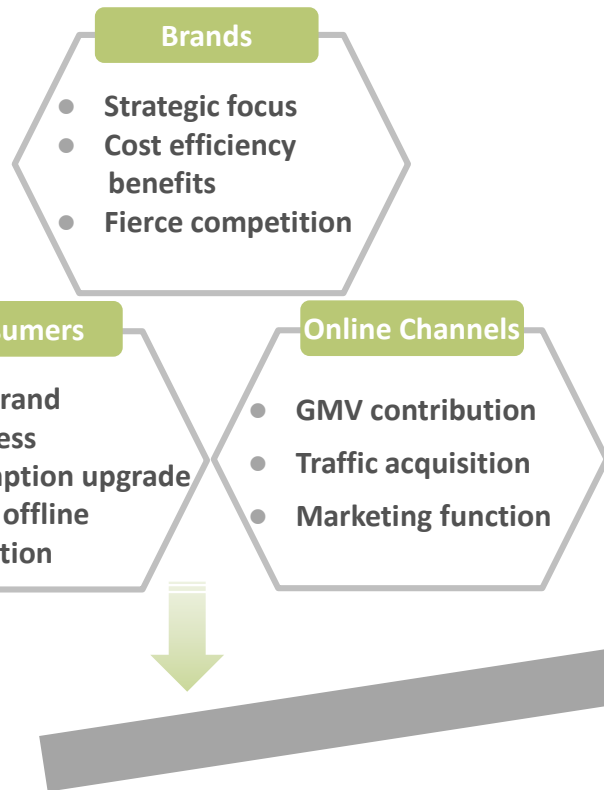
2. As of December 31, 2016.

3. For the 12 months ended December 31, 2016. Gross merchandise volume, includes value added tax and excludes (i) shipping charges, (ii) surcharges and other taxes, (iii) value of the goods that are returned and (iv) deposits for purchases that have not been settled.

We Bridge Brands to Consumers

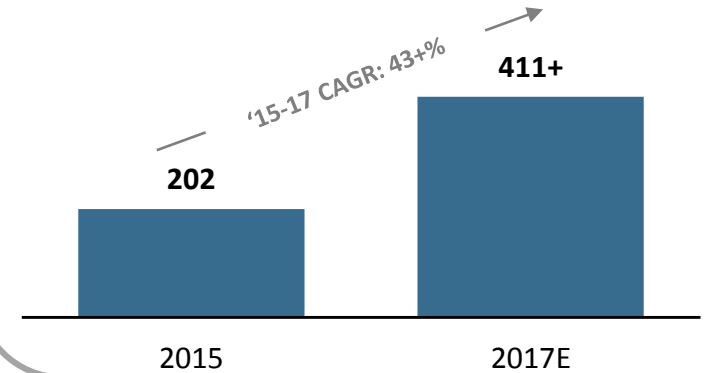


Huge Market Opportunities in Brand E-Commerce



China Brand E-Commerce⁽¹⁾ grows at high CAGR

(China Brand E-Commerce Market Size, US\$BN)

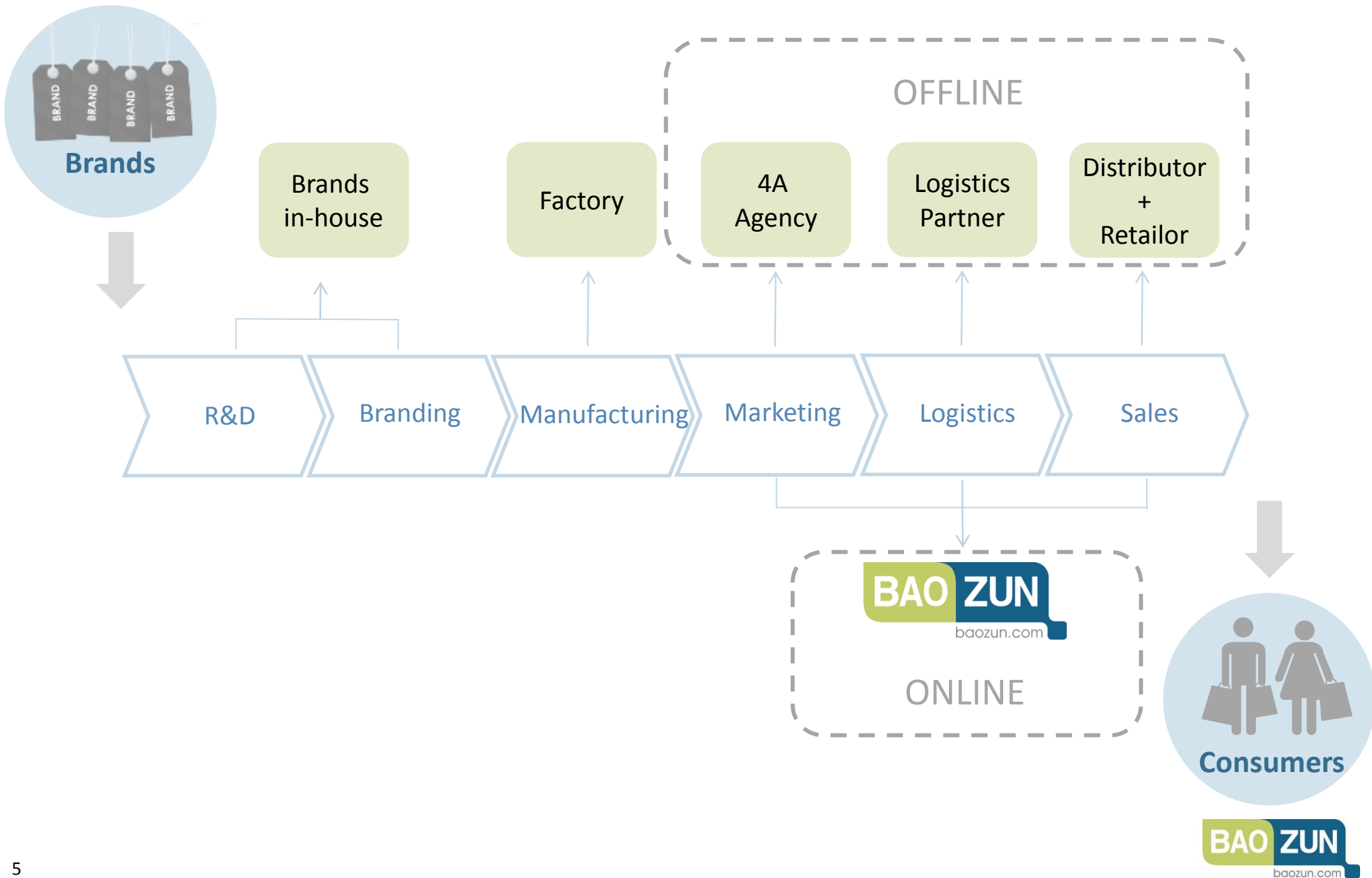


Source: iResearch

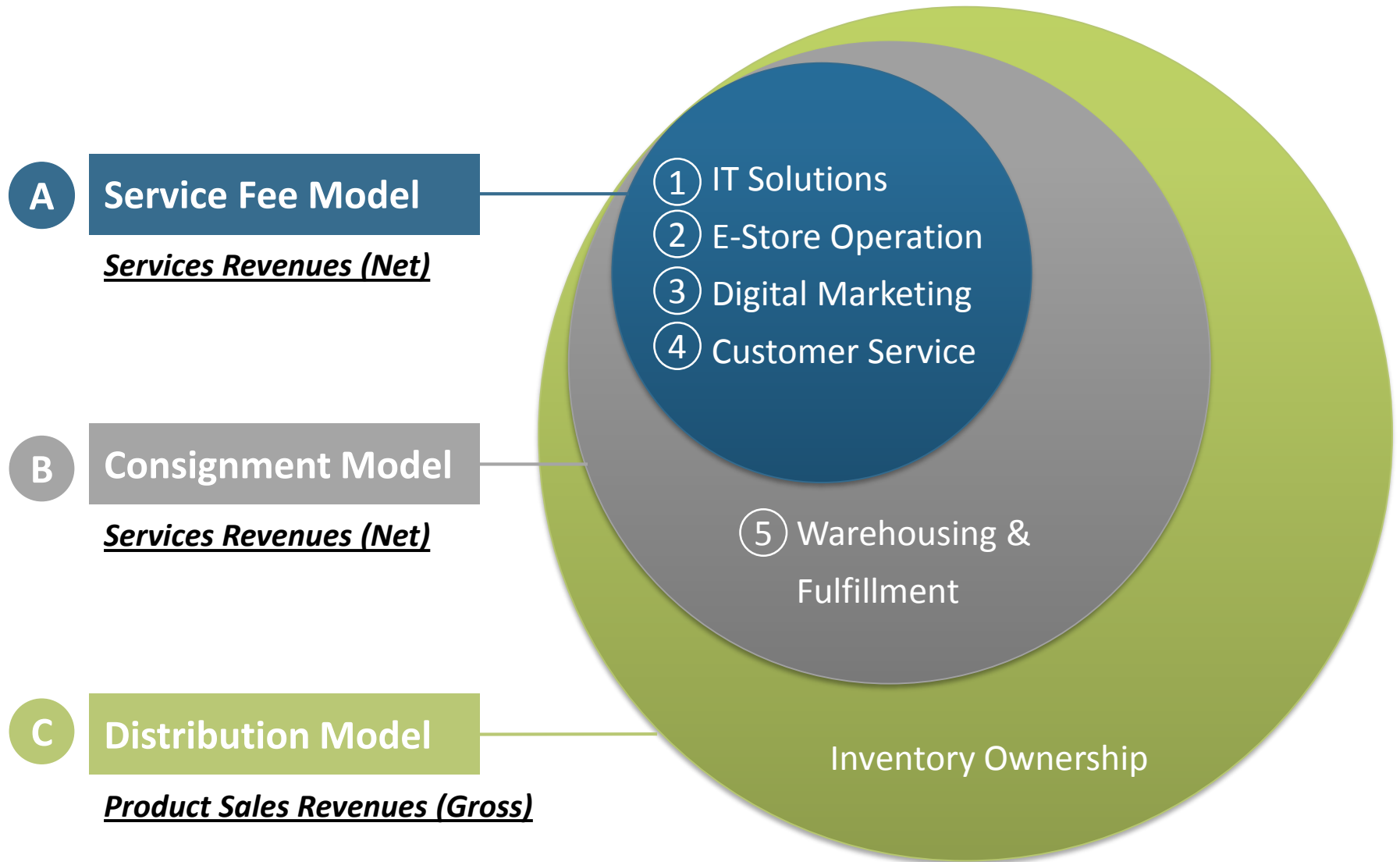
Note:

1. Brand e-commerce defined as B2C e-commerce conducted through official brand stores or official marketplace stores

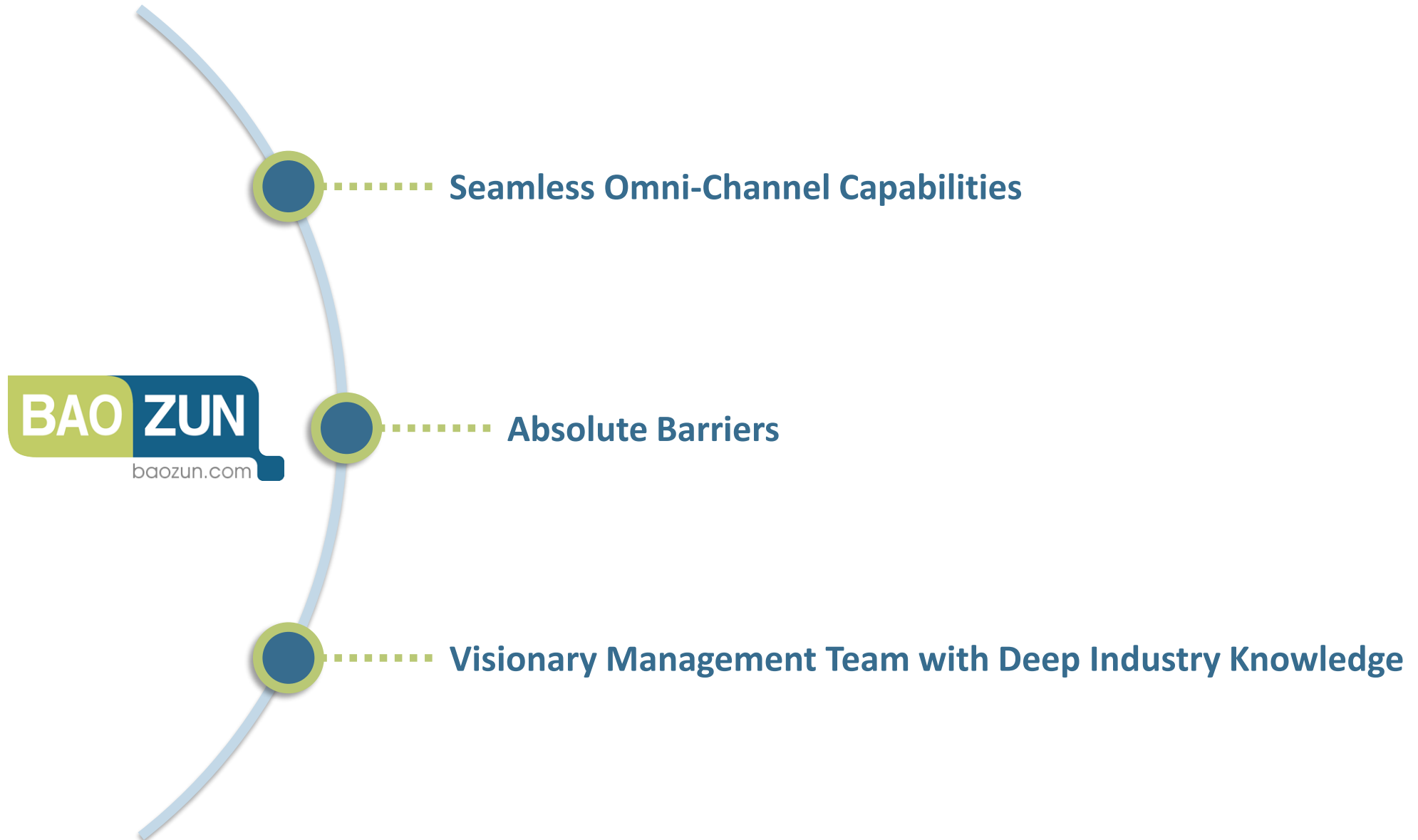
The Integrated Partner in Value Chain



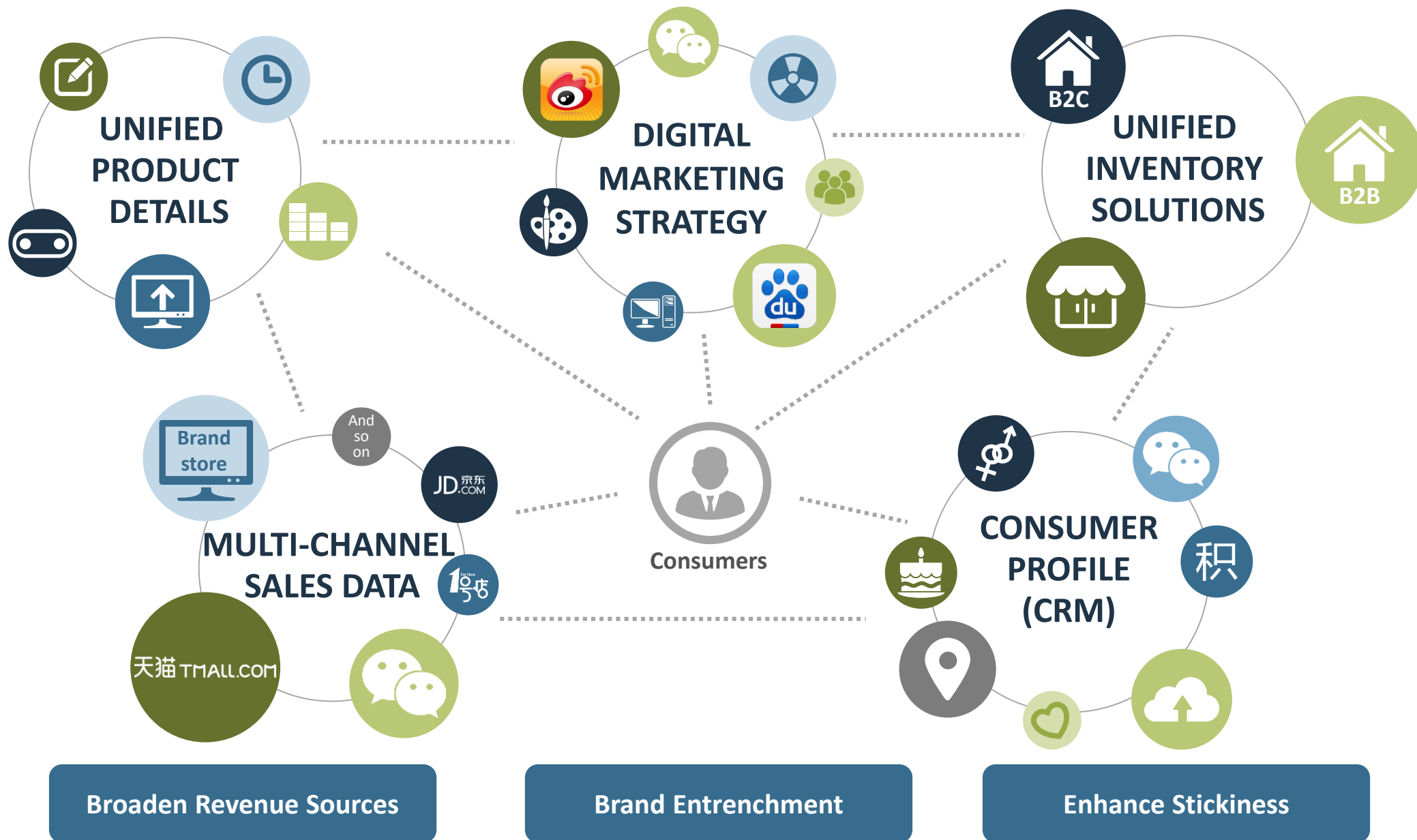
Our Business Model



Our Competitive Strengths



1 Seamless Omni-Channel Solutions



Barriers	Omni-Channel	Adaptability	Scalability
Robust IT System	- Integrated OMS/WMS - Brand store: Nebula - O2O: Shopdog	- Best local practice - Customization for brands	- Centralized R&D resources - Leveraged system
Insightful Digital Marketing Solutions	- Cross-channel trading data - Unified consumer ID	- Performance-based - Self-developed CRM	- Cross-brand marketing - Media purchase advantages
Advanced Logistics Capabilities	- Cross-channel inventory sharing - Offline stock visualized	- Category/Brand-tailored services - Diversified delivery choices	- Discount & priority from delivery partners - Improved turnover rate with automation



Brand-oriented

Passionate and
visionary

Service and
technology-driven
culture

Diverse and
complementary
backgrounds



Vincent Qiu
CEO and
Co-founder



Junhua Wu
COO and
Co-founder



Beck Chen
CFO



Tony Wu
CTO



Frank Ma
CSO



Aaron Kwok
VP, Appliances
and Electronics



Peter Liang
VP of Logistics,
General Manager
for Baotong



James Yu
Head of Business
Group for Home
and Auto

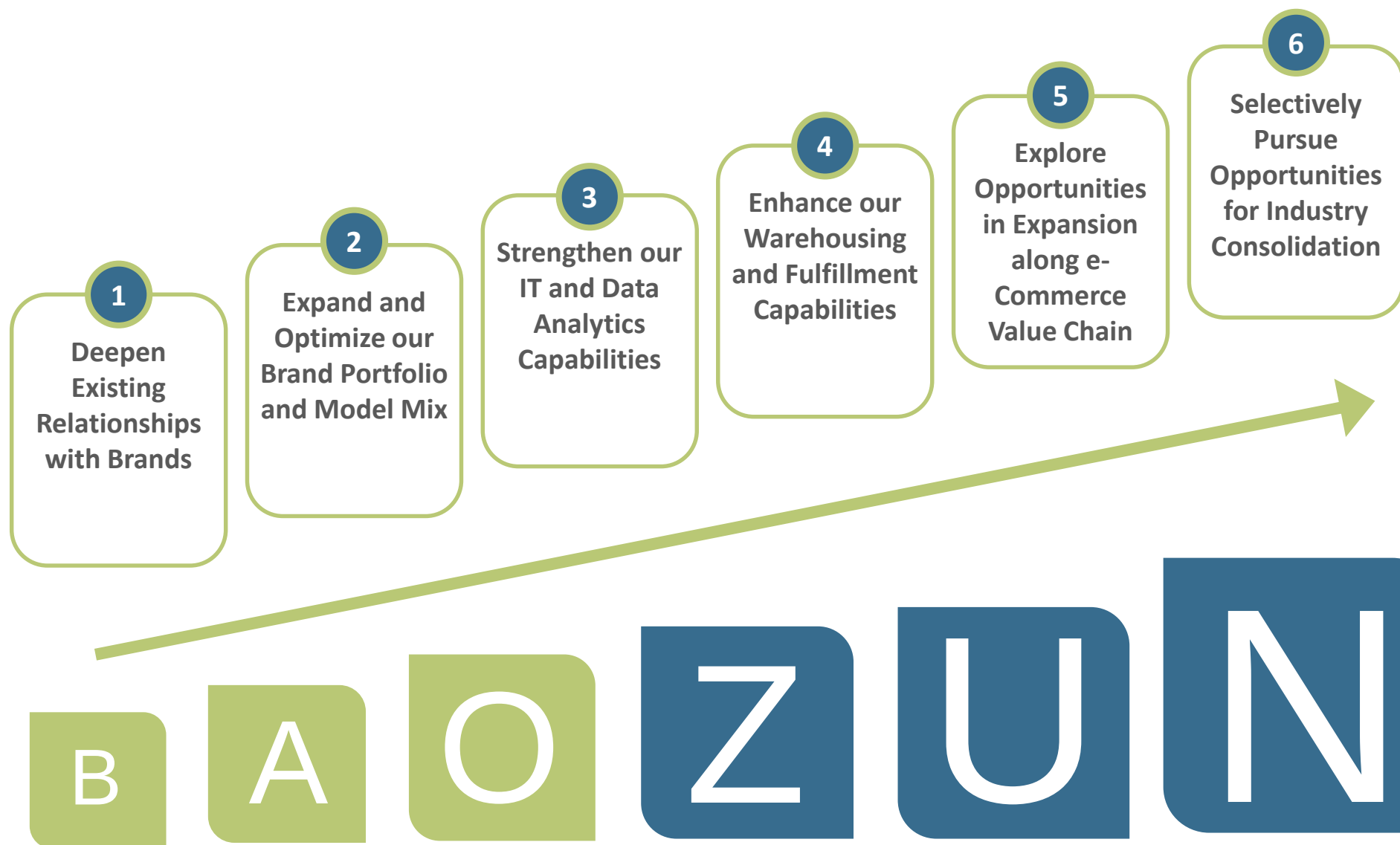


Joyce Chang
Head of Digital
Marketing

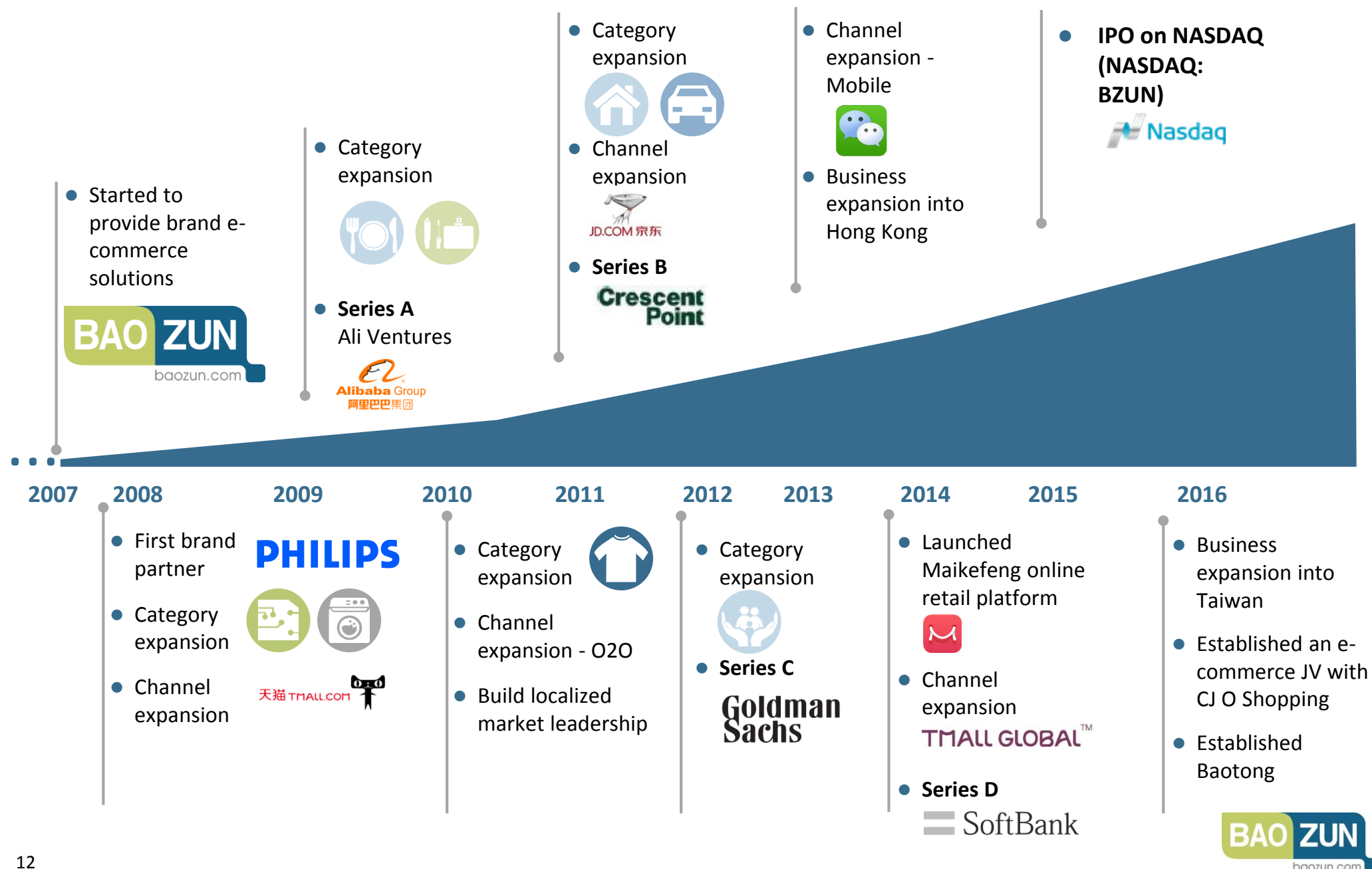


Brand, **E**commerce

Our Growth Strategies



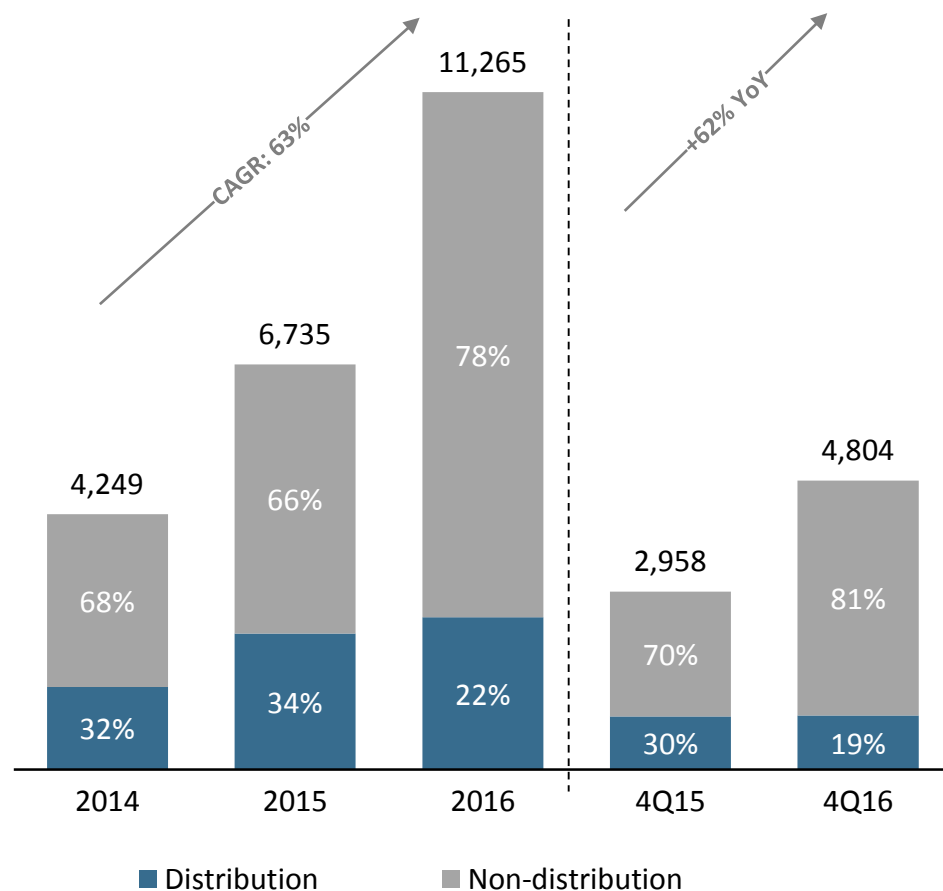
Strategic Roadmap and Key Milestones



Financial Highlights – Robust GMV Growth, Optimizing Model Mix

Total GMV

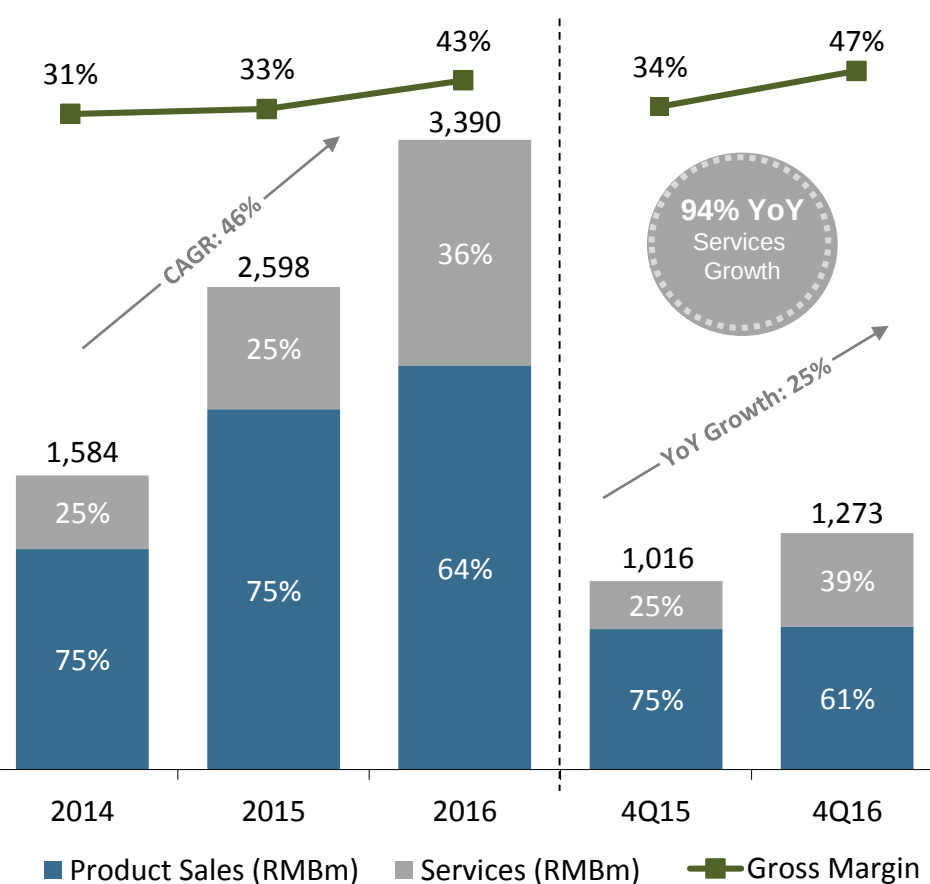
RMB MM



Asset Light

Total Net Revenues

RMB MM



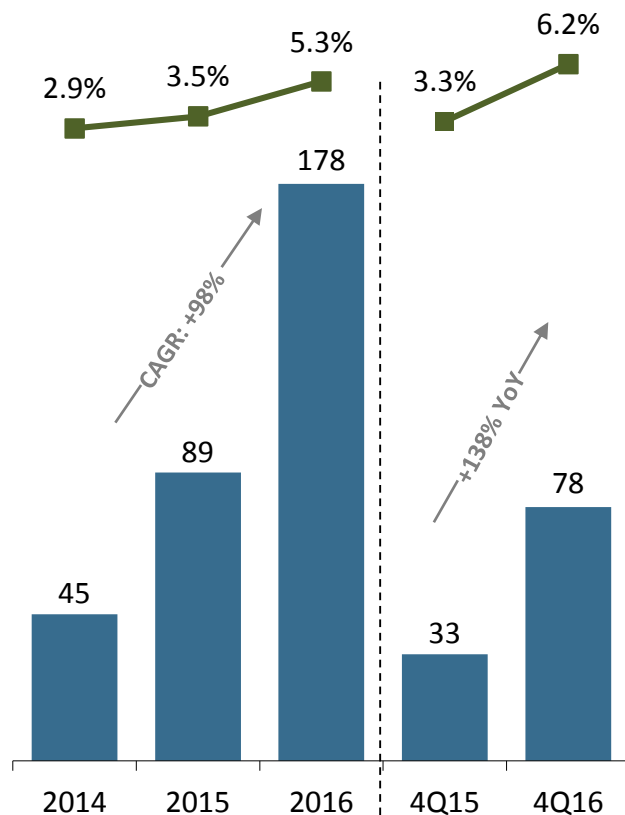
Less Inventory Risk

Increased Margin

Financial Highlights – Constantly Growing Core Business

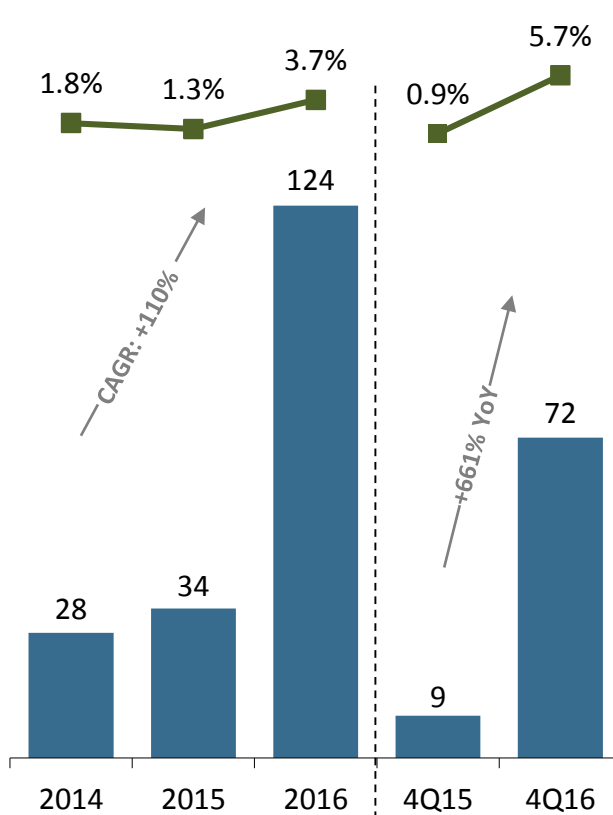
Non-GAAP Operating Income for Brand E-Commerce Segment ⁽¹⁾⁽²⁾⁽³⁾

RMB MM



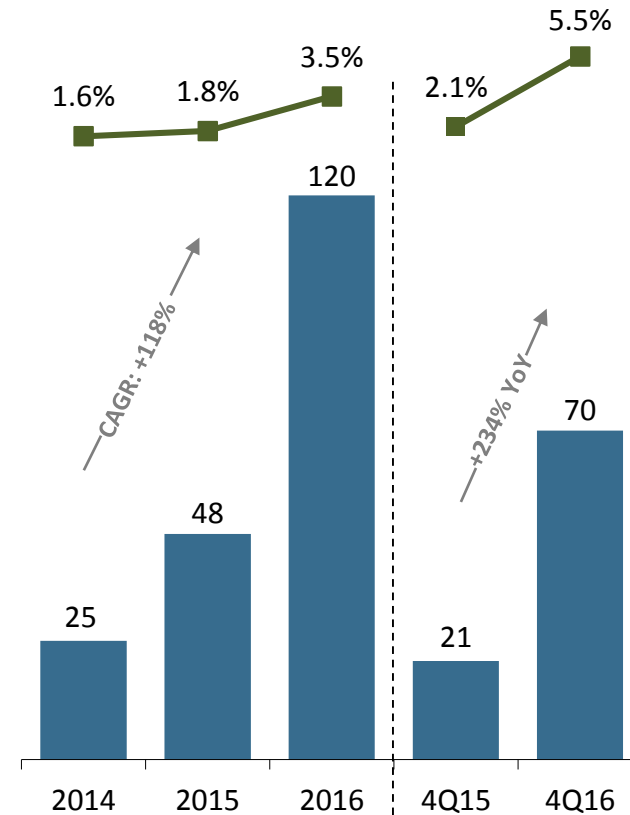
Non-GAAP Operating Income ⁽²⁾⁽³⁾

RMB MM



Non-GAAP Net Income ⁽²⁾⁽³⁾

RMB MM



■ Non-GAAP Operating Margin for Brand E-Commerce Segment

■ Non-GAAP Operating Margin

■ Non-GAAP Net Margin

1. Excludes MKF's direct revenues and expenses
2. Non-GAAP operating income and Non-GAAP net income exclude share-based compensation expenses
3. Share-based compensation expenses are RMB85.0mn, RMB25.2mn, RMB34.2mn, RMB7.5mn, RMB9.1mn for 2014, 2015, 2016, 4Q2015 and 4Q2016 respectively

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THANK YOU!

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