

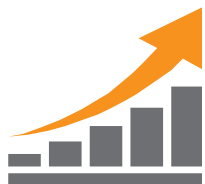
# June Quarter 2024 Results

August 15, 2024

 Alibaba



This presentation contains certain financial measures that are not recognized under generally accepted accounting principles in the United States (“GAAP”), including adjusted EBITDA (including adjusted EBITDA margin), adjusted EBITA (including adjusted EBITA margin), non-GAAP net income, non-GAAP diluted earnings per share/ADS and free cash flow. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, see GAAP to Non-GAAP Measures Reconciliation, GAAP to Non-GAAP Net Income Attributable to Ordinary Shareholders and the slides presenting revenue and EBITA by segments. This presentation contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “may,” “will,” “expect,” “anticipate,” “future,” “aim,” “estimate,” “intend,” “seek,” “plan,” “believe,” “potential,” “continue,” “ongoing,” “target,” “guidance,” “is/are likely to” and similar statements. In particular, the settlement in principle of our shareholder class action lawsuits is subject to various conditions, including completion of confirmatory discovery, negotiation and execution of the full settlement agreement and approval by the court. In addition, statements that are not historical facts, including statements about Alibaba Group’s new organizational and governance structure, Alibaba’s plan to convert to primary listing in Hong Kong, Alibaba’s strategies and business and operational plans, Alibaba’s beliefs, expectations and guidance regarding the growth of its business, revenue and return on investments, share repurchases and the business outlook and quotations from management in this presentation, are or contain forward-looking statements. Alibaba may also make forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the “SEC”), in announcements made on the website of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement. These factors include but are not limited to the following: Alibaba’s corporate structure, including the VIE structure it uses to operate certain businesses in the PRC; the implementation of Alibaba Group’s new organizational and governance structure; Alibaba’s ability to maintain the trusted status of its ecosystem; Alibaba’s ability to compete, innovate and maintain or grow its business, including expanding its international and cross-border businesses and operations and managing a large and complex organization; risks associated with sustained investments in Alibaba’s businesses; fluctuations in general economic and business conditions in China and globally; uncertainties arising from competition among countries and geopolitical tensions, including national trade, investment, protectionist or other policies and export control, economic or trade sanctions; risks associated with Alibaba’s acquisitions, investments and alliances; uncertainties and risks associated with a broad range of complex laws and regulations (including in the areas of privacy and data protection and cybersecurity, anti-monopoly and anti-unfair competition, content regulation, consumer protection and regulation of Internet platforms) in the PRC and globally; cybersecurity risks; Alibaba’s plan to convert to primary listing in Hong Kong; and assumptions underlying or related to any of the foregoing. Further information regarding these and other risks is included in Alibaba’s filings with the SEC and announcements on the website of the Hong Kong Stock Exchange. All information provided in this presentation is as of the date of this presentation and are based on assumptions that we believe to be reasonable as of this date, and Alibaba does not undertake any obligation to update any forward-looking statement, except as required under applicable law.



**Total  
Revenue**  
RMB 243.2Bn  
(US\$33.5Bn)



**Adjusted EBITA**  
RMB 45.0Bn  
(US\$6.2Bn)



**Net Cash Position<sup>(1)</sup>**  
As of Jun 30, 24  
RMB 405.7Bn  
(US\$55.8Bn)

Note:

(1) Including cash and cash equivalents, short-term investments and other treasury investments less bank borrowings, unsecured senior notes and convertible unsecured senior notes.

- **Taobao and Tmall Group** is winning the mindshare of our consumers. This past quarter, we achieved **high-single-digit** online GMV growth and **double-digit** order growth.
- **Alibaba Cloud's** overall revenue, excluding Alibaba-consolidated subsidiaries, grew at **6%** driven by **double-digit** public cloud growth and increasing adoption of AI-related products.
- **Alibaba International Digital Commerce Group** continues to achieve robust revenue growth driven by rapid order growth in cross-border businesses, especially from AliExpress' *Choice*.
- Other businesses are improving their monetization and operating efficiencies, some of which significantly reduced losses year-over-year.



## Share Repurchase

- During the quarter ended June 30, 2024, we repurchased a total of **613 million** ordinary shares (equivalent to **77 million** ADSs) for a total of **US\$5.8 billion**, including the repurchase of approximately **14.8 million** ADSs at **US\$80.80** per ADS through privately negotiated transactions concurrently with the issuance of our convertible notes on May 23, 2024. These purchases were made in both the U.S. and Hong Kong markets under our share repurchase program.
- As of June 30, 2024, we had **19,024 million** ordinary shares (equivalent to **2,378 million** ADSs) outstanding, a net decrease of **445 million** ordinary shares compared to March 31, 2024, or a **2.3%** net reduction in our outstanding shares after accounting for shares issued under our ESOP.
- The remaining amount of Board authorization for our share repurchase program, which is effective through March 2027, was **US\$26.1 billion** as of June 30, 2024.

	Three months ended							
	Sep. 30, 2022	Dec. 31, 2022	Mar. 31, 2023	Jun. 30, 2023	Sep. 30, 2023	Dec. 31, 2023	Mar. 31, 2024	Jun. 30, 2024
Repurchase amount (US\$Bn)	\$2.1	\$3.3	\$1.9	\$3.1	\$1.7	\$2.9	\$4.8	\$5.8
Shares repurchased (Mn ADSs)	24	45	22	36	19	37	65	77
Outstanding shares (Mn ADSs)	2,626	2,585	2,566	2,549	2,531	2,499	2,434	2,378

<i>(in RMB Mn, except percentages)</i>	Three months ended June 30,			
	2023	2024	YoY%	Change YoY
<b>Income from operations</b>	<b>42,490</b>	<b>35,989</b>	<b>(15)%</b>	<b>(6,501)</b>
Interest and investment income, net	(5,898)	(1,478)	(75)%	4,420
Interest expense	(1,784)	(2,188)	23%	(404)
Other income, net	1,364	257	(81)%	(1,107)
<b>Income before income tax and share of results of equity method investees</b>	<b>36,172</b>	<b>32,580</b>	<b>(10)%</b>	<b>(3,592)</b>
Income tax expenses	(6,022)	(10,063)	67%	(4,041)
Share of results of equity method investees	2,850	1,505	(47)%	(1,345)
<b>Net income</b>	<b>33,000</b>	<b>24,022</b>	<b>(27)%</b>	<b>(8,978)</b>
<b>Net income attributable to ordinary shareholders</b>	<b>34,332</b>	<b>24,269</b>	<b>(29)%</b>	<b>(10,063)</b>
<b>Adjustments to reconcile net income to non-GAAP net income:</b>				
Non-cash share-based compensation expense	(1,629)	4,109	N/A	5,738
Amortization and impairment of intangible assets	2,479	1,792	(28)%	(687)
Provision for the shareholder class action lawsuits	-	3,145	N/A	3,145
Loss on deemed disposals/disposals/revaluation of investments	9,038	4,581	(49)%	(4,457)
Impairment of goodwill and investments, and others	4,269	4,311	1%	42
Tax effects <sup>(1)</sup>	(2,235)	(1,269)	(43)%	966
<b>Non-GAAP net income</b>	<b>44,922</b>	<b>40,691</b>	<b>(9)%</b>	<b>(4,231)</b>
<b>Non-GAAP net income attributable to ordinary shareholders</b>	<b>44,803</b>	<b>40,314</b>	<b>(10)%</b>	<b>(4,489)</b>

Note:

(1) Tax effects primarily comprise tax effects relating to non-cash share-based compensation expense, amortization and impairment of intangible assets and certain gains and losses from investments, and others.

	Three months ended June 30,		
	2023	2024	
	RMB Mn	RMB Mn	USD Mn
<b>Cash Flow</b>			
<b>Net cash provided by operating activities</b>	<b>45,306</b>	<b>33,636</b>	<b>4,628</b>
Less:			
Purchase of property and equipment (excluding land use rights and construction in progress relating to office campuses)	(6,007)	(11,939)	(1,643)
Changes in the buyer protection fund deposits	(210)	(4,325)	(595)
<b>Free cash flow</b>	<b>39,089</b>	<b>17,372</b>	<b>2,390</b>
<b>Net cash outflow relating to capital expenditure</b>	<b>(6,927)</b>	<b>(12,094)</b>	<b>(1,664)</b>
<b>Net cash inflow from investment and acquisition activities<sup>(1)</sup></b>	<b>2,656</b>	<b>727</b>	<b>100</b>
<b>Share Repurchase</b>	<b>(22,151)</b>	<b>(42,695)</b>	<b>(5,875)</b>
	As of March 31,	As of June 30,	
	2024	2024	
	RMB Mn	RMB Mn	USD Mn
<b>Balance Sheet</b>			
Cash and cash equivalents	248,125	219,167	30,158
Short-term investments	262,955	176,030	24,223
Other treasury investments	106,150	218,481	30,064
<b>Cash balance</b>	<b>617,230</b>	<b>613,678</b>	<b>84,445</b>
Less:			
Current and non-current bank borrowings	(68,435)	(69,198)	(9,522)
Current and non-current unsecured senior notes	(102,341)	(102,917)	(14,162)
Non-current convertible unsecured senior notes	-	(35,822)	(4,929)
<b>Net cash position</b>	<b>446,454</b>	<b>405,741</b>	<b>55,832</b>

Note:

(1) Net cash inflow from investment and acquisition activities represent cash inflow from disposal of investments, net of cash outflow for investment and acquisition activities.

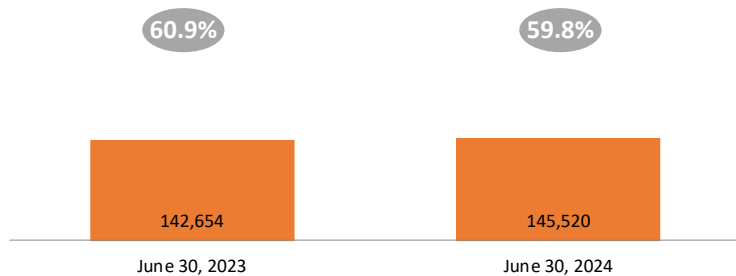
## Cost of Revenue and Operating Expenses

### Cost of Revenue (excluding SBC)

(RMB Mn)

Three months ended

% of Revenue

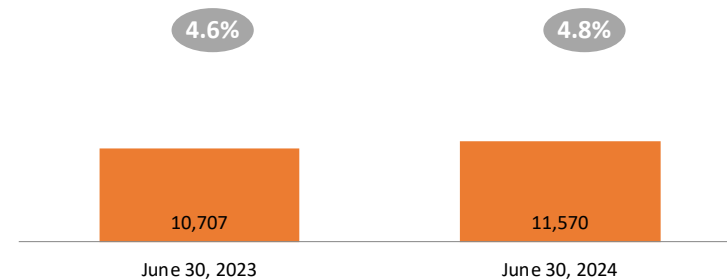


### Product Development Expenses (excluding SBC)

(RMB Mn)

Three months ended

% of Revenue

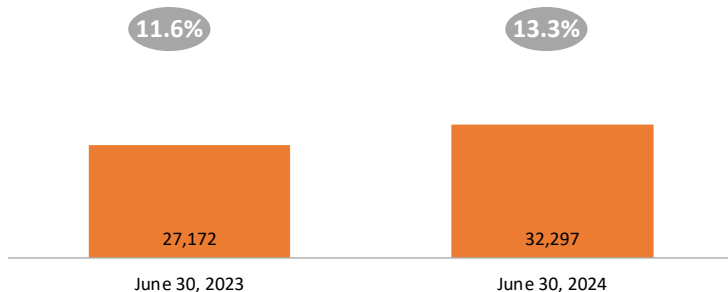


### Sales & Marketing Expenses (excluding SBC)

(RMB Mn)

Three months ended

% of Revenue

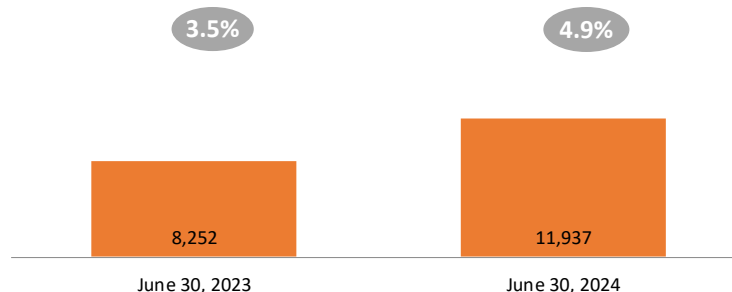


### General & Administrative Expenses (excluding SBC)

(RMB Mn)

Three months ended

% of Revenue



## Segment Results: Quarter ended June 30

### Three months ended June 30, 2024

<i>(in RMB Mn, except percentages)</i>	Alibaba							All others <sup>(1)</sup>	Total segments	Unallocated <sup>(2)</sup>	Inter-segment elimination	Consolidated
	Taobao and Tmall Group	Cloud Intelligence Group	International Digital Commerce Group	Cainiao Smart Logistics Network Limited	Local Services Group	Digital Media and Entertainment Group	Digital Commerce Group					
<b>Revenue</b>	<b>113,373</b>	<b>26,549</b>	<b>29,293</b>	<b>26,811</b>	<b>16,229</b>	<b>5,581</b>	<b>47,001</b>	<b>264,837</b>	<b>419</b>	<b>(22,020)</b>	<b>243,236</b>	
Revenue YoY%	(1)%	6%	32%	16%	12%	4%	3%	6%			4%	
<b>Adjusted EBITA</b>	<b>48,810</b>	<b>2,337</b>	<b>(3,706)</b>	<b>618</b>	<b>(386)</b>	<b>(103)</b>	<b>(1,263)</b>	<b>46,307</b>	<b>(871)</b>	<b>(401)</b>	<b>45,035</b>	
Adjusted EBITA YoY Change	(509)	1,421	(3,286)	(259)	1,596	(166)	470	(733)	592	(195)	(336)	
Adjusted EBITA YoY% <sup>(3)</sup>	(1)%	155%	(782)%	(30)%	81%	N/A	27%	(2)%			(1)%	

### Three months ended June 30, 2023

<i>(in RMB Mn)</i>	Alibaba							All others <sup>(1)</sup>	Total segments	Unallocated <sup>(2)</sup>	Inter-segment elimination	Consolidated
	Taobao and Tmall Group	Cloud Intelligence Group	International Digital Commerce Group	Cainiao Smart Logistics Network Limited	Local Services Group	Digital Media and Entertainment Group	Digital Commerce Group					
<b>Revenue</b>	<b>114,953</b>	<b>25,065</b>	<b>22,123</b>	<b>23,164</b>	<b>14,450</b>	<b>5,381</b>	<b>45,798</b>	<b>250,934</b>	<b>249</b>	<b>(17,027)</b>	<b>234,156</b>	
<b>Adjusted EBITA</b>	<b>49,319</b>	<b>916</b>	<b>(420)</b>	<b>877</b>	<b>(1,982)</b>	<b>63</b>	<b>(1,733)</b>	<b>47,040</b>	<b>(1,463)</b>	<b>(206)</b>	<b>45,371</b>	

Notes: Starting from the quarter ended September 30, 2023, we reclassified the results of our DingTalk business, which was previously reported under Cloud Intelligence Group, to All others, the purpose of which was to provide DingTalk with greater autonomy to promote innovation and enhance competitiveness. Our CODM started to review information under this new reporting structure and segment reporting has been updated to conform to this change as well as the way we manage and monitor segment performance. Comparative figures were reclassified to conform to this presentation.

- (1) All others include Sun Art, Freshippo, Alibaba Health, Lingxi Games, Intime, Intelligent Information Platform (which mainly consists of UCWeb and Quark businesses), Fliggy, DingTalk (previously reported under Cloud Intelligence Group segment) and other businesses.
- (2) Unallocated primarily relates to certain costs incurred by corporate functions and other miscellaneous items that are not allocated to individual segments.
- (3) For a more intuitive presentation, widening of loss in YoY% is shown in terms of negative growth rate, and narrowing of loss in YoY% is shown in terms of positive growth rate.



## Business Highlights

- We improved matching of products with user needs and conversion of user traffic to purchases through investments in technology such as recommendation and matching algorithms, as well as increasing price-competitive offerings through diversification of suppliers. In April, we launched our new AI-powered platform-wide marketing tool, Quanzhantui, which features automated bidding, optimized targeting and performance dashboard visualization. This new product aims at increasing merchants' marketing spending and improving their marketing efficiency, and we have observed steady increase in merchant adoption.
- During the quarter, we achieved high-single-digit online GMV growth and double-digit order growth year-over-year, driven by increase in the number of purchasers and purchase frequency. In particular, we had a successful 6.18 Shopping Festival, which delivered strong online GMV growth year-over-year, as we implemented user-friendly promotion mechanisms and increased mindshare for being a comprehensive and price-competitive shopping destination.
- The number of 88VIP members continued to increase by double-digits year-over-year, surpassing 42 million during the quarter. We aim to enlarge our pool of premium shoppers by continuing increasing the subscription of 88VIP membership and enhancing their purchase willingness through improved benefits and services.

(in RMB Mn, except percentages)	Three months ended June 30,		
	2023	2024	YoY %
Customer management	79,661	80,115	1%
Direct sales and others	30,167	27,306	(9)%
China commerce wholesale	5,125	5,952	16%
<b>Revenue</b>	<b>114,953</b>	<b>113,373</b>	<b>(1)%</b>
<b>Adj. EBITA</b>	<b>49,319</b>	<b>48,810</b>	<b>(1)%</b>

## China Commerce Retail Revenue

- Revenue from our China commerce retail business** in the quarter ended June 30, 2024 was **RMB107,421 million (US\$14,782 million)**, a decrease of **2%** compared to RMB109,828 million in the same quarter of 2023 due to the 9% decrease in direct sales revenue described below.
- Customer management revenue** increased by **1%** year-over-year, primarily due to a high-single-digit year-over-year growth in online GMV, partly offset by a decline in take rate. The year-over-year decrease in take rate was primarily due to increasing proportion of GMV generated from new models that currently have lower monetization rates.
- Direct sales and others revenue** under China commerce retail business in the quarter ended June 30, 2024 was **RMB27,306 million (US\$3,758 million)**, a decrease of **9%** compared to RMB30,167 million in the same quarter of 2023, primarily attributable to the decline in sales of consumer electronics and appliances due to our planned reduction of certain direct sales businesses, partly offset by the increase in sales of groceries.

## China Commerce Wholesale Revenue

- Revenue from our China commerce wholesale business** in the quarter ended June 30, 2024 was **RMB5,952 million (US\$819 million)**, an increase of **16%** compared to RMB5,125 million in the same quarter of 2023, primarily due to an increase in revenue from value-added services provided to paying members.

## Segment Adjusted EBITA

- Taobao and Tmall Group adjusted EBITA** decreased by **1%** to **RMB48,810 million (US\$6,716 million)** in the quarter ended June 30, 2024, compared to RMB49,319 million in the same quarter of 2023, primarily due to the increase in investments in user experience (which resulted in enhanced consumer retention and increased purchase frequency) and technology infrastructure, partly offset by the narrowing losses in certain businesses.

### Business Highlights

- During this quarter, overall revenue excluding Alibaba-consolidated subsidiaries grew over 6% year-over-year, driven by double-digit public cloud growth and increasing adoption of AI-related products. AI-related product revenue continued to grow at triple-digits year-over-year. We will continue to invest in customers and technology, particularly in AI infrastructure, to increase cloud adoption for AI and maintain our market leadership.
- Alibaba Cloud has gained notable recognition as the cloud service provider of choice in China for AI training and applications. According to the recently released 2024 Gartner® "Magic Quadrant™ for Data Science and Machine Learning Platforms" report, Alibaba Cloud has been mentioned as the only Asia-based cloud service provider among global players.
- Our ongoing commitment to open-source development has led to widespread recognition of our Qwen 2.0 series of large language models among global developers. Qwen 2.0 demonstrates substantial performance improvements across areas such as reasoning, code generation and mathematics, while enhancing safety features and expanding to support 27 languages. The number of paying users using Alibaba Cloud's AI platform (百炼) increased by over 200% quarter-over-quarter.
- During the Paris 2024 Olympics, Alibaba Cloud's technology, which enables remote video production and transmission through cloud infrastructure, overtook satellite as the primary means of broadcast for the first time in Olympics history. Two-thirds of national broadcasters used live signals transmitted by Alibaba Cloud in real-time around the world, reaching billions of viewers. Alibaba Cloud also hosted more than 11,000 hours of Olympic Broadcasting Services-produced games related video content used by the broadcasters. Additionally, this is the first Olympic Games to extensively use AI, with Alibaba Cloud's AI technology deployed in 14 Olympic venues to generate high-fidelity 360-degree replays in real-time.

### Segment Revenue

- **Revenue from Cloud Intelligence Group** was **RMB26,549 million (US\$3,653 million)** in the quarter ended June 30, 2024, an increase of **6%** compared to RMB25,065 million in the same quarter of 2023. Overall revenue excluding Alibaba-consolidated subsidiaries increased by **6%** year-over-year, mainly driven by the double-digit revenue growth of public cloud products including AI-related products, partly offset by the decrease in non-public cloud revenue as we transition away from the low-margin project-based revenues to focus on high-quality revenues.

### Segment Adjusted EBITA

- **Cloud Intelligence Group adjusted EBITA** increased by **155%** to **RMB2,337 million (US\$322 million)** in the quarter ended June 30, 2024, compared to RMB916 million in the same quarter of 2023, primarily due to improving product mix through our focus on public cloud adoption and operating efficiency, partly offset by the increasing investments in customers and technology.

	<b>Three months ended June 30,</b>		
<i>(in RMB Mn, except percentages)</i>	<b>2023</b>	<b>2024</b>	<b>YoY %</b>
<b>Revenue</b>	<b>25,065</b>	<b>26,549</b>	<b>6%</b>
<b>Adj. EBITA</b>	<b>916</b>	<b>2,337</b>	<b>155%</b>

## Business Highlights

- For the quarter ended June 30, 2024, revenue from AIDC grew 32% year-over-year to RMB29,293 million (US\$4,031 million). The strong performance was driven by growth of cross-border businesses, in particular the *Choice* business on AliExpress. During this quarter, our AliExpress and Trendyol platforms stepped up investments in initiatives to increase mindshare in select markets in Europe and the Gulf region. In addition, we continued our efforts to improve efficiency of our operations and investment.
- The AliExpress platform expanded its supplier base and now includes local merchants to enrich its product offerings and better meet the needs of local consumers. During the quarter, AliExpress and Magazine Luiza (“Magalu”), a leading retailer in Brazil, entered into a partnership in which Magalu will open and operate a storefront on AliExpress and vice versa. In addition, during this quarter, the unit economics of the *Choice* business improved significantly on a sequential basis.

(in RMB Mn, except percentages)	Three months ended June 30,		
	2023	2024	YoY %
International commerce retail	17,138	23,691	38%
International commerce wholesale	4,985	5,602	12%
<b>Revenue</b>	<b>22,123</b>	<b>29,293</b>	<b>32%</b>
<b>Adj. EBITA</b>	<b>(420)</b>	<b>(3,706)</b>	<b>(782)%</b>

## International Commerce Retail Revenue

- Revenue from our international commerce retail business** in the quarter ended June 30, 2024 was **RMB23,691 million (US\$3,260 million)**, an increase of **38%** compared to RMB17,138 million in the same quarter of 2023, primarily driven by order growth from AliExpress’ *Choice*, as well as improvements in monetization.

## International Commerce Wholesale Revenue

- Revenue from our international commerce wholesale business** in the quarter ended June 30, 2024 was **RMB5,602 million (US\$771 million)**, an increase of **12%** compared to RMB4,985 million in the same quarter of 2023, primarily due to an increase in revenue generated by cross-border-related value-added services.

## Segment Adjusted EBITA

- Alibaba International Digital Commerce Group adjusted EBITA** was a loss of **RMB3,706 million (US\$510 million)** in the quarter ended June 30, 2024, compared to a loss of RMB420 million in the same quarter of 2023, primarily due to the increase in investments in AliExpress and Trendyol’s cross-border businesses, partly offset by Lazada’s significant reduction in operating loss from improvements in its monetization and operating efficiency.

### Business Highlights

- For the quarter ended June 30, 2024, revenue from Cainiao grew 16% year-over-year to RMB26,811 million (US\$3,689 million), primarily driven by increase in revenue from cross-border fulfillment solutions.
- We continue to drive synergies between Cainiao and our cross-border e-commerce business, as Cainiao executes its strategy to strengthen its end-to-end capabilities through developing a highly-digitalized global logistics network.

#### Three months ended June 30,

(in RMB Mn, except percentages)

	2023	2024	YoY %
Revenue	23,164	26,811	16%
Adj. EBITA	877	618	(30)%

### Segment Revenue

- Revenue from Cainiao Smart Logistics Network Limited was **RMB26,811 million (US\$3,689 million)** in the quarter ended June 30, 2024, an increase of **16%** compared to RMB23,164 million in the same quarter of 2023, primarily driven by the increase in revenue from cross-border fulfillment solutions.

### Segment Adjusted EBITA

- Cainiao Smart Logistics Network Limited adjusted EBITA decreased by **30%** to **RMB618 million (US\$85 million)** in the quarter ended June 30, 2024, compared to RMB877 million in the same quarter of 2023, primarily due to increased investments in cross-border fulfillment solutions, partly offset by improved operating efficiency.

### Business Highlights

- For the quarter ended June 30, 2024, revenue from Local Services Group grew by 12% year-over-year to RMB16,229 million (US\$2,233 million), driven by order growth of both Amap and Ele.me, as well as revenue growth from marketing services. For this quarter, Local Services Group's losses narrowed significantly on a year-over-year basis due to improving operating efficiency and increasing scale.

<i>(in RMB Mn, except percentages)</i>	Three months ended June 30,		
	2023	2024	YoY %
Revenue	14,450	16,229	12%
Adj. EBITA	(1,982)	(386)	81%

### Segment Revenue

- Revenue from Local Services Group was **RMB16,229 million (US\$2,233 million)** in the quarter ended June 30, 2024, an increase of **12%** compared to RMB14,450 million in the same quarter of 2023, driven by the order growth of both Amap and Ele.me, as well as revenue growth from marketing services.

### Segment Adjusted EBITA

- Local Services Group adjusted EBITA was **a loss of RMB386 million (US\$53 million)** in the quarter ended June 30, 2024, compared to a loss of RMB1,982 million in the same quarter of 2023, primarily due to improving operating efficiency and increasing scale.

### Business Highlights

- During the quarter ended June 30, 2024, revenue of Digital Media and Entertainment Group was RMB5,581 million (US\$768 million), an increase of 4% year-over-year, primarily driven by GMV and revenue growth of its online ticketing platform for live events.

<i>(in RMB Mn, except percentages)</i>	Three months ended June 30,		
	2023	2024	YoY %
<b>Revenue</b>	<b>5,381</b>	<b>5,581</b>	<b>4%</b>
<b>Adj. EBITA</b>	<b>63</b>	<b>(103)</b>	<b>N/A</b>

### Segment Revenue

- Revenue from Digital Media and Entertainment Group** was **RMB5,581 million (US\$768 million)** in the quarter ended June 30, 2024, an increase of **4%** compared to RMB5,381 million in the same quarter of 2023.

### Segment Adjusted EBITA

- Digital Media and Entertainment Group adjusted EBITA** in the quarter ended June 30, 2024 was **a loss of RMB103 million (US\$14 million)**, compared to a profit of RMB63 million in the same quarter of 2023.

### Segment Revenue

- Revenue from All others segment was **RMB47,001 million (US\$6,468 million)** in the quarter ended June 30, 2024, an increase of **3%** compared to RMB45,798 million in the same quarter of 2023, primarily due to the increase in revenue from Freshippo, Alibaba Health and Intelligent Information Platform, partly offset by the decrease in revenue from Lingxi Games and Sun Art.

<i>(in RMB Mn, except percentages)</i>	Three months ended June 30,		
	2023	2024	YoY %
Revenue	45,798	47,001	3%
Adj. EBITA	(1,733)	(1,263)	27%

### Segment Adjusted EBITA

- Adjusted EBITA from All others segment in the quarter ended June 30, 2024 was **a loss of RMB1,263 million (US\$174 million)**, compared to a loss of RMB1,733 million in the same quarter of 2023, primarily due to improved operating results from Sun Art, Freshippo, Alibaba Health and Lingxi Games, partly offset by increased investment in technology businesses.



---

# Appendix



<i>(in RMB Mn, except per share data and percentages)</i>	Three months ended June 30,		
	2023	2024	YoY%
Taobao and Tmall Group	114,953	113,373	(1)%
Cloud Intelligence Group	25,065	26,549	6%
Alibaba International Digital Commerce Group	22,123	29,293	32%
Cainiao Smart Logistics Network Limited	23,164	26,811	16%
Local Services Group	14,450	16,229	12%
Digital Media and Entertainment Group	5,381	5,581	4%
All others <sup>(1)</sup>	45,798	47,001	3%
<b>Total segment revenue</b>	<b>250,934</b>	<b>264,837</b>	<b>6%</b>
Unallocated	249	419	
Inter-segment elimination	(17,027)	(22,020)	
<b>Consolidated revenue</b>	<b>234,156</b>	<b>243,236</b>	<b>4%</b>
<b>Income from operations</b>	<b>42,490</b>	<b>35,989</b>	<b>(15)%</b>
Non-cash share-based compensation expense	(1,629)	4,109	
Amortization and impairment of intangible assets	2,479	1,792	
Impairment of goodwill	2,031	-	
Provision for the shareholder class action lawsuits	-	3,145	
<b>Net income</b>	<b>33,000</b>	<b>24,022</b>	<b>(27)%</b>
<b>Diluted earnings per share<sup>(2)(3)</sup></b>	<b>1.66</b>	<b>1.24</b>	<b>(26)%</b>
<b>Diluted earnings per ADS<sup>(2)(3)</sup></b>	<b>13.30</b>	<b>9.89</b>	<b>(26)%</b>
<b>Non-GAAP Measures</b>			
<b>Adjusted EBITA</b>	<b>45,371</b>	<b>45,035</b>	<b>(1)%</b>
<b>Non-GAAP net income</b>	<b>44,922</b>	<b>40,691</b>	<b>(9)%</b>
<b>Non-GAAP diluted earnings per share<sup>(2)(4)</sup></b>	<b>2.17</b>	<b>2.05</b>	<b>(5)%</b>
<b>Non-GAAP diluted earnings per ADS<sup>(2)(4)</sup></b>	<b>17.37</b>	<b>16.44</b>	<b>(5)%</b>

Notes: Starting from the quarter ended September 30, 2023, we reclassified the revenue of our DingTalk business, which was previously reported under Cloud Intelligence Group, to All others, the purpose of which was to provide DingTalk with greater autonomy to promote innovation and enhance competitiveness. Our CODM started to review information under this new reporting structure and segment reporting has been updated to conform to this change as well as the way we manage and monitor segment performance. Comparative figures were reclassified to conform to this presentation.

- (1) All others include Sun Art, Freshippo, Alibaba Health, Lingxi Games, Intime, Intelligent Information Platform (which mainly consists of UCWeb and Quark businesses), Fliggy, DingTalk (previously reported under Cloud Intelligence Group segment) and other businesses. The majority of revenue within All others consists of direct sales revenue, which is recorded on a gross basis.
- (2) Each ADS represents eight ordinary shares.
- (3) Diluted earnings per share is derived from dividing net income attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares, on a diluted basis. Diluted earnings per ADS is derived from the diluted earnings per share after adjusting for the ordinary share-to-ADS ratio.
- (4) Non-GAAP diluted earnings per share is derived from dividing non-GAAP net income attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares for computing non-GAAP diluted earnings per share, on a diluted basis. Non-GAAP diluted earnings per ADS is derived from the non-GAAP diluted earnings per share after adjusting for the ordinary share-to-ADS ratio.

<i>(in RMB Mn, except percentages)</i>	<b>Three months ended June 30,</b>		
	<b>2023</b>	<b>2024</b>	<b>YoY%</b>
<b>Taobao and Tmall Group</b>	<b>114,953</b>	<b>113,373</b>	<b>(1)%</b>
China commerce retail	109,828	107,421	(2)%
- Customer management	79,661	80,115	1%
- Direct sales and others <sup>(1)</sup>	30,167	27,306	(9)%
China commerce wholesale	5,125	5,952	16%
<b>Cloud Intelligence Group</b>	<b>25,065</b>	<b>26,549</b>	<b>6%</b>
<b>Alibaba International Digital Commerce Group</b>	<b>22,123</b>	<b>29,293</b>	<b>32%</b>
International commerce retail	17,138	23,691	38%
International commerce wholesale	4,985	5,602	12%
<b>Cainiao Smart Logistics Network Limited</b>	<b>23,164</b>	<b>26,811</b>	<b>16%</b>
<b>Local Services Group</b>	<b>14,450</b>	<b>16,229</b>	<b>12%</b>
<b>Digital Media and Entertainment Group</b>	<b>5,381</b>	<b>5,581</b>	<b>4%</b>
<b>All others<sup>(2)</sup></b>	<b>45,798</b>	<b>47,001</b>	<b>3%</b>
<b>Total segment revenue</b>	<b>250,934</b>	<b>264,837</b>	<b>6%</b>
Unallocated	249	419	
Inter-segment elimination	(17,027)	(22,020)	
<b>Consolidated revenue</b>	<b>234,156</b>	<b>243,236</b>	<b>4%</b>

Notes: Starting from the quarter ended September 30, 2023, we reclassified the revenue of our DingTalk business, which was previously reported under Cloud Intelligence Group, to All others, the purpose of which was to provide DingTalk with greater autonomy to promote innovation and enhance competitiveness. Our CODM started to review information under this new reporting structure and segment reporting has been updated to conform to this change as well as the way we manage and monitor segment performance. Comparative figures were reclassified to conform to this presentation.

(1) Direct sales and others revenue under Taobao and Tmall Group primarily represents Tmall Supermarket, Tmall Global and other direct sales businesses, where revenue and cost of inventory are recorded on a gross basis.

(2) All others include Sun Art, Freshippo, Alibaba Health, Lingxi Games, Intime, Intelligent Information Platform (which mainly consists of UCWeb and Quark businesses), Fliggy, DingTalk (previously reported under Cloud Intelligence Group segment) and other businesses. The majority of revenue within All others consists of direct sales revenue, which is recorded on a gross basis.

## GAAP to Non-GAAP Measures Reconciliation

	Three months ended June 30,		
	2023	2024	
	RMB Mn	RMB Mn	USD Mn
<b>Adjusted EBITA and Adjusted EBITDA</b>			
<b>Income from operations</b>	<b>42,490</b>	<b>35,989</b>	<b>4,952</b>
Non-cash share-based compensation expense	(1,629)	4,109	565
Amortization and impairment of intangible assets	2,479	1,792	247
Impairment of goodwill	2,031	-	-
Provision for the shareholder class action lawsuits	-	3,145	433
<b>Adjusted EBITA</b>	<b>45,371</b>	<b>45,035</b>	<b>6,197</b>
Depreciation and impairment of property and equipment, and operating lease cost relating to land use rights	6,681	6,126	843
<b>Adjusted EBITDA</b>	<b>52,052</b>	<b>51,161</b>	<b>7,040</b>
<b>Non-GAAP net income</b>			
<b>Net income</b>	<b>33,000</b>	<b>24,022</b>	<b>3,306</b>
<b>Adjustments to reconcile net income to non-GAAP net income:</b>			
Non-cash share-based compensation expense	(1,629)	4,109	565
Amortization and impairment of intangible assets	2,479	1,792	247
Provision for the shareholder class action lawsuits	-	3,145	433
Loss on deemed disposals/disposals/revaluation of investments	9,038	4,581	630
Impairment of goodwill and investments, and others	4,269	4,311	593
Tax effects <sup>(1)</sup>	(2,235)	(1,269)	(175)
<b>Non-GAAP net income</b>	<b>44,922</b>	<b>40,691</b>	<b>5,599</b>
<b>Non-GAAP Free cash flow</b>			
<b>Net cash provided by operating activities</b>	<b>45,306</b>	<b>33,636</b>	<b>4,628</b>
Less:			
Purchase of property and equipment (excluding land use rights and construction in progress relating to office campuses)	(6,007)	(11,939)	(1,643)
Changes in the buyer protection fund deposits	(210)	(4,325)	(595)
<b>Free cash flow</b>	<b>39,089</b>	<b>17,372</b>	<b>2,390</b>

Note:

(1) Tax effects primarily comprise tax effects relating to non-cash share-based compensation expense, amortization and impairment of intangible assets and certain gains and losses from investments, and others.

## GAAP to Non-GAAP Net Income Attributable to Ordinary Shareholders



<i>(in Mn, except per share data)</i>	Three months ended June 30,		
	2023	2024	
	RMB	RMB	USD
<b>Net income attributable to ordinary shareholders – basic</b>	<b>34,332</b>	<b>24,269</b>	<b>3,340</b>
Dilution effect on earnings arising from non-cash share-based awards operated by equity method investees and subsidiaries	(68)	(75)	(10)
Adjustments for interest expense attributable to convertible unsecured senior notes	-	26	4
Net income attributable to ordinary shareholders – diluted	34,264	24,220	3,334
Non-GAAP adjustments to net income attributable to ordinary shareholders <sup>(1)</sup>	10,471	16,045	2,207
<b>Non-GAAP net income attributable to ordinary shareholders for computing non-GAAP diluted earnings per share/ADS</b>	<b>44,735</b>	<b>40,265</b>	<b>5,541</b>
<b>Weighted average number of shares on a diluted basis for computing non-GAAP diluted earnings per share/ADS (million shares)<sup>(2)</sup></b>	<b>20,608</b>	<b>19,595</b>	
<b>Diluted earnings per share<sup>(2)(3)</sup></b>	<b>1.66</b>	<b>1.24</b>	<b>0.17</b>
<b>Non-GAAP diluted earnings per share<sup>(2)(4)</sup></b>	<b>2.17</b>	<b>2.05</b>	<b>0.28</b>
<b>Diluted earnings per ADS<sup>(2)(3)</sup></b>	<b>13.30</b>	<b>9.89</b>	<b>1.36</b>
<b>Non-GAAP diluted earnings per ADS<sup>(2)(4)</sup></b>	<b>17.37</b>	<b>16.44</b>	<b>2.26</b>

Notes:

- (1) See the table above for the reconciliation of net income to non-GAAP net income for more information of these non-GAAP adjustments.
- (2) Each ADS represents eight ordinary shares.
- (3) Diluted earnings per share is derived from dividing net income attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares, on a diluted basis. Diluted earnings per ADS is derived from the diluted earnings per share after adjusting for the ordinary share-to-ADS ratio.
- (4) Non-GAAP diluted earnings per share is derived from dividing non-GAAP net income attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares for computing non-GAAP diluted earnings per share, on a diluted basis. Non-GAAP diluted earnings per ADS is derived from the non-GAAP diluted earnings per share after adjusting for the ordinary share-to-ADS ratio.

# Alibaba

