



# Dada Nexus

## Investor Presentation

July 2020



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## Company Overview



# Our Mission and Platforms



达达集团  
DADA GROUP



# Dada Now – The Largest Open On-demand Delivery Platform in China<sup>1</sup>



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Open On-demand  
Delivery Platform in China<sup>1</sup>

**No.1**



Cities and Counties  
Covered by Intra-city /  
Last-mile Delivery  
Service<sup>2</sup>

**700+/2,400+**



Annual Active Riders<sup>3</sup>  
(Mostly Part-time  
Crowd-sourced)

**634K+**



Orders Delivered with  
Diversified Order Sources<sup>3</sup>

**822M**



Orders Delivered on  
Peak Day<sup>4</sup>

**9.2M+**

## Notes:

1. In terms of average daily orders in 2019. Source: iResearch

2. As of March 31, 2020.

3. For the twelve months ended March 31, 2020. Diversified order sources include JDDJ, JD Logistics, chain merchants, SME merchants and individual senders.

4. During the year of 2019.

# JDDJ – A Leading Local On-demand Retail Platform with Remarkable Growth



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Largest Local On-demand Retail Platform<sup>1</sup>

Cities and Counties Covered<sup>2</sup>

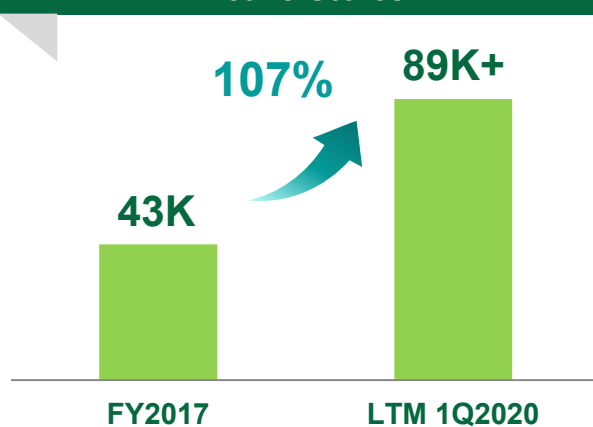


**No.1**  
Supermarket  
Segment

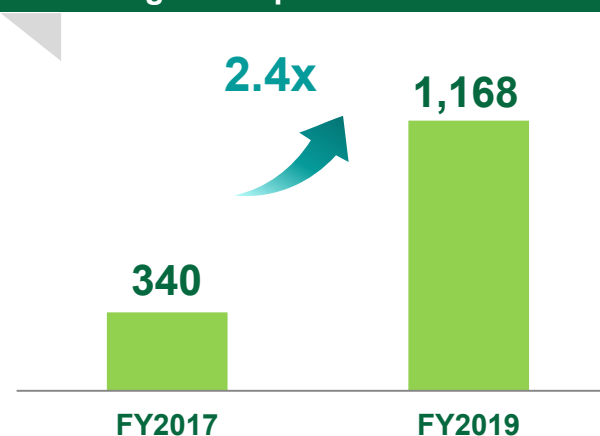


**700+**

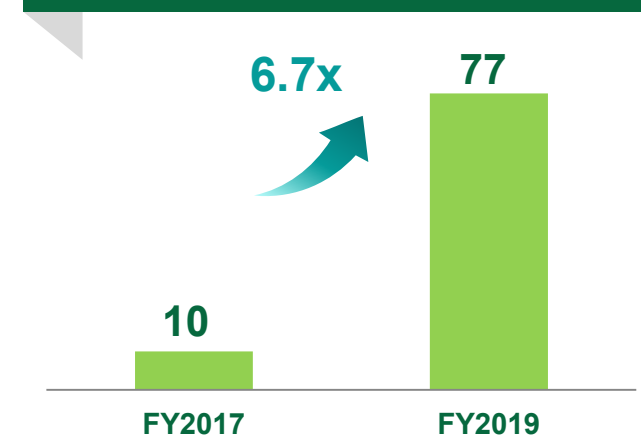
Active Stores<sup>3</sup>



Average GMV per Active Consumer<sup>4</sup>



Brand Owners<sup>5</sup>



Notes:

1. In 2019, JDDJ was the largest local on-demand retail platform in the supermarket segment in China by GMV, according to the iResearch Report.

2. As of March 31, 2020.

3. For the stores which had at least one transaction on JDDJ platform in the period.

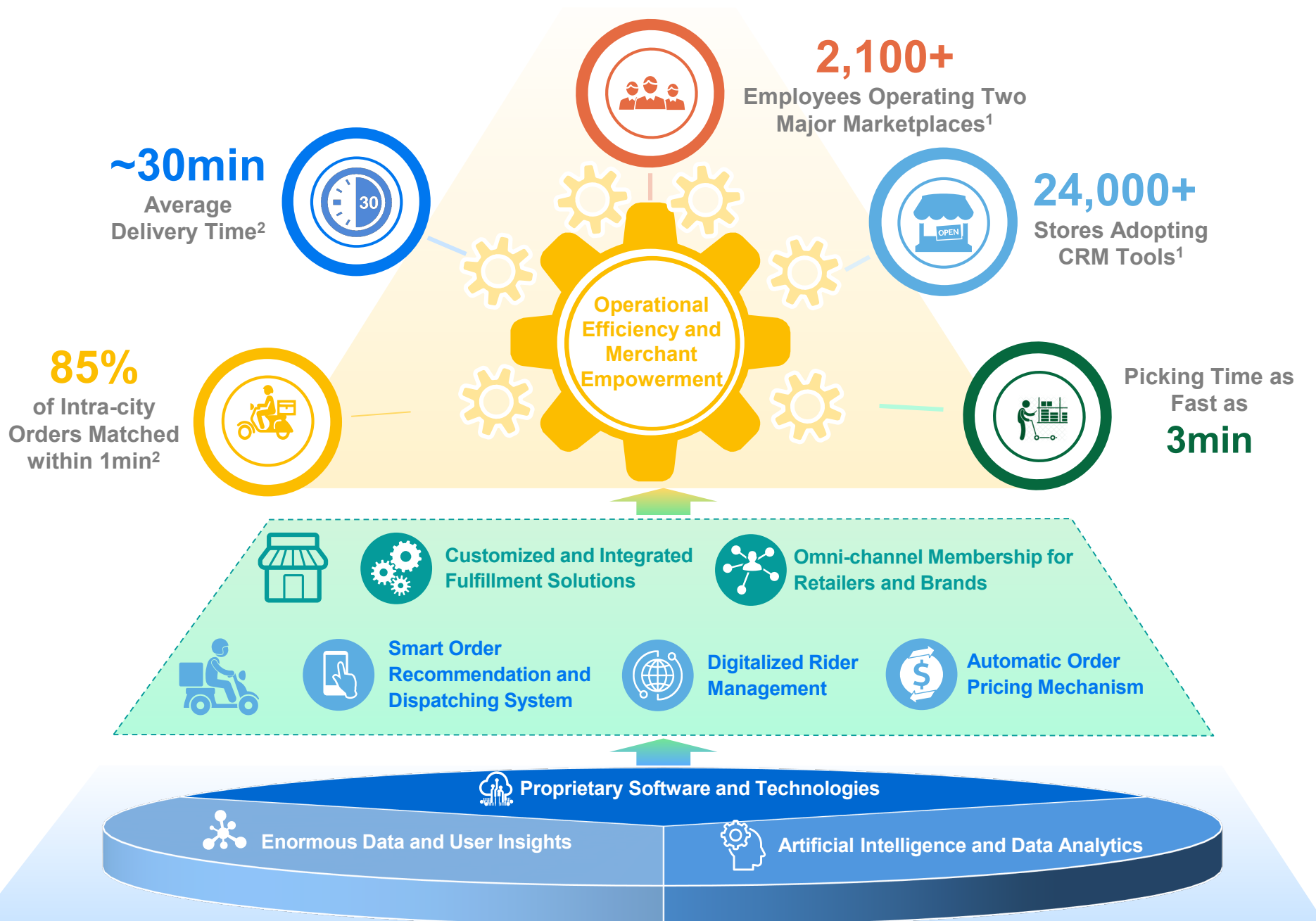
4. For Active Consumers who first placed order on JDDJ in 2017, in RMB.

5. Number of brand owners that we directly cooperated with.

# Technology is Core to Our Platform



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Notes:

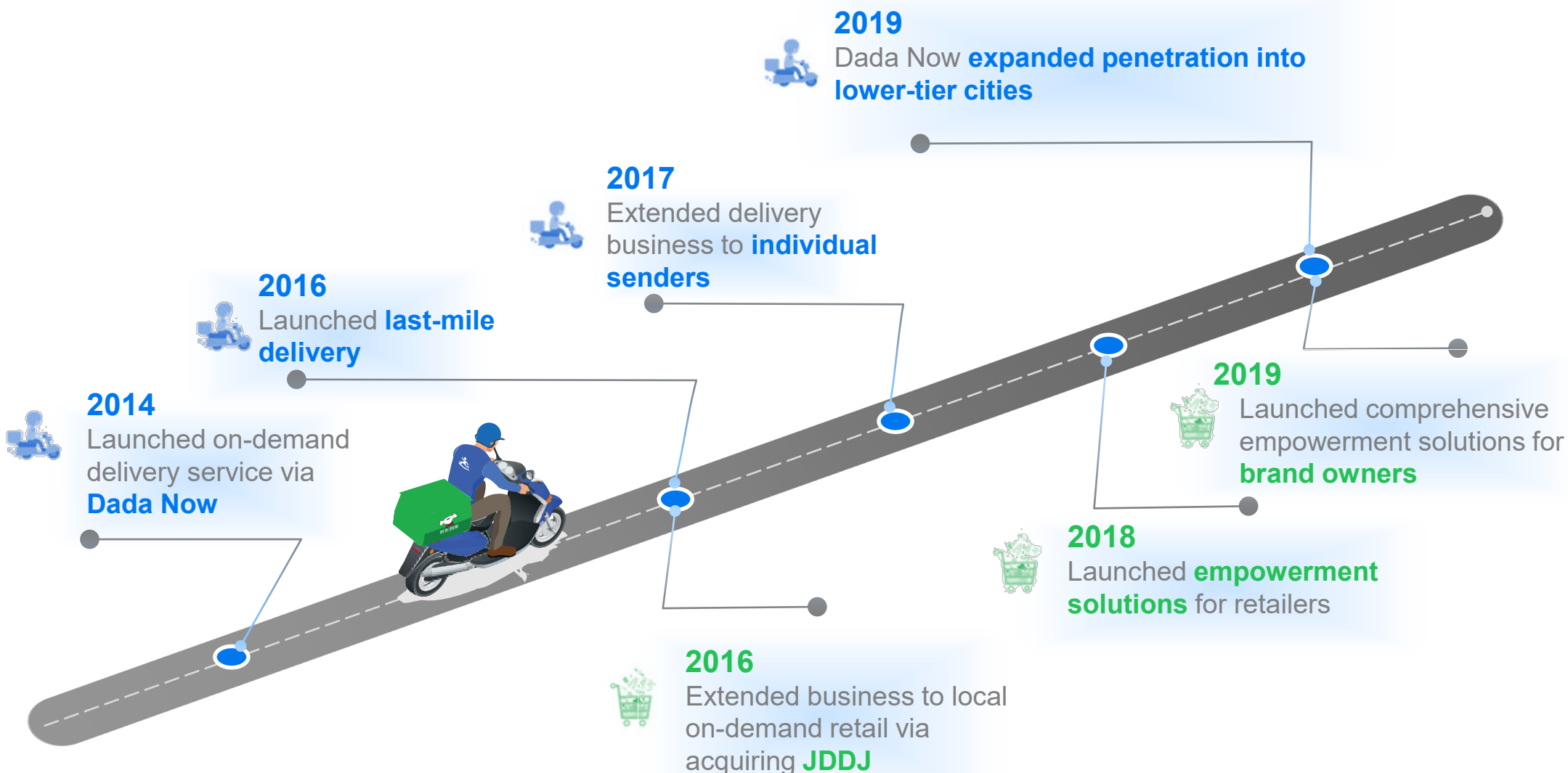
1. As of March 31, 2020.

2. In March 2020.

# Our Ride Goes On



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*Unwearying support evidenced by continuous rounds of investments from Sequoia, DST and Greenwoods*

*Serial strategic investments from JD Group and Walmart Group*

*Raised total ~US\$1.3bn financings historically*



# Mutually Beneficial Collaboration with Our Reputable Strategic Partners and Shareholders



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## Our Reputable Institutional Investors

SEQUOIA

DST

Greenwoods



**Our Market Opportunity**

# New Era of Local On-demand Retail in China



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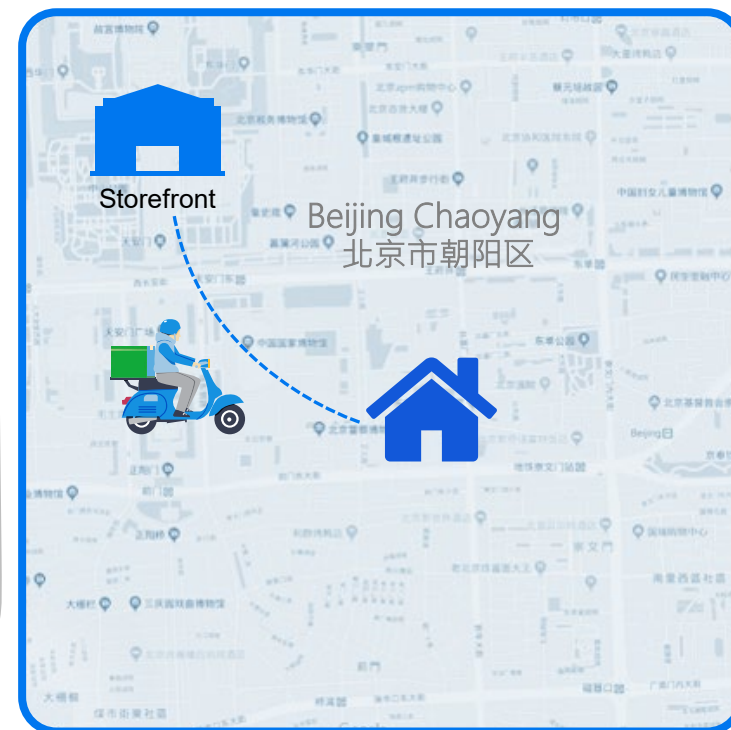
C2C E-commerce Platform  
Inter-city Multi-day Delivery



B2C E-commerce Platform  
Intra-city Same-day Delivery



O2O E-commerce Platform  
Intra-city 1-hour On-demand Delivery

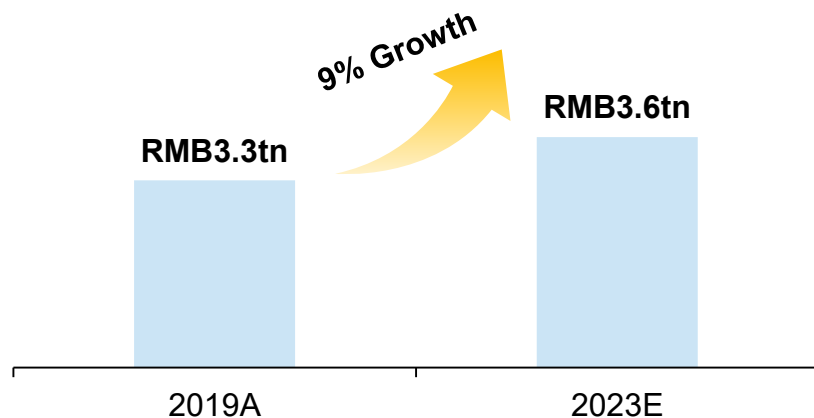


# Supermarket – Largest Local Retail Segment Driven by Rising O2O Penetration



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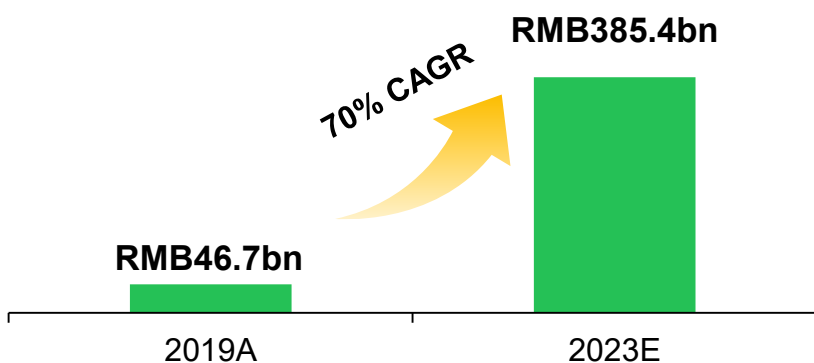
China Supermarket Retail Sales



China Supermarket Local On-demand Retail Platform Market Share<sup>2</sup>



China Supermarket Local  
On-demand Retail GMV



Supermarket O2O  
Penetration<sup>1</sup>

1.4%



10.6%

Evolving Consumer Demand



Convenience



Fast Fulfillment

Merchant Empowerment



On-demand Delivery



Store Digitalization

Source: iResearch.

Notes:

1. Represents O2O platforms' supermarket GMV as % of China supermarket local on-demand retail market GMV.

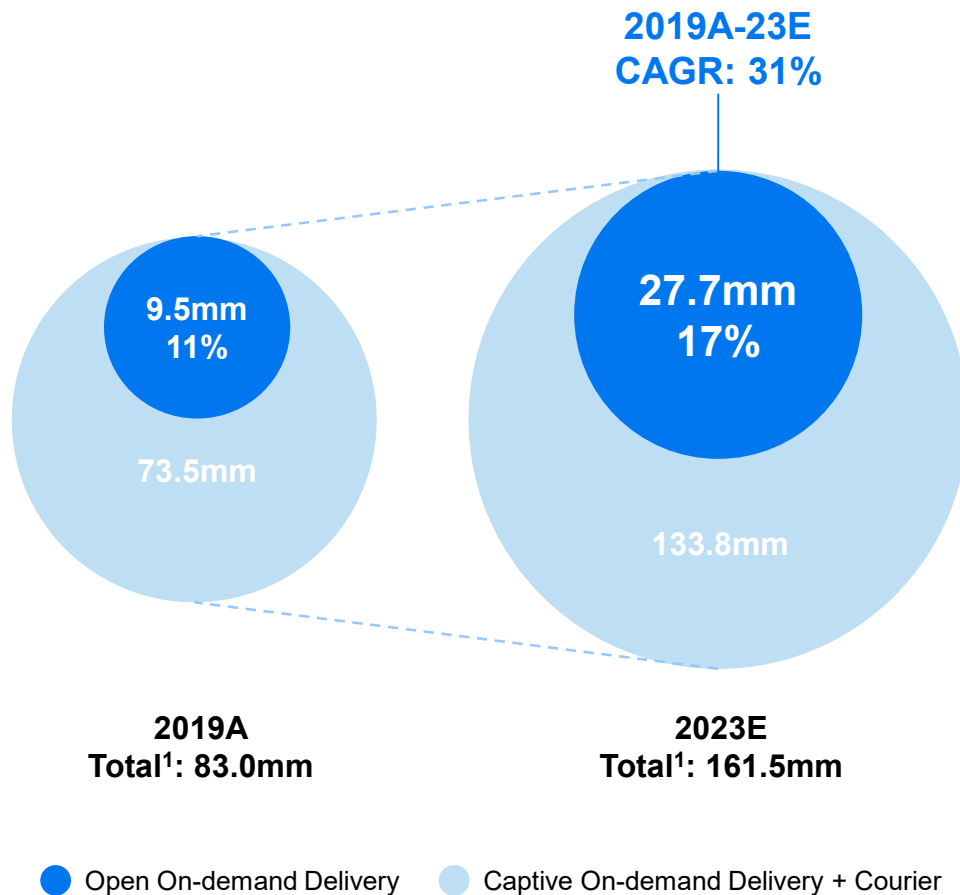
2. Represents market share of supermarket local on-demand retail platforms in terms of GMV in 2019, excluding self-operated supermarket local on-demand retail players, as percentage of total market size of China supermarket.

# Open On-demand Delivery – Fastest Growing Segment with Diverse Order Sources



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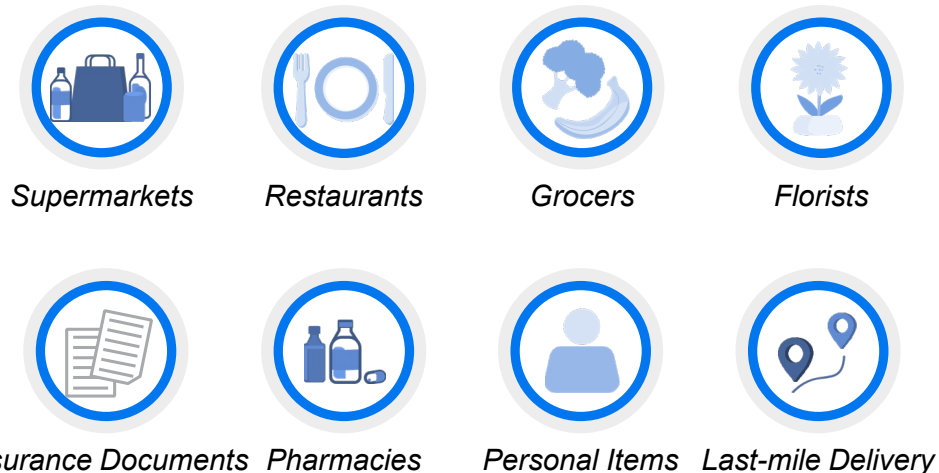
China Local Delivery Average Daily Orders



China Open On-demand Delivery Platform Market Share<sup>2</sup>



Diversified Order Sources for Open On-demand Delivery



Source: iResearch

Notes:

1. Represents number of average daily orders of China local delivery market, which includes open on-demand delivery, captive on-demand delivery and courier.

2. Represents market share in China open on-demand delivery market in terms of order volume in 2019





## Investment Highlights

# Our Investment Highlights



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1

An Open On-demand Delivery Platform: Our Unique Value with Scarcity

2

Continually Enhanced Efficiency Driven by Network Effect and Technology Infrastructure

3

Widely Trusted Local On-demand Retail Platform Exhibiting Robust Growth

4

Evolving Empowerment Capabilities Fueling Growth of Retailers and Brands

5

Powerful Multilateral Network Effects Fostering Win-win Outcomes

6

Proven and Visionary Management Team with Commitment to Technology Innovation

1

# We Are An Open On-demand Delivery Platform With Unique Value and Scarcity



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Open

~4x

**Robust Growth**

Number of Merchants and Individual Senders During 2019 vs 2017

Flexible

>4x

**Superior Flexibility**

Orders in Peak Day Compared with Average<sup>1</sup>

>10x

**High Scalability**

Orders in Peak Hour Exceeding Average<sup>2</sup>

On-demand

~30 min

**Fast Fulfillment**

Average Intra-city Delivery Time<sup>3</sup>

## Unique Value and Scarcity



Food Delivery Platforms

Diversified Order Sources



Flexibility Arising from Crowd-sourcing Platform



Integrated Fulfillment Solutions



Notes:

1. Total orders delivered on the peak day during the full year of 2019 was more than 4 times of average daily order volume in the same period of time.

2. Intra-city delivery orders delivered in the peak hour in the peak day for the full year of 2019 exceeded more than 10 times of the average hourly order volume in the same period.

3. In March 2020.

## Continually Enhanced Efficiency Driven by Network Effect and Technology Infrastructure



### Network Effect



### Technology Infrastructure



#### Smart Order Recommendation and Dispatching System

- AI-based orders and riders matching
- Optimal routes recommended



#### Automated Pricing System

- Optimized pricing through AI algorithm
- Further enhanced delivery efficiency and improved the overall delivery experience

# Widely Trusted Local On-demand Retail Platform Fueling Growth of Retailers and Brands



## 7 of Top 10 Supermarket Chains<sup>1</sup> and Other Leading Retail Chains



## Key Growth Engine for Retailers and Brand Owners



Wern Yuen Tan, President and  
CEO of Walmart China

"In July 2019, Walmart's sales on the JDDJ platform had **grown by more than 13 times** compared to the sales at its launch in 2016."

"We are confident that this deeper collaboration with Dada Group will enhance our **omni-channel** footprint and deliver a **better O2O (online to offline) customer experience**."



Rohit Jawa, Unilever North Asia  
Executive Vice President

"JDDJ is **one of our most reliable partners**. Since the time partnership has been established, Dada has delivered secured service to our consumers, meanwhile, JDDJ also helps us in further **building brand awareness and boosting omni-channel sales**"



Anne Tse, PepsiCo Foods Greater  
China SVP and GM

"JDDJ has become one of our **fastest growing sales channels** among all platforms we worked with in China"



## 77 Leading Brand Owners<sup>2</sup>

Notes:

1. Top 10 supermarket chains as from China Chain Store & Franchise Association.

2. In 2019.



# Evolving Empowerment Capabilities Fueling Growth of Retailers and Brands



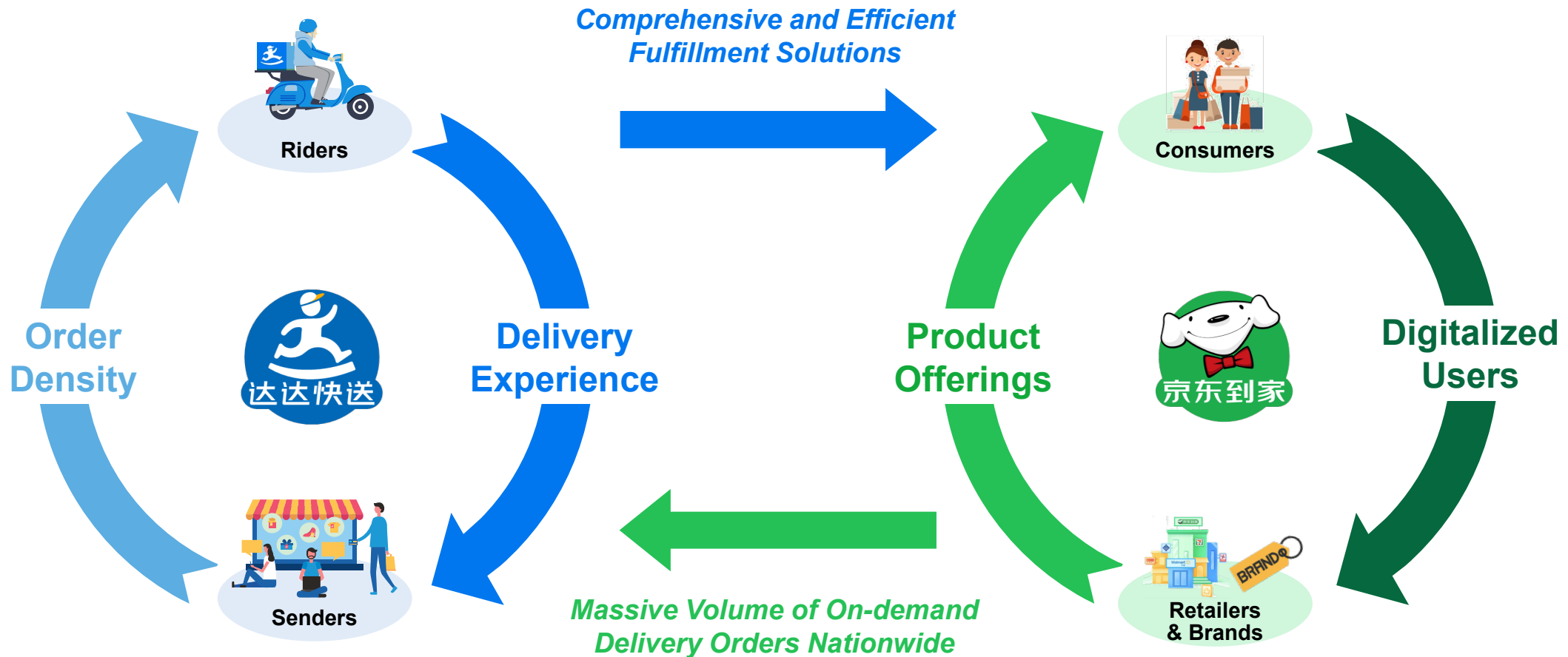
Note:

1. As of March 31, 2020.

# Powerful Multilateral Network Effects Fostering Win-win Outcomes for All Participants



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6

# Proven and Visionary Management Team with Commitment to Technology Innovation



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Philip Kuai

Founder  
Chairman  
CEO



McKinsey  
& Company

ORACLE

易传媒  
AdChina.com

安居客



Jun Yang

Co-Founder  
Director  
CTO



Google

facebook

Square



Beck Chen

CFO



Deloitte

拉手网  
Lashou.com

BAO ZUN



Lei Xu

Director



Zhenhui Wang

Director



Sandy Ran Xu

Director



Christina  
Xiaoqing Zhu

Director



Kui Zhou

Director

SEQUOIA



Bonnie  
Yi Zhang

Independent  
Director



Baohong Sun

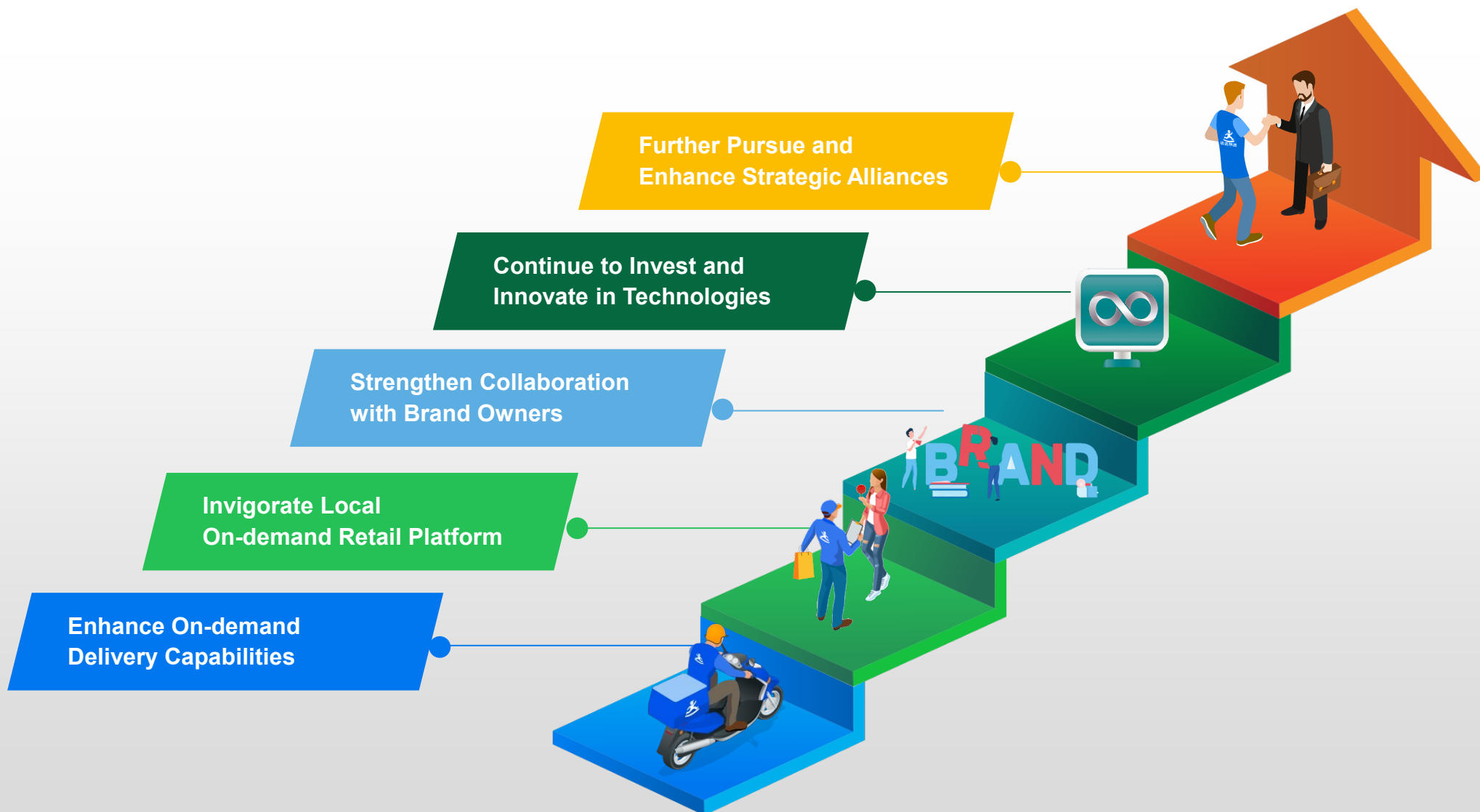
Independent  
Director



# Our Growth Strategies



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## Financial Overview



# Robust Revenue Growth Driven by Dual Engines

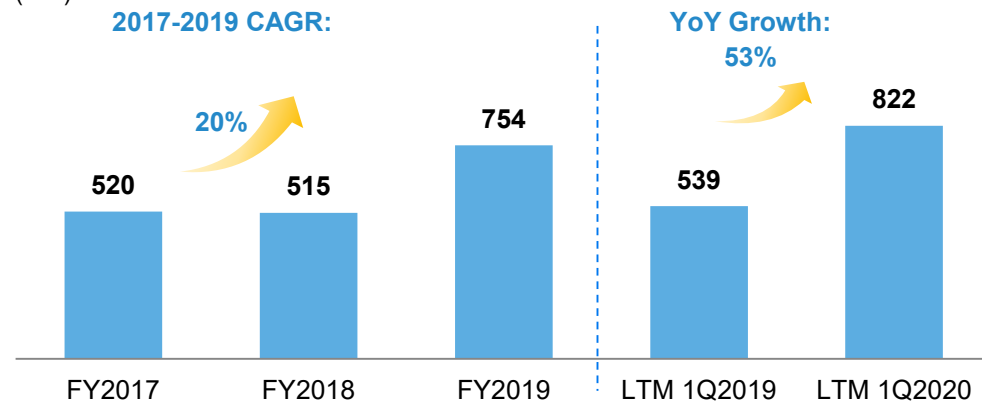


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## Dada Now - Rising Number of Orders Delivered

(mm)

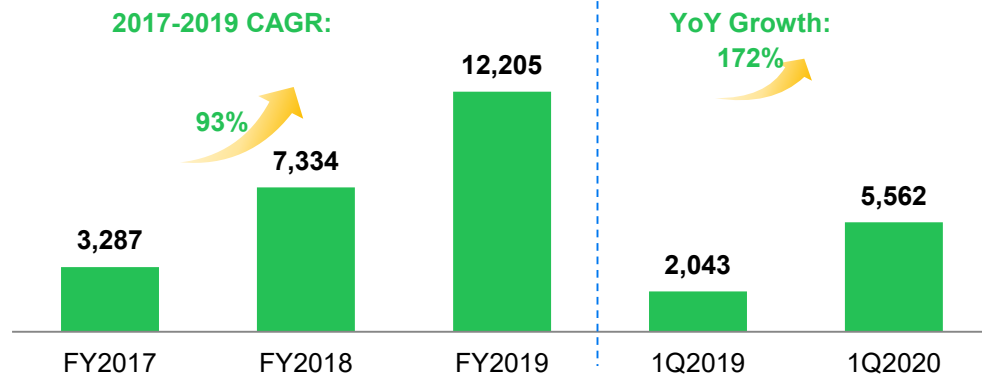
2017-2019 CAGR:



## JDDJ - Rapidly Increasing GMV

(RMB mm)

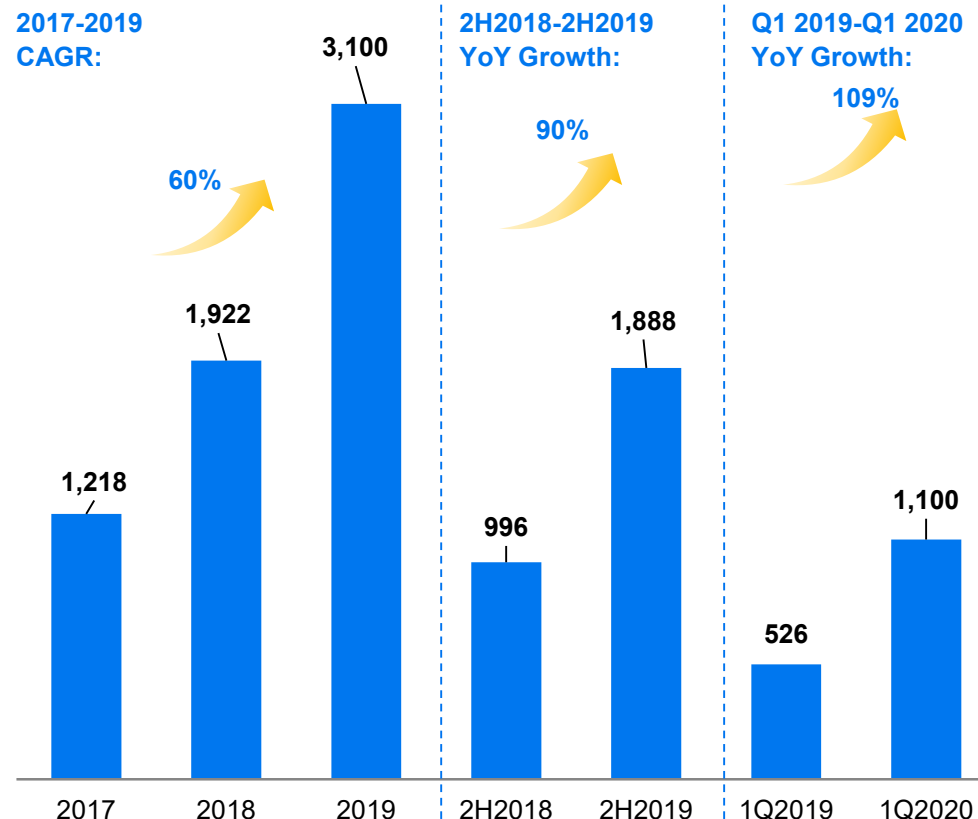
2017-2019 CAGR:



## Robust Revenue Growth

(RMB mm)

2017-2019  
CAGR:



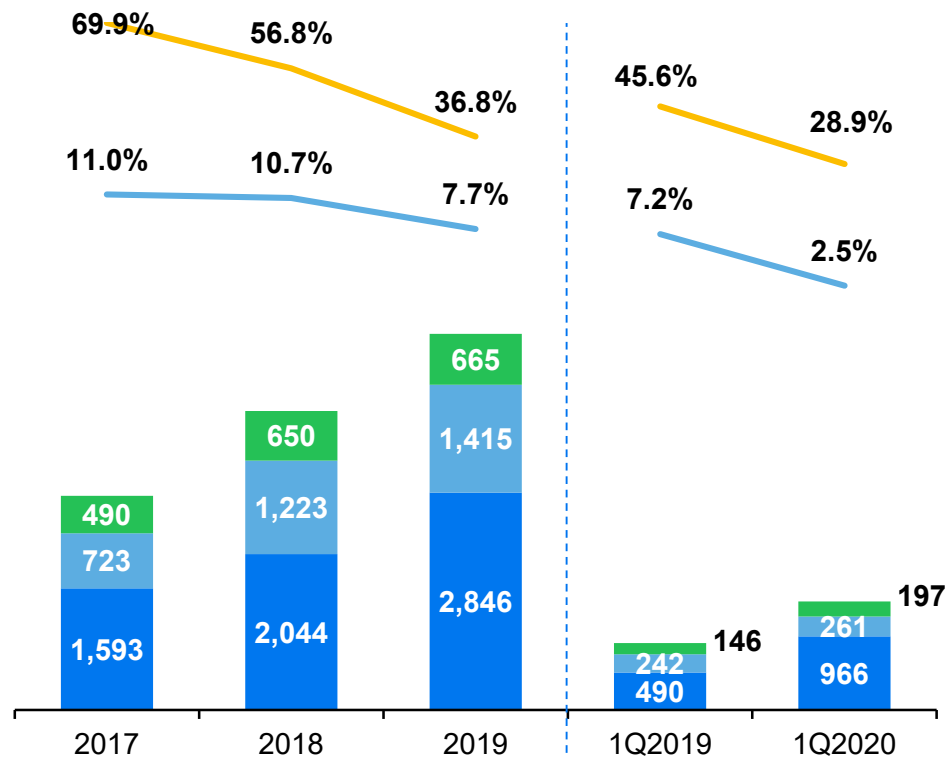
# Improved Operating Efficiency Leading to Reducing Adjusted Net Loss



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## Breakdown of Costs and Expenses

(RMB mm)



- Operations and support<sup>1</sup>
- Selling and marketing<sup>2</sup>
- G&A, R&D, and other operating expenses
- Consumer incentives in selling and marketing as % of GMV<sup>2</sup>
- G&A, R&D, other S&M<sup>2</sup>, and other operating expenses as % of revenue

Notes:

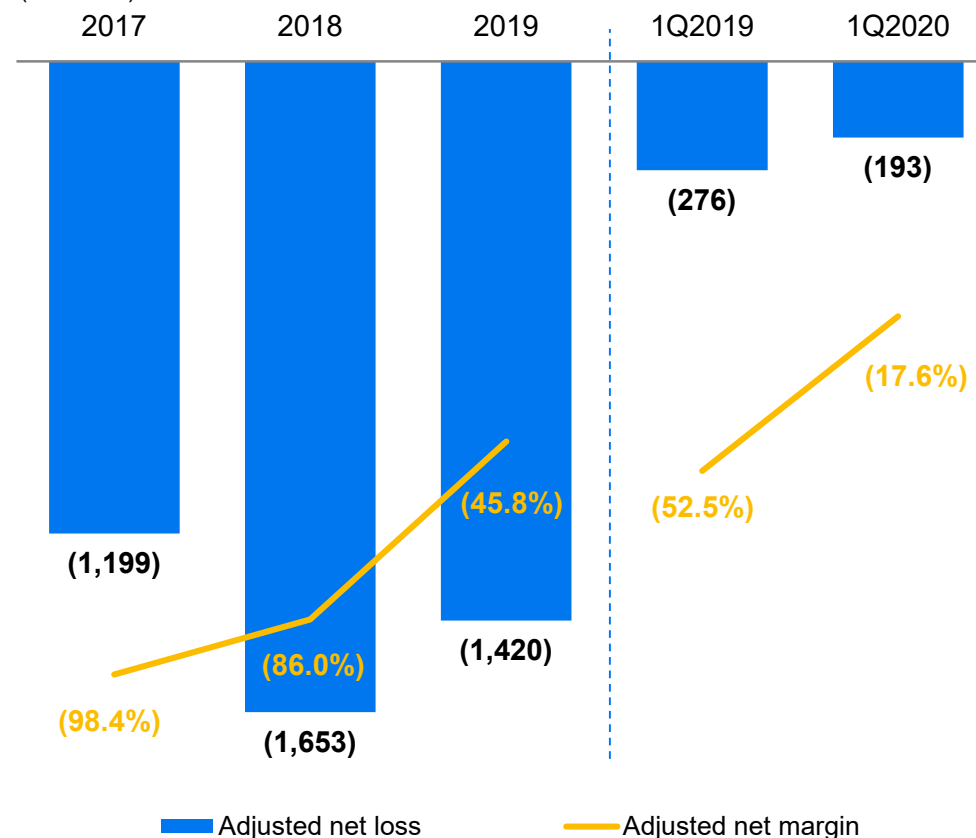
1. Operations and support costs primarily consist of (i) remuneration and incentives paid to riders for delivering orders, (ii) expenses charged by outsourced delivery agencies, (iii) transaction fees charged by payment channels, (iv) expenses incurred in providing customer and rider care services or the service fee charged by external customer service providers, and (v) packaging cost as well as other operations and support costs directly attributed to our principal operations.

2. Selling and marketing expenses consist of consumer incentives, and other selling and marketing expenses, which include advertising and marketing expenses and employees payroll. Incentives related to online marketing service are included in operations and support costs, and are thus not included in consumer incentives in selling and marketing expenses.

3. Represents net loss excluding share-based compensation expenses, amortization of intangible assets resulting from business acquisitions and tax benefit from amortization of such intangible assets.

## Adjusted Net Loss<sup>3</sup>

(RMB mm)



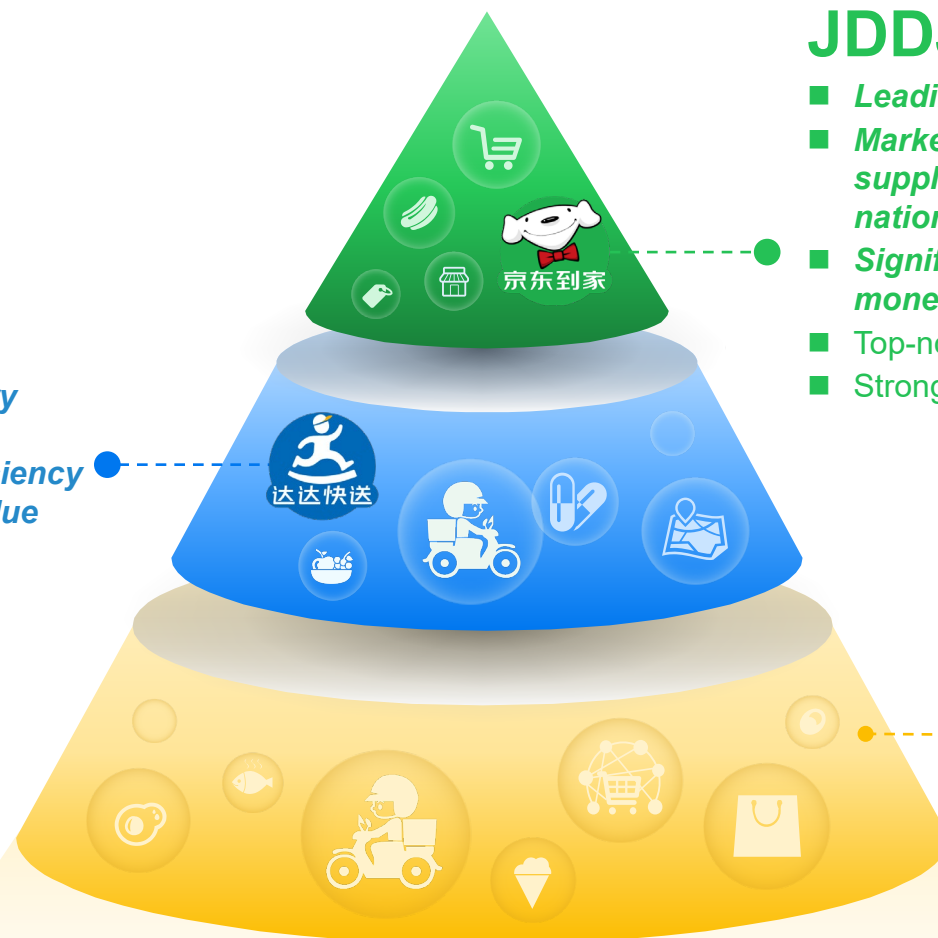
# Why Dada?



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## Dada Now

- Largest open on-demand delivery platform nationwide<sup>2</sup>
- Technology-driven superior efficiency
- High entry barriers + scarcity value
- Profitability with track record



## JDDJ

- Leading position in the market<sup>1</sup>
- Marketplace model leveraging outstanding supply chain capability of partners across the nation
- Significantly improving profitability with huge monetization potential
- Top-notch technology empowerment capability
- Strong support from reputable shareholders

China local retail market:  
**A Trillion Dollar Market<sup>3</sup>**

Notes:

1. One of China's largest local on-demand retail platforms by GMV in 2019 according to iResearch.

2. By number of orders in 2019, according to the iResearch Report.

3. According to iResearch.