



# Disclaimer

This presentation does not constitute an offer to sell or issue or solicitation of an offer to buy or acquire securities of Baozun Inc. (the “Company”) in any jurisdiction or an inducement to enter into investment activity, nor may it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever. This presentation does not contain all relevant information relating to the Company or its securities, particularly with respect to the risks and special considerations involved with an investment in the securities of the Company. This presentation does not constitute legal, regulatory, accounting or tax advice to you. We recommend that you seek independent third party legal, regulatory, accounting and tax advice regarding the contents of this presentation. This presentation does not constitute and should not be considered as any form of financial opinion or recommendation by the Company or any other party.

This presentation contains forward-looking statements, including statements about timing and results of any current or proposed acquisition activity of the Company, the Company’s ability to execute on its strategic plan, the future impact of the Better Cotton Initiative on the Company, the impact of the Company’s middle office, and statements about the Company’s historical results that may suggest trends for its business. These statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements can be recognized by the use of words such as “expects,” “plans,” “will,” “estimates,” “projects,” “intends,” “anticipates,” “believes,” “confident” or words of similar meaning. These forward-looking statements are based on estimates and information available to the Company, as of the date of this presentation, and are not guarantees of future performance. These forward-looking statements are based on a number of assumptions which are subject to known and unknown risks, uncertainties and other factors that are beyond the Company’s control, such as the political, social, legal and economic environment in which the Company will operate in the future. Accordingly, actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements and future results could materially differ from historical performance. Nothing contained in this presentation shall be relied upon as a promise or representation as to the past or future performance of the Company. The Company, its officers, advisors, or representatives undertake no obligation to update or revise these forward-looking statements for events or circumstances that occur subsequent to the date of this presentation, except as required under law. Please see the Company’s various other public disclosure documents for a detailed discussion of those risks and uncertainties.

The Company uses certain financial measures that are not recognized under generally accepted accounting principles in the United States (“GAAP”) in evaluating its business. These non-GAAP financial measures have limitations as analytical tools. One of the key limitations of using non-GAAP financial measures is that they do not reflect all items of income and expense that affect the Company’s operations. Further, the non-GAAP measures may differ from the non-GAAP measures used by other companies, including peer companies, and therefore their comparability may be limited. The use of such non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, see Reconciliations of GAAP and non-GAAP Financial Measures.

# 3Q22 Financial Highlights at Glance



GMV<sup>(1)</sup>

RMB 19 bn

+16% YoY



Revenue

RMB 1.7 bn

-8% YoY



Non-GAAP  
Operating Income<sup>(2)</sup>

RMB 17 mm

+15 mm YoY<sup>(3)</sup>



Operating  
Cash Flow

RMB (113) mm

+ 626 mm YoY



Cash  
Balance<sup>(4)</sup>

RMB 2.9 bn

(1) 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  
(2) Non-GAAP income (loss) from operations is a non-GAAP financial measure, which is defined as income (loss) from operations excluding share-based compensation expenses and amortization of intangible assets resulting from business acquisition  
(3) Compared with the adjusted non-GAAP operating income of 2 million in the third quarter of 2021, which is negative 84 million adding back for a one-off write-down of 86 million during the period  
(4) Including cash, cash equivalents, restricted cash and short-term investment



## Innovation in Consumer Engagement



Short-Video Clipping Tool



AI-based Outbound Calling System



Design Anywhere (D-ANY)

01



## Baozun Omni-channel Digital Operation Platform (BOCDOP)

**bocdop** 宝能



Packaged solution & customization capabilities



Multiple channel order fulfillment



Deliver powerful omni-channel D2C, data intelligence and decision support

02



## Baozun Brand Management (BBM)

**BAO ZUN** **GAP**



Expand upstream and target to evolve into a technology driven omni-channel commerce player



Completed demand-to-supply value chain



Integrated offline-and-online commerce

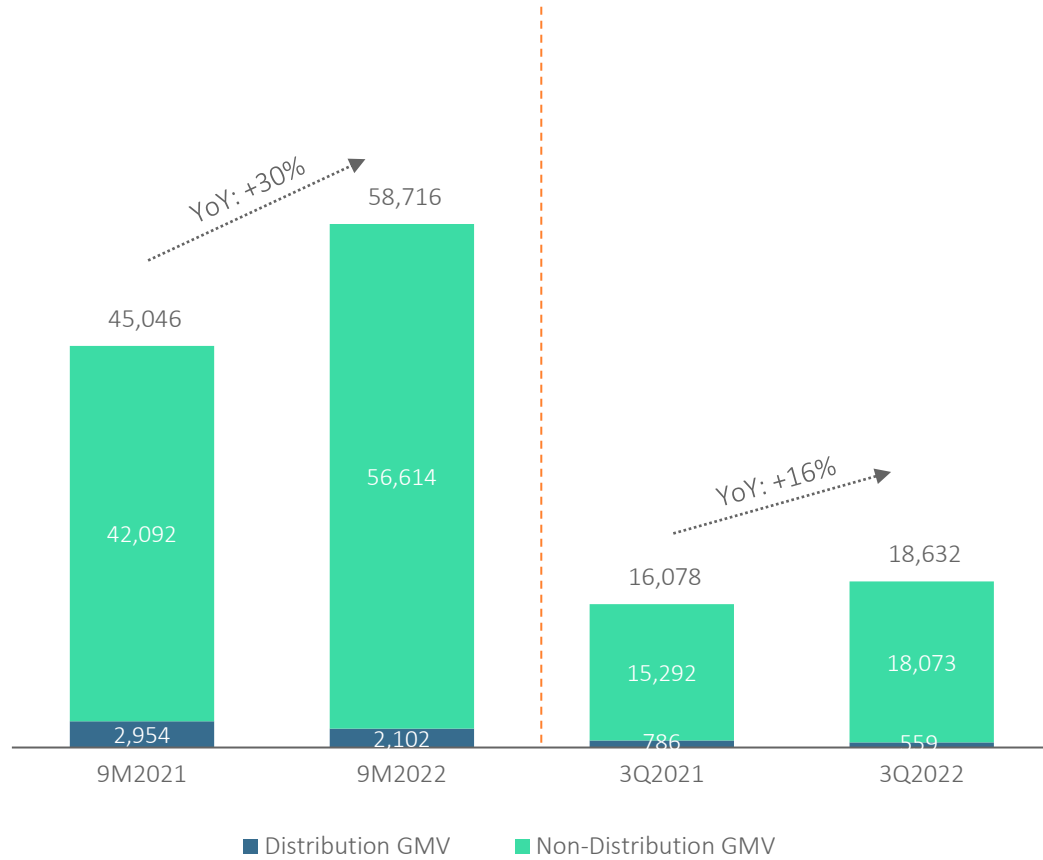
03

# Topline Momentum



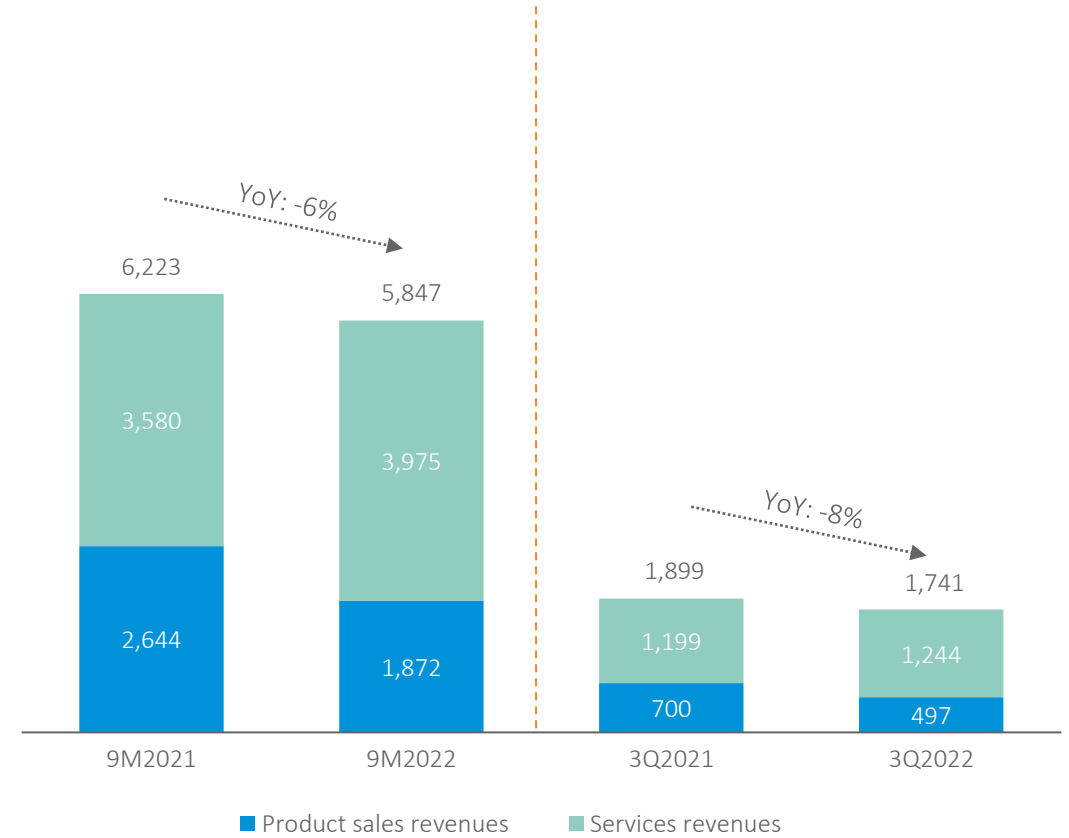
## Total GMV <sup>(1)</sup>

RMB mn



## Total Net Revenues

RMB mn

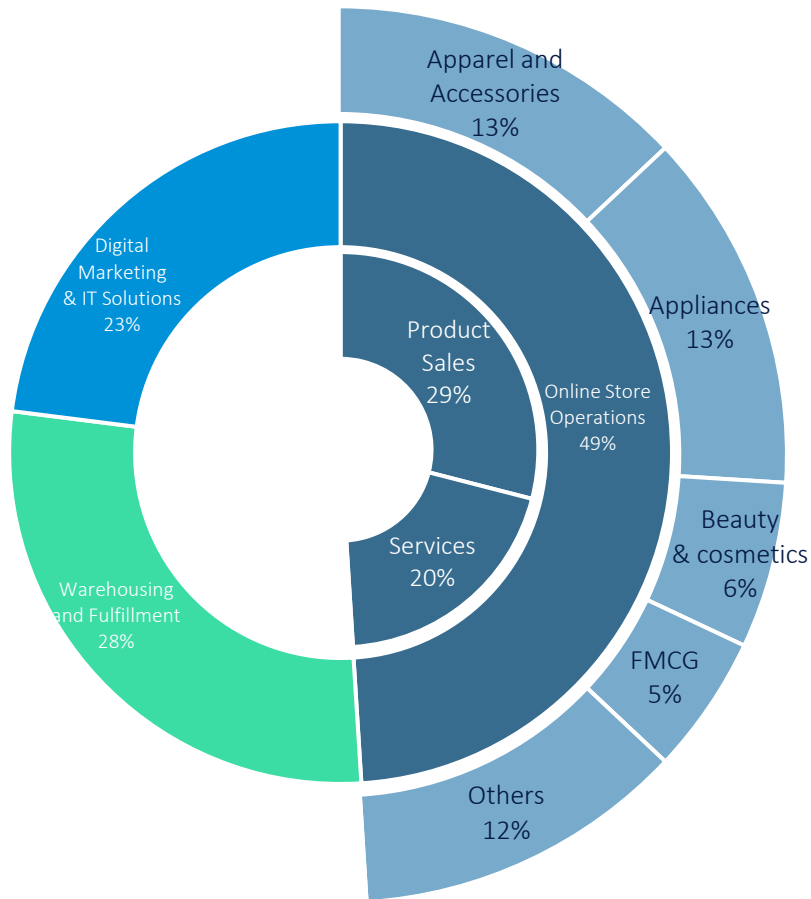


(1) Gross merchandise volume includes value added tax and excludes (i) shipping charges, (ii) surcharges and other taxes, (iii) value of the goods that are returned and (iv) deposits for purchases that have not been settled

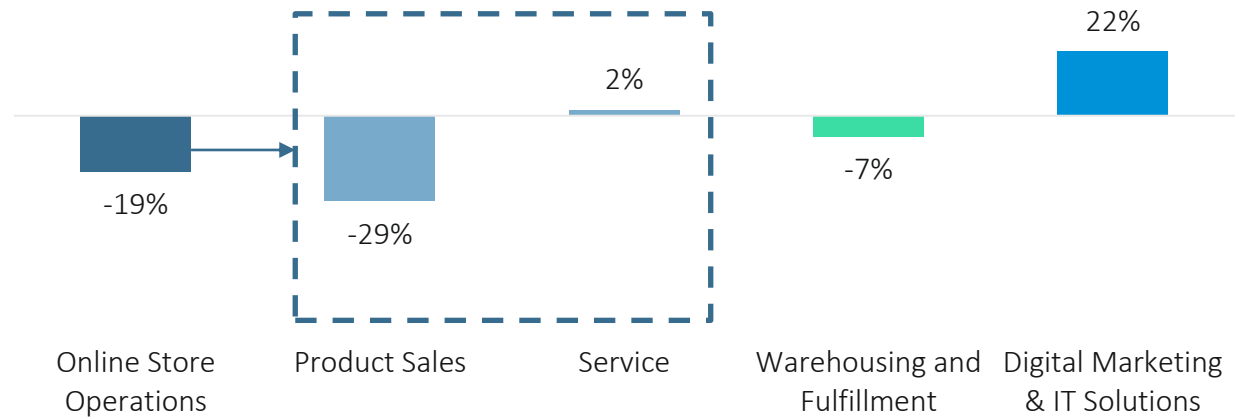
# 3Q22 Revenue Breakdown



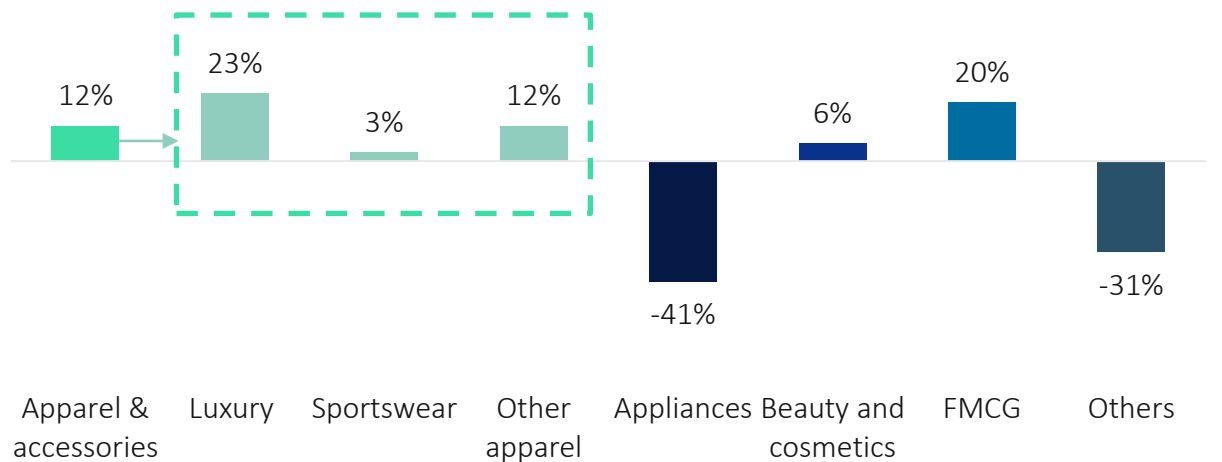
## Revenue Breakdown by Service Segment



## Revenue YoY Growth Breakdown by Service Segment



## Revenue of Online Store Operations YoY Growth Breakdown by Categories

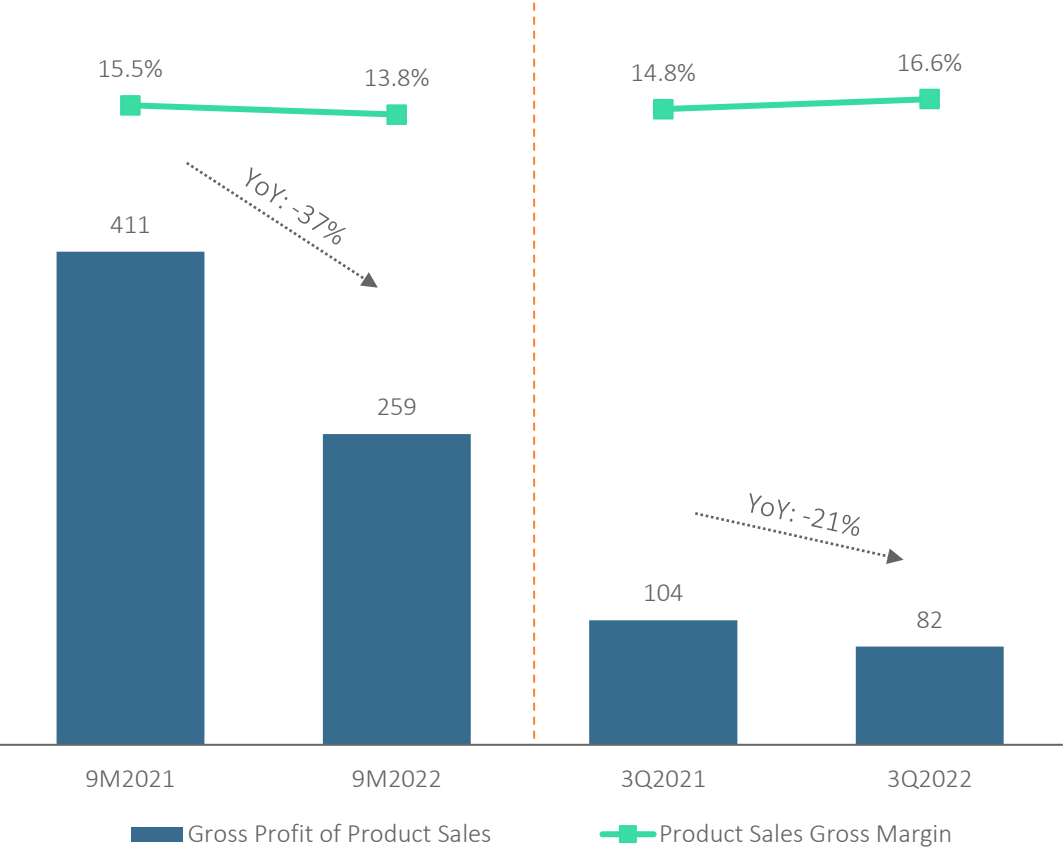


# Improved Gross Margin



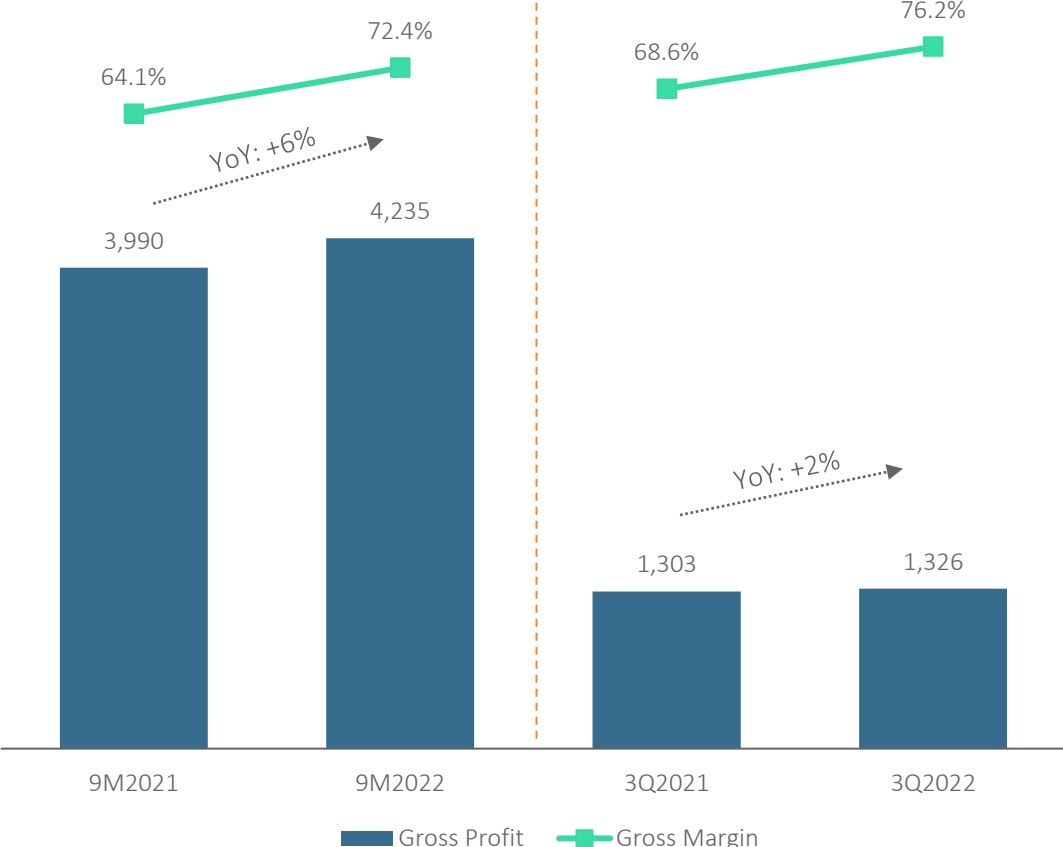
Gross Profit of Product Sales (1)

RMB mn



Gross Profit (2)

RMB mn



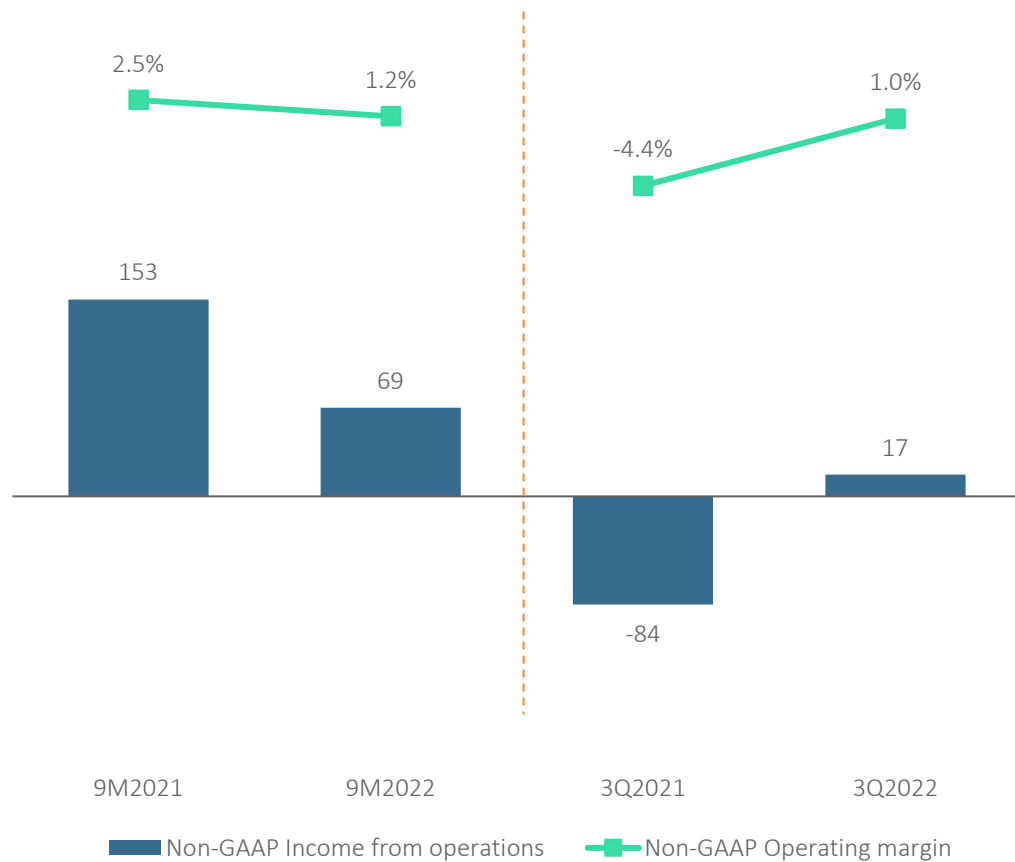
(1) Gross profit of product sales equals product sales revenue minus cost of products. Product sales gross margin equals gross profit of product sales divided by product sales revenue  
 (2) Gross profit equals total net revenues minus cost of products. Gross margin equals gross profit divided by total net revenues

# Profitability Trend



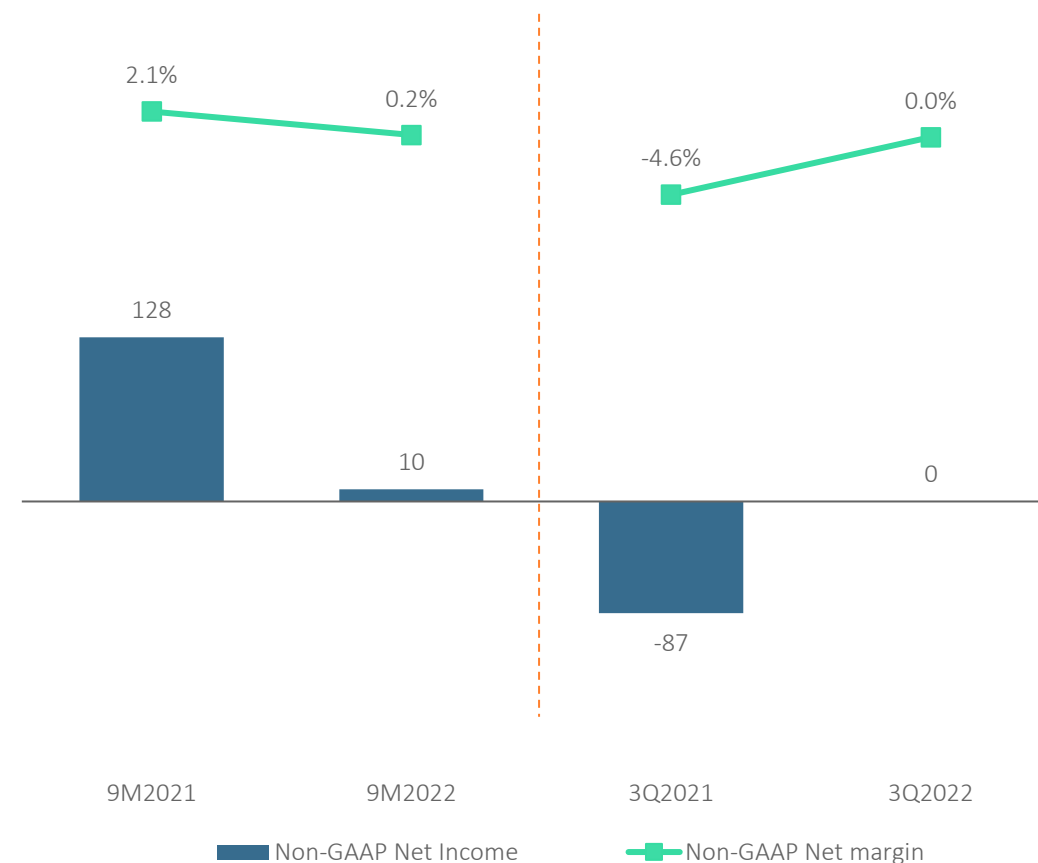
## Non-GAAP income (loss) from operations <sup>(1)</sup>

RMB mn



## Non-GAAP net income (loss) <sup>(2)</sup>

RMB mn



- (1) Non-GAAP income (loss) from operations is a non-GAAP financial measure, which is defined as income (loss) from operations excluding share-based compensation expenses and amortization of intangible assets resulting from business acquisition. Non-GAAP operating margin is non-GAAP income (loss) from operations as a percentage of total net revenues
- (2) Non-GAAP net income (loss) is net income (loss) excluding the impact of share-based compensation expenses, amortization of intangible assets resulting from business acquisition, unrealized investment gain/(loss), gain/(loss) on disposal of subsidiaries and investments in equity investee and impairment loss of investments. Non-GAAP net margin is non-GAAP net income (loss) as a percentage of total net revenues

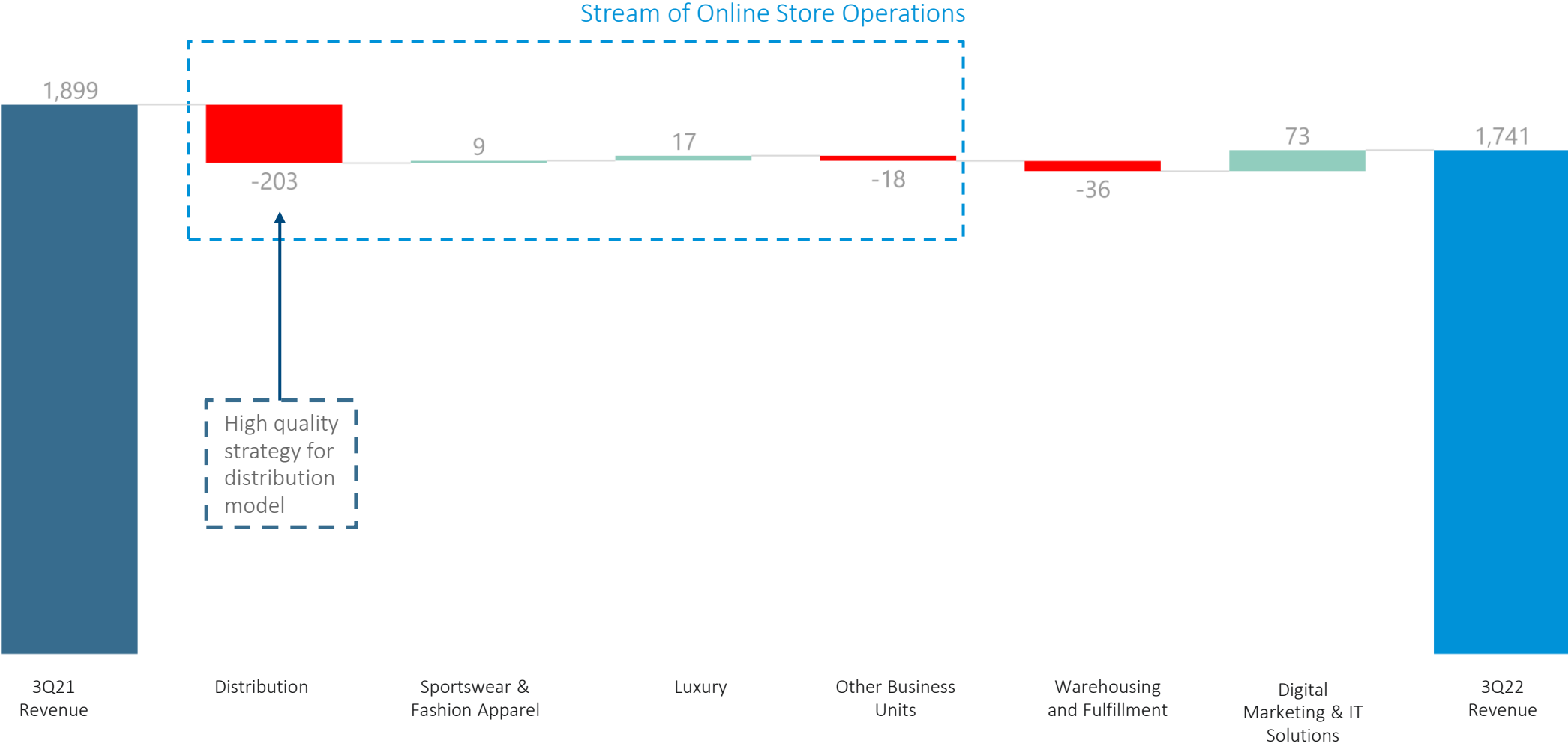


# Revenue Walk 3Q21 vs 3Q22



## Net Revenues Bridge <sup>(1)</sup>

RMB Mn

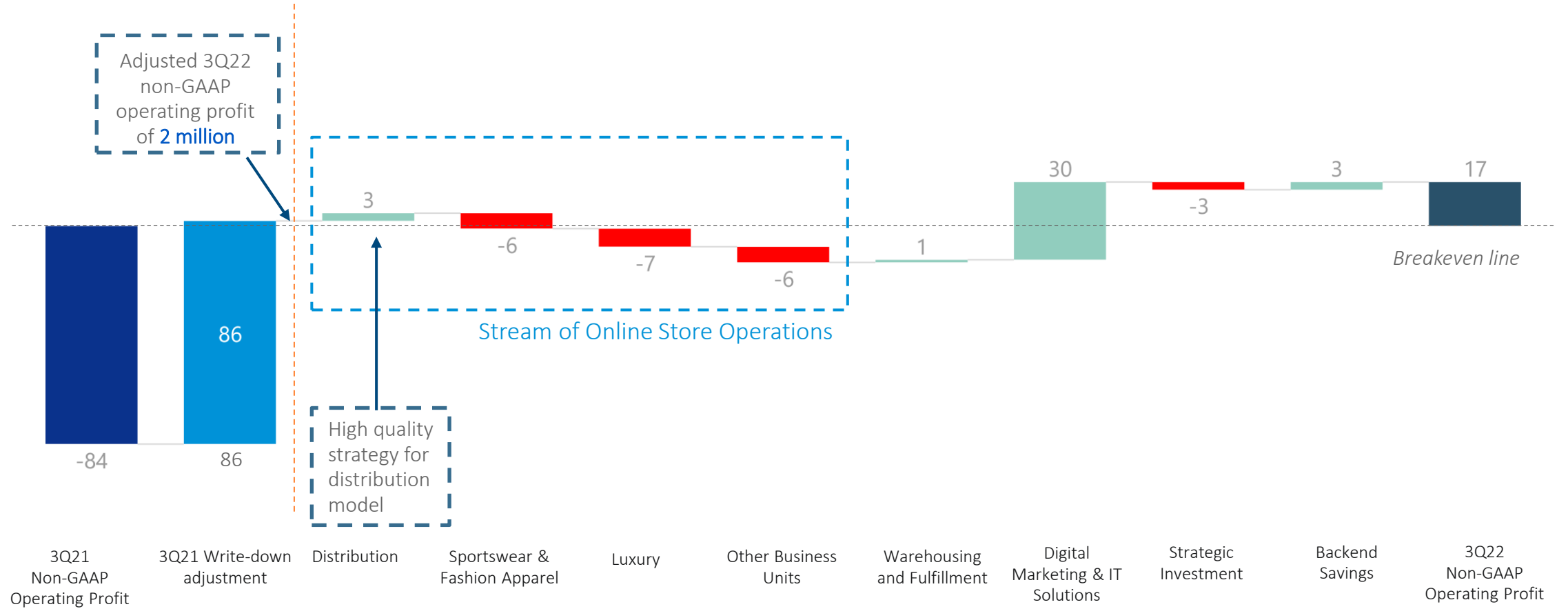


(1) Except for the 2021 Q3 revenue and 2022 Q3 revenue, all the other financial information on this slide is based on the Company's management account

# Profits Walk 3Q21 vs 3Q22

## Non-GAAP Operating Profit Bridge <sup>(1)</sup>

RMB Mn

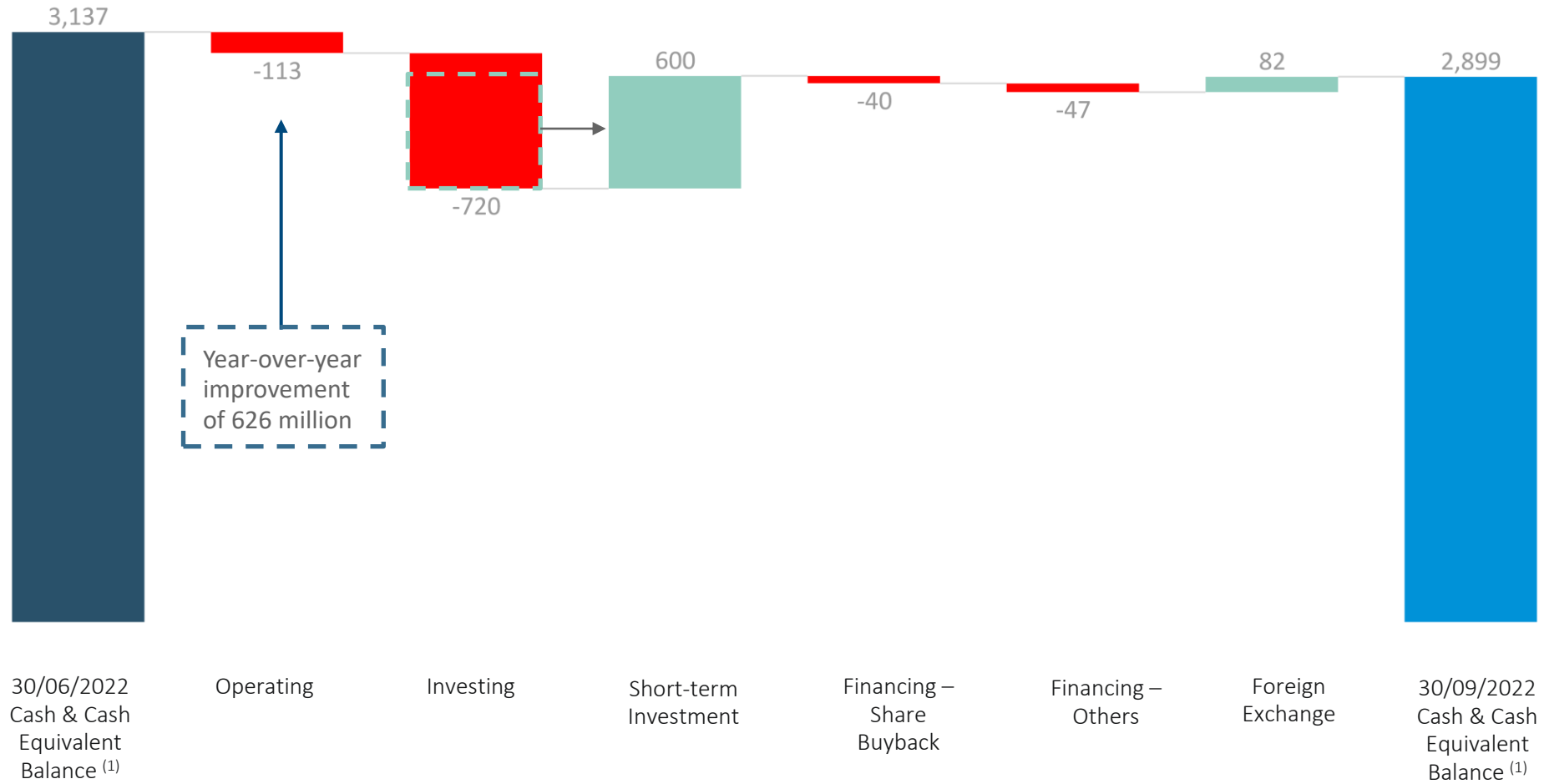


(1) Except for the 2021 Q3 non-GAAP operating profit and 2022 Q3 non-GAAP operating profit, all the other financial information on this slide is based on the Company's management account

# Cash Flow Walk 2Q22 vs 3Q22



RMB Mn



(1) Including cash, cash equivalents, restricted cash and short term investment

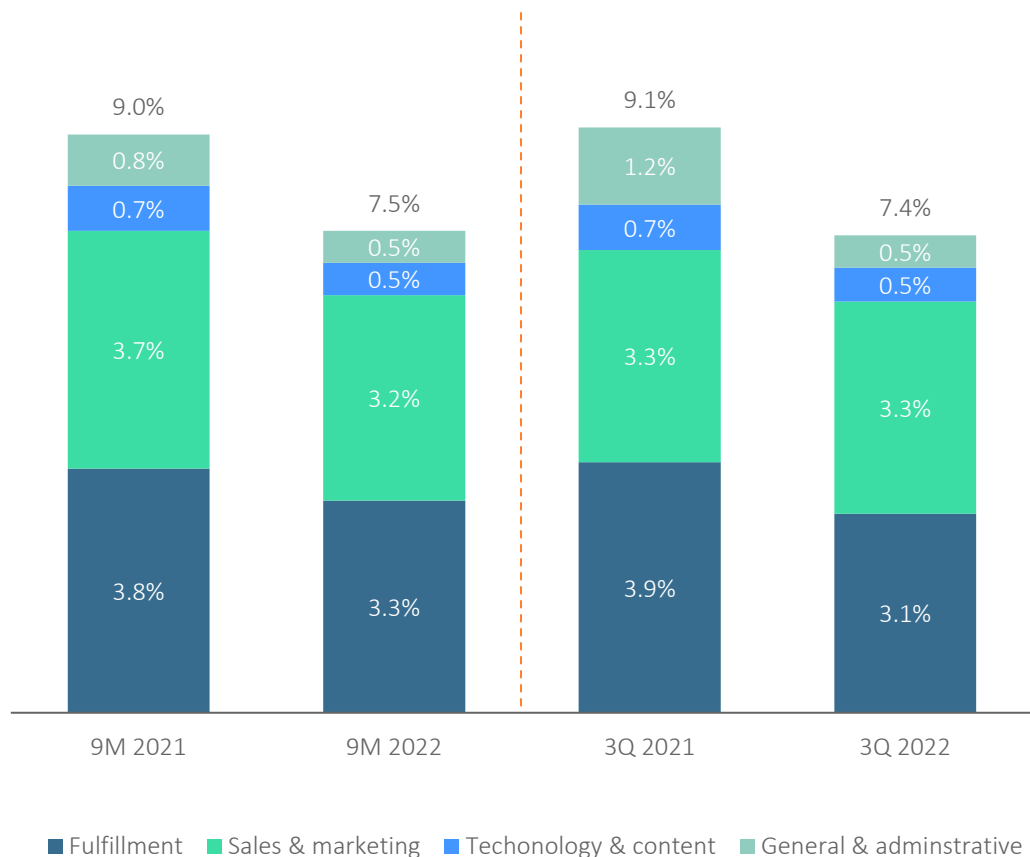
# Q&A

# Appendix



# Operating Expenses Breakdown

Operating expenses breakdown (as % of total GMV)



Operating expense analysis (for 3Q2022)



Fulfillment 576MM  
-9.2% YoY

- Lower freight expenses resulting from the Company's divestiture of a subsidiary of its warehouse and supply chain businesses that was acquired in 2Q2021
- Additional savings in customer services expenses resulting from expanding use of regional service centers



Sales & Marketing 602MM  
+12.5% YoY

- Additional front-end staff from an acquired business in the past 12 months
- Growth in digital marketing revenue and services
- Addition of strategic business development staff
- Partially offset by efficiency improvements



Technology & Content 98MM  
-13.7% YoY

- Cost control initiatives
- Efficiency improvement
- Partially offset by ongoing investment in technological innovation and productization



G&A 98MM  
-48.9% YoY

- Cost control initiatives
- Efficiency improvement
- in the same quarter of last year, general and administrative expenses included a write-down of accounts receivable totaling RMB86.1 million

# Consolidated Statements of Income

## Selected Consolidated Statements of Income

in RMB '000	For the year ended December 31,			For the three months ended September 30,	
	2019	2020	2021	2021	2022
Product sales	3,422,151	3,906,611	3,873,589	699,645	497,098
Services	3,856,041	4,944,952	5,522,667	1,199,120	1,244,174
<b>Total net revenues</b>	<b>7,278,192</b>	<b>8,851,563</b>	<b>9,396,256</b>	<b>1,898,765</b>	<b>1,741,272</b>
<b>Operating expenses:</b>					
Cost of products	(2,774,342)	(3,326,243)	(3,276,571)	(596,047)	(414,776)
Fulfilment	(1,678,191)	(2,259,176)	(2,661,126)	(633,884)	(575,875)
Sales and marketing	(1,815,642)	(2,130,667)	(2,549,842)	(535,570)	(602,438)
Technology and content	(392,951)	(409,870)	(448,410)	(113,946)	(98,301)
General and administrative	(215,660)	(224,045)	(525,802)	(191,069)	(97,684)
Other operating income (expense), net	(17,753)	57,115	72,516	15,226	21,546
<b>Total operating expenses</b>	<b>(6,894,539)</b>	<b>(8,292,886)</b>	<b>(9,389,235)</b>	<b>(2,055,290)</b>	<b>(1,767,528)</b>
<b>Income (loss) from operations</b>	<b>383,653</b>	<b>558,677</b>	<b>7,021</b>	<b>(156,525)</b>	<b>(26,256)</b>
<b>Other income (expenses):</b>					
Interest income	42,614	41,373	62,943	16,744	8,485
Interest expense	(61,316)	(66,124)	(56,847)	(14,238)	(9,724)
Unrealized investment loss	-	-	(209,956)	(134,327)	(8,219)
Impairment loss of investments	(9,021)	(10,800)	(3,541)	-	(8,400)
Gain on disposal of investment	-	-	150	-	-
Loss on disposal of subsidiaries and investments	-	-	-	-	(99,521)
Exchange gain (loss)	(7,663)	25,725	46,226	1,508	(8,818)
<b>Income (loss) before income tax and share of income (loss) in equity method investment</b>	<b>348,267</b>	<b>548,851</b>	<b>(154,004)</b>	<b>(286,838)</b>	<b>(152,453)</b>
Income tax expense	(71,144)	(127,787)	(55,259)	(6,349)	(4,259)
Share of income (loss) in equity method investment	4,768	5,470	3,300	177	(269)
<b>Net (loss) income</b>	<b>281,891</b>	<b>426,534</b>	<b>(205,963)</b>	<b>(293,010)</b>	<b>(156,981)</b>

# Reconciliations of GAAP and non-GAAP Financial Measures

In RMB '000	For the year ended December 31,			For the three months ended September 30,	
	2019	2020	2021	2021	2022
Income (loss) from operations	383,653	558,677	7,021	(156,525)	(26,256)
<b>Add:</b> Share-based compensation expenses	75,183	108,440	196,547	66,421	33,829
Amortization of intangible assets resulting from business acquisition	1,564	1,564	20,536	5,785	9,340
<b>Non-GAAP income (loss) from operations</b>	<b>460,400</b>	<b>668,681</b>	<b>224,104</b>	<b>(84,319)</b>	<b>16,913</b>
Net income (loss)	281,891	426,534	(205,963)	(293,010)	(156,981)
<b>Add:</b> Share-based compensation expenses	75,183	108,440	196,547	66,421	33,829
Amortization of intangible assets resulting from business acquisition	1,564	1,564	20,536	5,785	9,340
Unrealized investment loss	—	—	209,956	134,327	8,219
Impairment loss of investments	—	—	—	—	8,400
Loss on disposal of subsidiaries and investments in equity investee	—	—	—	—	99,521
<b>Less:</b> Tax effect of amortization of intangible assets resulting from business acquisition	(392)	(392)	(3,686)	(909)	(1,838)
<b>Non-GAAP net income (loss)</b>	<b>358,246</b>	<b>536,146</b>	<b>217,390</b>	<b>(87,386)</b>	<b>490</b>
Net income (loss) attributable to ordinary shareholders of Baozun Inc.	281,297	425,992	(219,830)	(292,506)	(168,858)
<b>Add:</b> Share-based compensation expenses	75,183	108,440	196,547	66,421	33,829
Amortization of intangible assets resulting from business acquisition	796	796	15,574	4,200	7,139
Unrealized investment loss	—	—	209,956	134,327	8,219
Impairment loss of investments	—	—	—	—	8,400
Loss on disposal of subsidiaries and investments in equity investee	—	—	—	—	99,521
<b>Less:</b> Tax effect of amortization of intangible assets resulting from business acquisition	(200)	(200)	(2,645)	(577)	(1,396)
<b>Non-GAAP net income (loss) attributable to ordinary shareholders of Baozun Inc.</b>	<b>357,076</b>	<b>535,028</b>	<b>199,602</b>	<b>(88,135)</b>	<b>(13,146)</b>



# Consolidated Balance Sheet

## Selected Consolidated Balance Sheet Data

in RMB '000	For the year ended December 31,			For the three months ended September 30,
	2019	2020	2021	2022
<b>ASSETS</b>				
Cash and cash equivalents	1,144,451	3,579,665	4,606,545	2,292,079
Restricted cash	382,359	151,354	93,219	7,254
Short-term investments	844,040	1,448,843	—	600,000
Accounts receivable, net <sup>(1)</sup>	1,800,896	2,188,977	2,260,918	1,956,368
Inventories, net <sup>(1)</sup>	896,818	1,026,038	1,073,567	864,880
Property and equipment, net	415,648	430,089	652,886	682,610
Right-of-use assets	440,593	524,792	1,095,570	914,016
Other assets	1,171,795	1,124,933	2,536,275	2,064,586
<b>TOTAL ASSETS <sup>(1)</sup></b>	<b>7,096,600</b>	<b>10,474,691</b>	<b>12,318,980</b>	<b>9,381,793</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Accounts payable	877,093	421,562	494,079	253,178
Short-term loan	428,490	—	2,288,465	1,264,499
Long-term loan	1,859,896	1,762,847	—	—
Accrued expenses and other current liabilities	581,122	991,180	984,519	800,935
Operating lease liabilities	447,844	535,556	1,161,671	977,232
Other liabilities	302,384	620,943	908,897	147,822
<b>TOTAL LIABILITIES <sup>(1)</sup></b>	<b>4,496,829</b>	<b>4,332,088</b>	<b>5,837,631</b>	<b>3,443,666</b>
Baozun Inc. shareholders' equity	2,568,731	6,111,021	4,896,359	4,383,697
Noncontrolling interests	31,040	31,582	1,584,990	1,554,430
<b>TOTAL LIABILITIES, REDEEMABLE NON-CONTROLLING INTERESTS AND EQUITY <sup>(1)</sup></b>	<b>7,096,600</b>	<b>10,474,691</b>	<b>12,318,980</b>	<b>9,381,793</b>

Data Source: 20-F and 6-K

1. Certain reclassifications in accounts receivable, inventories, prepayments and other current assets and accrued expenses and other current liabilities were retrospectively adjusted as a result of the adoption of a new revenue accounting standard effective on January 1, 2018

