



Walgreens Boots Alliance Announces Launch of Flagship Store on Alibaba Group's Tmall Global Platform to Sell Own Beauty Brands to Chinese Consumers

September 20, 2018

WBA's brands enter Chinese consumer market, exclusively through Alibaba Group's Tmall Global

DEERFIELD, Ill. & HANGZHOU, China--(BUSINESS WIRE)--Sep. 20, 2018-- Walgreens Boots Alliance, Inc. (Nasdaq: WBA) and Alibaba Group Holding Ltd. ("Alibaba") (NYSE: BABA) today announced the launch of a Boots flagship store on Tmall Global, Alibaba's B2C platform for international brands and retailers, to introduce a number of iconic Boots beauty brands to more than half a billion consumers on Alibaba's platforms in China.

The new Boots flagship Tmall Global store gives Chinese consumers access to some of the most popular Boots beauty brands in the UK and the U.S., initially No7, Soap & Glory and Boots Cucumber, reflecting the Chinese consumers' increasing sophistication and appetite for high-quality, international beauty brands.

Alibaba's Tmall Global platform is China's largest B2C marketplace for both Chinese and international brands and retailers, providing a premium shopping experience for China's consumers. Launched in 2014, Tmall Global is Alibaba's dedicated channel for cross-border e-commerce. It is one of the largest and most comprehensive cross-border B2C online marketplaces, and allows brands and retailers without operations in China to build virtual storefronts and ship products into the country.

Ken Murphy, Executive Vice President, WBA and Chief Commercial Officer and President of Global Brands, said: "We are truly excited to be launching our online flagship store in China exclusively on Tmall Global. This is a great opportunity for us to increase the internationalization of our products and to utilize the many innovative technologies that Alibaba has developed. At the same time, our collaboration with Tmall Global complements our presence in wholesale and retail pharmacy in China with a new, fantastic channel, through which we can distribute our beauty brands in a market with almost endless possibilities. Today's announcement is the first step on a path we believe offers both of us incredible potential for the future."

"We are thrilled to be partnering with Walgreens Boots Alliance as they continue to build their brands in China, engage a new audience and meet the evolving lifestyle demands of the Chinese consumer," said Michael Evans, President of Alibaba Group. "We look forward to building on the relationship with WBA to continuously expand the range of product selection to better serve the more than half a billion consumers on our marketplaces looking for quality international beauty and cosmetics product."

The beauty and cosmetics sector in China has been registering impressive growth rates. Data from Euromonitor reveals that total retail sales of skincare products and make-up products in China reached RMB186.7 billion and RMB34.4 billion (or \$27.26 billion and \$5.02 billion*), respectively, in 2017, achieving year-on-year growth of more than 10% and 21%. More broadly, online retail sales in China passed the \$1 trillion mark for the first time in 2017, making China the world's leading e-commerce market**.

*Exchange rate as of September 13, 2018

** China Ministry of Commerce, digitalcommerce360.com

Notes to Editors:

About Walgreens Boots Alliance

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The company's heritage of trusted health care services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25* countries and employ more than 385,000* people. The company is a global leader in pharmacy-led, health and wellbeing retail and, together with the companies in which it has equity method investments, has approximately 14,500** stores in 11* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 390* distribution centers delivering to more than 230,000*** pharmacies, doctors, health centers and hospitals each year in more than 20* countries. In addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and wellbeing products.

The company's portfolio of retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare, as well as increasingly global health and beauty product brands, such as No7, Soap & Glory, Liz Earle, Sleek MakeUP and Botanics.

More company information is available at www.walgreensbootsalliance.com.

* As of August 31, 2017, using publicly available information for AmerisourceBergen.

** As of June 28, 2018.

*** For 12 months ending August 31, 2017, using publicly available information for AmerisourceBergen.

(WBA-GEN)

About Alibaba Group

Alibaba Group's mission is to make it easy to do business anywhere. The company aims to build the future infrastructure of commerce. It envisions that its customers will meet, work and live at Alibaba, and that it will be a company that lasts at least 102 years.

WBA Cautionary Note Regarding Forward-Looking Statements

All statements in this release that are not historical statements are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements regarding Walgreens Boots Alliance's collaboration with Alibaba Group Holding Ltd.'s Tmall Global platform and the possible effects thereof, consumer demand in China for international beauty brands and Boots beauty products, the potential expansion over time in the Boots beauty products available via Tmall Global, beauty and cosmetics sector growth in China and online retail sales growth and expansion in China. All statements in the future tense and all statements accompanied by words such as "expect," "pending," "potential," "likely," "preliminary," "would," "could," "should," "can," "will," "project," "intend," "plan," "believe," "seek," "estimate," "anticipate," "may," "possible," "assume," and variations of such words and similar expressions are intended to identify such forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions, known or unknown, which could cause actual results to vary materially from those indicated or anticipated. Such risks include, but are not limited to, risks associated with new business ventures generally and with Walgreens Boots Alliance's collaboration with Tmall Global, risks associated with international business operations, risks related to market acceptance of and consumer demand for Boots beauty products in China, the ability to realize the anticipated benefits of the Tmall Global collaboration, the outcome of legal and regulatory matters, the risk of unexpected costs, liabilities or delays, changes in management's assumptions, and risks associated with changes in laws, regulations or interpretations thereof. These and other risks, assumptions and uncertainties are described in Item 1A (Risk Factors) of Walgreens Boots Alliance's Annual Report on Form 10-K for the fiscal year ended August 31, 2017 and Quarterly Report on Form 10-Q for the fiscal quarter ended November 30, 2017, each of which is incorporated herein by reference, and in other documents that Walgreens Boots Alliance files or furnishes with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Except to the extent required by law, Walgreens Boots Alliance does not undertake, and expressly disclaims, any duty or obligation to update publicly any forward-looking statement after the date of this release, whether as a result of new information, future events, changes in assumptions or otherwise.

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