## 535 Million Express Items Were Handled on "11.11" Shopping Carnival of 2019 in China, a YoY Increase of 28.6%

As the most glamorous annual event of the e-commerce industry in China, "11.11" Shopping Carnival 2019 was the 11<sup>th</sup> edition of shopping bonanza in China. According to the data collected by the State Post Bureau of China (SPB), a total of 535 million express items were handled by the postal and express delivery enterprises in China in just one single day of November 11 (11.11), which is 3 times as high as the daily processing volume since Q2 2019. It represented an increase of 28.6% year-on-year and reached a new high in history. It is expected that the "Double 11" peak period in 2019 will last from 11 November to 18 November, during which, the total volume of postal and express items processed by the whole industry may reach 2.8 billion.

In order to guarantee the smooth, secure and stable operation of the industry during the Shopping Carnival, the postal and express delivery enterprises have taken active measures to respond to the business peak. The whole industry has temporarily employed nearly 400,000 workers and 120,000 vehicles on the basis of the existing service capacity, and newly added over 3.6 million square meters of processing space and over 3,000 sets of automatic and semi-automatic sorting equipment. New technologies, such as unmanned warehouses, drones and unmanned vehicles, have gradually achieved large-scale production and application. More than 200 smart distribution centers have been established nationwide. A batch of heavy-load warehouse and delivery robots and AI Smart Identification System have been adopted and promoted in different scenarios.

In urban areas, 82,000 end-point public service stations have been set up nationwide, and over 380,000 smart package lockers have been deployed. In rural areas, 59,000 public collection and delivery points have been established to better satisfy the needs of rural residents for delivery services. In terms of international services, the express delivery companies will be able to play a very positive role based on their presence in over 60 countries, their oversea warehouses in over 50 countries and regions, and multiple newly-added international air routes. In terms of after-sales service, the AI-enabled smart customer service robots that can provide 24-hour services have been put into use in several enterprises.

SPB takes "peak load shifting and balanced promotion" as its core mechanism and requires the postal and delivery enterprises to deliver goods in a planned manner and control the delivery peak strictly based on their delivery capacity. Concerning the "last mile" delivery in rural areas during the peak period - an issue of great interest to consumers, SPB responded that the express service points have covered more than 30,000 towns or 96% of the towns in China, which have effectively improved the delivery capability in rural areas.