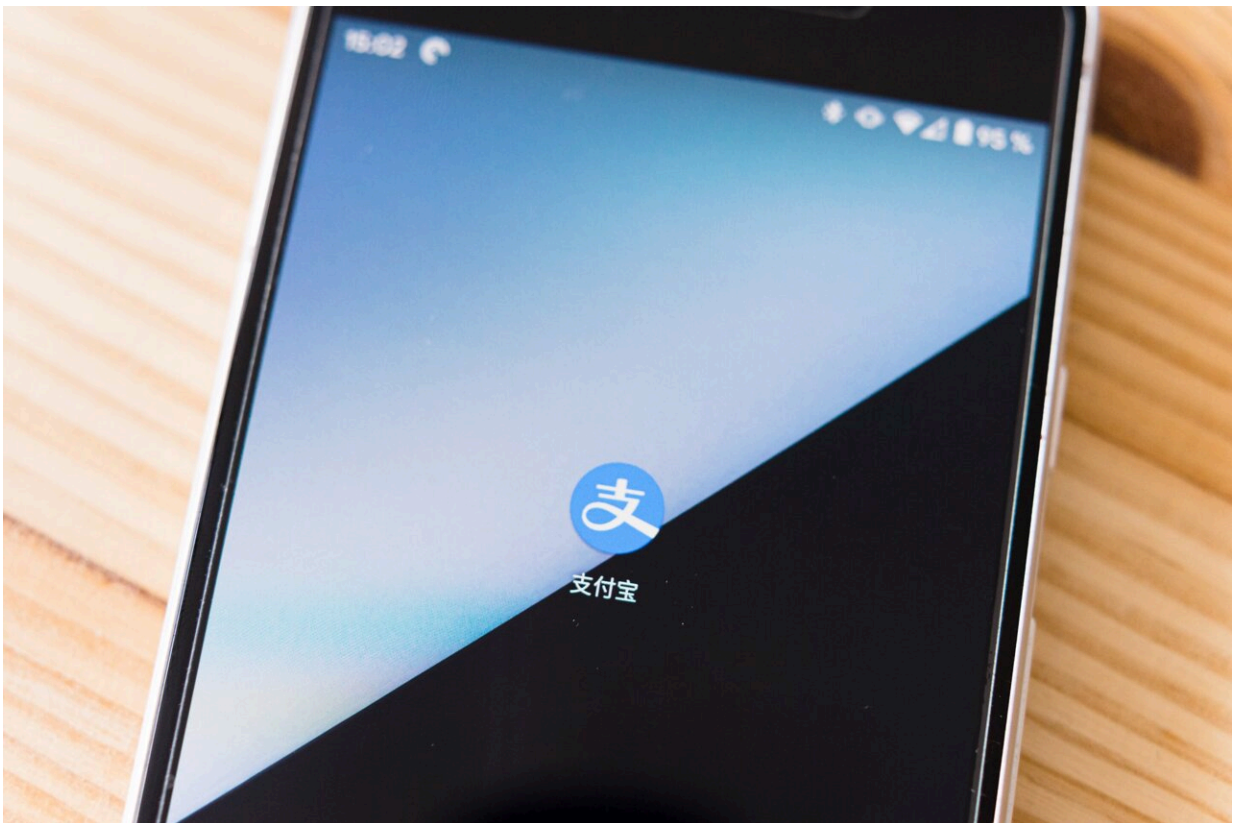


Alibaba quarterly revenue rises 2%: earnings report

February 23 2023



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China's Alibaba Group said Thursday its revenue rose two percent year-on-year in the quarter ending December 2022, as the internet giant shook off the impact of strict COVID containment measures and a slump in

consumer demand.

The company recorded revenue of 248 billion yuan (\$36 billion) for the three months through December, according to a quarterly earnings report.

"We delivered a solid quarter despite softer demand, [supply chain](#) and logistics disruptions due to impact of changes in COVID-19 measures," chairman and CEO Daniel Zhang said.

"Looking ahead, we expect continued recovery in consumer sentiment and [economic activity](#)," he added.

China maintained a strict zero-COVID policy until late last year, sticking fast to a strategy of snap lockdowns and lengthy quarantines even as they roiled global supply chains and smothered demand.

Beijing abruptly changed tack in December, lifting years-long curbs in a matter of days.

"During the past quarter, we continued to improve operating efficiency and cost optimization that resulted in robust profit growth," said Alibaba's [chief financial officer](#), Toby Xu.

"Our net cash position remains strong and we continue to generate healthy cash flow," he said.

Tech troubles

China's technology industry has been hit in recent years by a sweeping crackdown, with authorities pulling Alibaba finance affiliate Ant Group's planned 2020 IPO in Hong Kong at the last minute.

The government also later fined Alibaba a record \$2.75 billion for alleged unfair practices.

Alibaba's billionaire founder Jack Ma retreated from [public view](#) after a public speech in 2020 accusing financial regulators of stifling growth.

He said in January he would cede control of Ant, which operates Alipay, the world's largest digital payments platform.

Alibaba's earnings data showed a three percent increase in revenue year-on-year for the quarter ending September 2022.

The company did not release full sales figures for its annual Singles Day shopping bonanza, for the first time ever.

The company in December said its business had tackled a "deteriorating macroeconomic backdrop, wild swings in [financial markets](#) and fluctuating geopolitical tensions" over the past year.

Combined revenue at China's internet companies shrank by just over one percent to 1.46 trillion yuan in 2022, the first contraction in almost a decade, according to data from the Ministry of Industry and Information Technology.

But the crackdown appears to be easing as the country scrambles to boost economic growth battered by three years of zero-COVID restrictions.

Authorities in December said they would allow Ant to raise 10.5 billion yuan, while embattled ride-hailing company Didi last month began accepting new users for the first time since a 2021 ban on fresh registrations.

Chinese tech firms are now rushing into the AI chatbot field, inspired by the success of Silicon Valley's ChatGPT.

Alibaba this month said it was developing a ChatGPT-like conversation bot, which is being tested by employees.

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Citation: Alibaba quarterly revenue rises 2%: earnings report (2023, February 23) retrieved 11 May 2024 from <https://techxplore.com/news/2023-02-alibaba-quarterly-revenue.html>

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