



By Liam  
O'Callaghan

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## Alibaba increases stake in Sun Art

E-commerce giant invests a further US\$3.6bn in hypermarket and supermarket operator Sun Art Retail Group



**A**libaba has acquired a controlling stake in leading Chinese hypermarket and supermarket operator Sun Art Retail Group, furthering its commitment to integrating online and offline resources in China's retail sector.

The e-commerce giant has invested approximately US\$3.6bn to increase its aggregate direct and indirect stake to approximately 72 per cent.

Alibaba originally [invested](#) in Sun Art in 2017, when it announced a strategic alliance with Auchan Retail and Ruentex Group to digitalise and introduce New Retail solutions at Sun Art stores.

Daniel Zhang, chairman and chief executive of Alibaba Group, said this

new investment represented the next step in the company's New Retail strategy.

"The alliance we formed with Auchan Retail and Ruentex was instrumental in building a robust infrastructure to create opportunities and value in China's retail sector," Zhang said.

"Led by chief executive Peter Huang, Sun Art has achieved impressive results in its digitalisation, and pursued promising synergies with businesses across the Alibaba digital economy.

"As the Covid-19 pandemic is accelerating the digitalisation of consumer lifestyles and enterprise operations, this commitment to Sun Art serves to strengthen our New Retail vision and serve more consumers with a fully integrated experience."

As of 30 June, 2020 Sun Art operates 481 hypermarkets and three mid-size supermarkets in China and all Sun Art physical stores have been integrated into Alibaba's Taoxianda and Tmall Supermarket platforms, providing one-hour and half-day on-demand delivery.

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