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\$BABA in their most recent investor presentation reported the China cloud market size in 2020 at \$32B of which they have a market share of ~30% which equated to \$11B in revenues FY21.

Now here's where it gets pretty crazy ...

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They estimate the China cloud market size in 2025 to be \$154B which is a 37% CAGR.

If \$BABA maintain ~30% market share that will be \$46B in revenues from the cloud business in FY25. Over 4x the current revenue for Alibaba cloud.

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Western cloud businesses like AWS and Azure are valued at ~15x sales or more by most analysts.

An equivalent multiple to \$BABA cloud in 2025 would give a value of \$693b which is over double the current market cap for Alibaba.

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If we put a 50% discount on the cloud business in FY25 for regulatory concerns and use a 7x sales multiple .. we still get to the current market cap in value.

Cloud is only ~9% of LTM revenues for \$BABA, yet the FY25 value of cloud is potentially equal to the market cap.