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ALIBABA HEALTH INFORMATION TECHNOLOGY LIMITED

阿里健康信息技術有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00241)

RENEWAL OF NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

References are made to (i) the announcement of the Company dated March 28, 2019 in respect of the 2020 Logistics Services Framework Agreement and the announcement of the Company dated November 29, 2019 in respect of the revision of annual cap of the 2020 Logistics Services Framework Agreement; and (ii) the announcement of the Company dated January 30, 2019 and the circular of the Company dated March 13, 2019 in respect of the 2020 Platform Services Framework Agreement and the 2020 Advertising Services Framework Agreement.

Each of the 2020 CCT Agreements will expire on or before March 31, 2020, and it is currently expected that the transactions under the 2020 CCT Agreements will continue on similar terms. On February 7, 2020, the Company and its relevant Subsidiaries entered into the 2021 CCT Agreements, each of which has a term commencing from the Effective Date and ending on March 31, 2021.

The Company expects that the total service fees payable by the Group under each of the 2021 Logistics Services Framework Agreement, the 2021 Platform Services Framework Agreement and the 2021 Advertising Services Framework Agreement during the year ending March 31, 2021 will be not more than RMB450 million, RMB651 million and RMB500 million, respectively. Since one or more of the applicable percentage ratios in respect of the annual cap under each of the 2021 CCT Agreements is higher than 5%, the transactions contemplated under each of the 2021 CCT Agreements are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Perfect Advance is a substantial shareholder and a connected person of the Company. Alibaba Holding is the ultimate shareholder of Perfect Advance. As Alibaba Holding directly or indirectly Controls or is the ultimate shareholder of each of the members of the AGH Relevant Entities and Alibaba Group, each of the members of the AGH Relevant Entities and Alibaba Group is a connected person of the Company. Further, as Hangzhou Cainiao is an indirect non-wholly-owned Subsidiary of Alibaba Holding, each of the members of Cainiao Group is also a connected person of the Company. The transactions contemplated under each of the 2021 CCT Agreements therefore constitute continuing connected transactions of the Company in accordance with the Listing Rules.

To comply with the requirements under Rule 14A.36 of the Listing Rules, the Company will convene the SGM to seek Independent Shareholders' approval for the 2021 CCT Agreements, the transactions contemplated thereunder and the annual caps related thereto.

A circular containing, *inter alia*, further details of the 2021 CCT Agreements, the transactions contemplated thereunder and the annual caps related thereto, the letter from the Independent Board Committee to the Independent Shareholders, the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, together with the notice of SGM, is expected to be despatched to the Shareholders on or before March 9, 2020 as additional time will be required to finalise certain information to be included in the circular.

BACKGROUND

References are made to (i) the announcement of the Company dated March 28, 2019 in respect of the 2020 Logistics Services Framework Agreement and the announcement of the Company dated November 29, 2019 in respect of the revision of annual cap of the 2020 Logistics Services Framework Agreement; and (ii) the announcement of the Company dated January 30, 2019 and the circular of the Company dated March 13, 2019 in respect of the 2020 Platform Services Framework Agreement and the 2020 Advertising Services Framework Agreement.

Each of the 2020 CCT Agreements will expire on or before March 31, 2020 and it is currently expected that the transactions under each of the 2020 Logistics Services Framework Agreement, the 2020 Platform Services Framework Agreement and the 2020 Advertising Services Framework Agreement will continue on similar terms. On February 7, 2020, the Company and its relevant Subsidiaries entered into the 2021 CCT Agreements, each of which has a term commencing from the Effective Date and ending on March 31, 2021.

A summary of the principal terms of each of the 2021 CCT Agreements and the respective estimated annual caps for the transactions thereunder are set out below.

2021 LOGISTICS SERVICES FRAMEWORK AGREEMENT

Date

February 7, 2020

Parties

- (1) Alibaba Health (HK) (for itself and on behalf of its Subsidiaries)
- (2) Hangzhou Cainiao (for itself and on behalf of its Subsidiaries and affiliates)

Duration

Subject to approval by the Independent Shareholders at the SGM, the 2021 Logistics Services Framework Agreement will commence on the Effective Date and end on March 31, 2021, unless otherwise terminated in accordance with the terms thereunder.

Services to be provided

Pursuant to the 2021 Logistics Services Framework Agreement, Hangzhou Cainiao has agreed that Cainiao Group will provide to the Group the Logistics Services, including but not limited to warehouse operation and storage services, domestic and international delivery services, customs registration and clearance services, standard and special packaging services, storage and delivery supply chain management services and other value-added and logistics services provided by Cainiao Group from time to time. Cainiao Group shall provide the Logistics Services to the Group in accordance with the standard terms and conditions as amended and published on the respective online platforms operated by Cainiao Group from time to time.

Service fees, pricing terms and payment terms

The service fees shall be calculated and settled in accordance with the underlying agreements and the standard terms and conditions (as applicable) as amended and published on the respective online platforms operated by Cainiao Group from time to time. As at the date of this announcement, the service fees comprise the following:

- (i) storage fees, which are calculated based on the size of the Group's goods stored in Cainiao Group's warehouses and are payable monthly. The current applicable storage fees are approximately RMB3 to RMB10 per cubic meter for each applicable day;
- (ii) order processing fees, which are calculated according to the number of delivery orders made and are currently payable against each delivery order. The current applicable order processing fees are approximately RMB8 to RMB12 per delivery order;

- (iii) basic service fees, including delivery fees, which are calculated based on the delivery route, size or weight (whichever results in the higher rate) of the Group's goods being delivered by Cainiao Group, and are payable against each delivery order. The current applicable delivery fees per parcel for overseas delivery range from approximately RMB7 to RMB31 for the first kilogram and approximately RMB2 to RMB9 for each additional kilogram;
- (iv) value-added service fees, depending on the type of value-added services provided, which are calculated based on the quantity of goods requiring the respective value-added services and are currently payable against each delivery order; and
- (v) disbursement and other incidental costs arising from the Logistics Services, such as tax paid on behalf of the Group by Cainiao Group, which shall be calculated based on the actual amount of disbursement and are currently collected by Cainiao Group against each delivery order.

The service fees (other than the storage fees, which are settled monthly, and the order processing fees, which are settled after each parcel despatches from the warehouse) are currently settled immediately against the completion of each delivery order.

Hangzhou Cainiao has undertaken to ensure that the terms in respect of the Logistics Services provided to the Group are no less favorable than the terms available to other independent third parties in accordance with the respective standard agreements which are applicable to other customers.

2021 PLATFORM SERVICES FRAMEWORK AGREEMENT

Date

February 7, 2020

Parties

- (1) The Company (for itself and on behalf of its Subsidiaries)
- (2) Alibaba Holding (for itself and on behalf of its Subsidiaries)

Duration

Subject to approval by the Independent Shareholders at the SGM, the 2021 Platform Services Framework Agreement will commence from the Effective Date and end on March 31, 2021, unless otherwise terminated in accordance with the terms thereunder.

Services to be provided

Pursuant to the 2021 Platform Services Framework Agreement, Alibaba Holding has agreed that the AGH Relevant Entities will provide to the Group the Platform Services, including but not limited to Internet information related software technical services, bonus points system related software technical services, Internet information services, secondary domain name services, promotion and logistics related technical services, product information display and release services, order verification and processing services, payment system technical services, coordination and storage services for returned products, trading technology services, channel promotion services, other related platform services and other similar or related services. These services relate to the Group's use of various AGH Platforms to sell healthcare related products and services to consumers and businesses.

The AGH Relevant Entities shall provide the Platform Services to the Group in accordance with the standard terms and conditions as amended and published on the respective online platforms operated by the AGH Relevant Entities from time to time.

Service fees, pricing terms and payment terms

The service fees shall be calculated in accordance with the underlying agreements and the standard terms and conditions (as applicable) as amended and published on the respective online sales platforms operated by the respective AGH Relevant Entities from time to time. As at the date of this announcement, the key components of the service fees are as follows:

- (i) an upfront guarantee deposit designated by the respective AGH Relevant Entities (different amount of guarantee deposit is applicable to different AGH Platforms or different categories of products or services) (if applicable), currently being RMB300,000 for each of Tmall and Tmall Global;
- (ii) a standard rebatable annual fee designated by the respective AGH Relevant Entities (different amount of annual fee is applicable to different categories of products or services) (if applicable), currently being RMB30,000 per Tmall storefront, RMB60,000 per Tmall Global storefront and RMB10,000 per AliExpress storefront for the year ending December 31, 2020;
- (iii) technical service fees calculated as a percentage of the value of sales of products or services sold by the Group of the applicable categories on the AGH Platforms as published from time to time. Currently, the products and services sold by the Group at the relevant storefronts on the AGH Platforms are categorised into personal care products, over-the-counter drugs, cosmetics products and medical devices categories, which are subject to a fee rate ranging from 1% to 10%; and

- (iv) payment handling and international delivery fees which include any cost incurred in the payment and delivery of the products sold by the Group on the relevant AGH Platforms and platform service fees designated by the respective AGH Relevant Entities which are determined based on the marketing platform selected and the types of platform activities engaged in (if applicable).

The fee tables published on the respective AGH Platforms are subject to adjustment and typically revised annually by the AGH Relevant Entities.

The AGH Relevant Entities will ensure that the terms in respect of the Platform Services provided to the Group are no less favorable than the general terms available to other independent third parties. As the standard terms and conditions are amended and published on the respective online sales platforms operated by the AGH Relevant Entities from time to time, the Company will regularly check that the rates that it is charged is consistent with such published rates.

As the technical service fees or other fees to be charged for the sale of products and services on the AGH Platforms are subject to change by the AGH Relevant Entities and are beyond the Group's control, the Company will seek Independent Shareholders' approval in the event that there is any material change to the terms of the service fees, including any material increase in the fee rate applicable to the products and services sold by the Group, as amended from time to time.

The guarantee deposit shall be payable upon admission to the relevant AGH Platforms. The designated annual fees shall be settled at the beginning of each calendar year and the technical service fees will be settled immediately after the sale of the relevant products or services. The settlement of the payment handling and international delivery fees and the platform service fees shall be set off against funds received by the AGH Relevant Entities from customers in respect of the transactions conducted on the relevant AGH Platforms.

2021 ADVERTISING SERVICES FRAMEWORK AGREEMENT

Date

February 7, 2020

Parties

- (1) The Company (for itself and on behalf of its Subsidiaries)
- (2) Alibaba Holding (for itself and on behalf of its Subsidiaries and affiliates)

Duration

Subject to approval by the Independent Shareholders at the SGM, the 2021 Advertising Services Framework Agreement will commence from the Effective Date and end on March 31, 2021, unless otherwise terminated in accordance with the terms thereunder.

Services to be provided

Pursuant to the 2021 Advertising Services Framework Agreement, Alibaba Group has agreed that Alibaba Group will provide to the Group the Advertising Services, including but not limited to the display of advertisements on various platforms supported by Alibaba Group, including the Alibaba Group Platforms or other third party platforms, from time to time in accordance with the standard terms and conditions as amended and published on the relevant online platforms operated by Alibaba Group. The Group shall pay Alibaba Group the advertising fees.

Service fees, pricing terms and payment terms

The service fees shall be calculated in accordance with the underlying standard agreements and the standard terms and conditions as amended and published on the respective online platforms operated by Alibaba Group from time to time. As at the date of this announcement, the service fees comprise the following components:

- (i) CPM (cost per impression) model advertising services. Advertisements are displayed on the various platforms operated by Alibaba Group and other third parties and Alibaba Group charges advertising fees each time the advertisement is displayed, i.e. a unit price for every 1,000 impressions served. The unit prices of certain CPM model advertisements are fixed while the unit prices of other advertisements are determined through an auction system. Where the auction system applies, the Group offers bid prices for the relevant advertisement spaces, taking into account the commercial circumstances and comparable prices offered by other independent third party advertisers on other advertising platforms. Alibaba Group's systems automatically accept the highest bids for each advertising space where the auction process is used. The fixed prices currently charged by Alibaba Group and the bid prices currently offered by the Group which have been accepted under the CPM model range from RMB5 to RMB100 per 1,000 impressions, depending on the designated space, size, advertising format, timing and targeted users;
- (ii) CPC (cost per click) model advertising services. Advertisements are displayed on the various platforms operated by Alibaba Group and other third parties and Alibaba Group charges advertising fees each time a user clicks on the displayed advertisement. The unit prices for CPC model advertisements are determined through an auction system, under which the Group offers bid prices for the relevant advertisement spaces, taking into account the commercial circumstances and comparable prices offered by other independent third party advertisers on other advertising platforms. Alibaba Group's systems automatically accept the highest bids for each advertising space where the auction process is used. The bid prices currently offered by the Group which have been accepted under the CPC model range from RMB0.5 to RMB10 per click, depending on the size, advertising format and timing of the advertisement; and

(iii) project-based advertising services. Alibaba Group provides project-based advertising campaign services, whereby it offers advertisements on its advertising platforms for a certain advertising period. Alibaba Group charges advertising fees based on a cost per time (CPT) model (i.e. advertising fees are charged based on the amount of time displayed). The specific location, timing and frequency of the advertisements displayed on various platforms during the period will be determined by Alibaba Group.

HISTORICAL AMOUNTS AND BASIS FOR DETERMINING THE ANNUAL CAPS AMOUNTS

The historical transaction amounts for the year ended March 31, 2019, and the approximate unaudited transaction amounts for the nine months ended December 31, 2019, based on the management accounts and the proposed annual caps relating to each of the 2021 CCT Agreements, are set out below:

| | Approximate historical amounts for the year ended March 31, 2019 (RMB) | Approximate unaudited transaction amounts for the nine months ended December 31, 2019, based on management accounts (RMB) | Proposed annual caps for the year ending March 31, 2021 (RMB) |
|---|---|--|--|
| 2021 Logistics Services Framework Agreement | 52,582,000 | 74,637,000 | 450,000,000 |
| 2021 Platform Services Framework Agreement | 151,510,000 | 202,757,000 | 651,000,000 |
| 2021 Advertising Services Framework Agreement | 52,478,000 | 141,670,000 | 500,000,000 |

The proposed annual cap amount under the 2021 Logistics Services Framework Agreement was determined with reference to (i) the historical transaction amounts incurred under the existing agreement in respect of the Logistics Services; (ii) the expected sales of products for the financial year ending March 31, 2021; (iii) the products that the Group intends to feature on the stores and platforms operated by Alibaba Group; and (iv) the potential of the future development of online and offline healthcare products sales business.

The proposed annual cap amount under the 2021 Platform Services Framework Agreement was determined with reference to (i) the historical transaction amounts incurred under the existing agreement in respect of the Platform Services; (ii) the expected sales of products and services for the financial year ending March 31, 2021; (iii) the products and services that the Group intends to feature on the AGH Platforms; and (iv) the potential of the future development of healthcare products and services business in the PRC.

The proposed annual cap amount under the 2021 Advertising Services Framework Agreement was determined with reference to (i) the historical transaction amounts incurred under the existing agreements in respect of the Advertising Services; (ii) the Group's marketing plans for the financial year ending March 31, 2021; and (iii) the expected marketing needs of the Group's customers for the financial year ending March 31, 2021.

The Directors, whereby the independent non-executive Directors' opinion will be subject to the advice of the Independent Financial Adviser, consider that the proposed annual cap under each of the 2021 CCT Agreements is fair and reasonable and in the interests of the Group and the Shareholders as a whole.

INTERNAL CONTROLS FOR THE GROUP'S CONTINUING CONNECTED TRANSACTIONS

As previously disclosed, the Company has adopted adequate internal control measures to comply with the Listing Rules requirements with respect to the supervision and monitoring of the annual caps of the transactions contemplated under the 2021 CCT Agreements. The finance department of the Company has been collecting and will continue to collect information on the actual transactions conducted with the relevant parties, and the corresponding service fees incurred for the Logistics Services, the Platform Services and the Advertising Services on a bi-weekly, weekly and monthly basis, respectively, and has been updating such information to the legal department and the chief financial officer of the Company to monitor these transaction amounts.

The Company will continue to closely monitor the implementation of the 2021 CCT Agreements and take prompt action to make necessary disclosure and obtain Independent Shareholders' approval in the event that any adjustment to an annual cap becomes foreseeable.

The Company's external auditors will review the continuing connected transactions under each of the 2021 CCT Agreements annually to check and confirm (among others) whether the pricing terms have been adhered to and whether the relevant annual caps have been exceeded. Each of Hangzhou Cainiao and Alibaba Holding has respectively agreed to allow the Company and its external auditors to access the information necessary to report on the non-exempt continuing connected transactions contemplated under the respective 2021 CCT Agreements.

The independent non-executive Directors will review the continuing connected transactions under the 2021 CCT Agreements annually to check and confirm whether such continuing connected transactions have been conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and whether the internal control procedures put in place by the Company are adequate and effective to ensure that such continuing connected transactions are conducted in accordance with the pricing policies set out in such relevant agreements.

REASONS FOR ENTERING INTO THE 2021 CCT AGREEMENTS

The Company's mission is to make good health achievable at the fingertips. The Group has been strengthening the foundation of its pharmaceutical and healthcare businesses and actively planning for the future.

In respect of the 2021 Logistics Services Framework Agreement, the Company has been marketing and selling products or services online and requires efficient and reliable logistics services to enable its products to be safely and promptly delivered to its customers. In particular, the Group's pharmaceutical self-operated healthcare product and service sales business has been expanding quickly, as demonstrated by the rapid increase of the Group's GMV from sales through its self-operated online store. By entering into the 2021 Logistics Services Framework Agreement, the Group aims to meet the increasing demand for logistics services which is driven by the distribution of healthcare products through the Group's self-operated online store.

In respect of the 2021 Platform Services Framework Agreement, the Company believes that by marketing and selling products or services on online sales platforms operated by the AGH Relevant Entities, it will be able to reach out to more customers and improve its understanding of their needs in order to facilitate product circulation along the healthcare retail chain to offer quality products and services at competitive prices.

In respect of the 2021 Advertising Services Framework Agreement, the Group has identified the need for coordinated marketing and advertising services for the promotion of the Group's and its clients' products on various e-commerce platforms. The Group believes that the advertising services and resources provided by Alibaba Group are effective marketing tools which will enable the Group to reach out to more customers and boost the sales of the Group's and its clients' products. In particular, the Group intends to offer quality products and services at competitive prices and enhance the turnover of its stock in the pharmaceutical and healthcare retail chains. Seeing the positive impact of Alibaba Group's advertising services on the Group's sales, the Group intends to allocate more resources to such advertising services provided by Alibaba Group going forward.

The Directors, whereby the independent non-executive Directors' opinion will be subject to the advice of the Independent Financial Adviser, consider that the transactions under the 2021 CCT Agreements will be conducted in the ordinary and usual course of business of the Group, and that the terms of the 2021 CCT Agreements are on normal commercial terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

The Company and the Group

The Company was incorporated in Bermuda and the Shares are listed on the Main Board of the Stock Exchange. The Company is an investment holding company and the Group is committed to providing Internet technology, service tools and platforms to industry partners, with the aim of providing accessible and affordable medical and healthcare services to the public so as to make good health achievable at the fingertips. The principal activities of the Group comprise the sale of pharmaceutical and healthcare products and services and the provision of Internet-based medical services, consumer healthcare services and intelligent medicine services, provision of tracking services and other innovative services.

Alibaba Health (HK)

Alibaba Health (HK) is a limited liability company incorporated in Hong Kong. It is an indirect wholly-owned Subsidiary of the Company that engages primarily in computing technology development, technology consultancy and services, and marketing and business development for the Group's business operations.

Alibaba Holding and Alibaba Group

Alibaba Holding is a company incorporated in the Cayman Islands, with its American depositary shares, each representing eight ordinary shares, listed on the New York Stock Exchange (Stock Symbol: BABA), and its ordinary shares listed on the Main Board of the Stock Exchange (Stock Code: 9988). Alibaba Group's mission is to make it easy to do business anywhere. Alibaba Group aims to build the future infrastructure of commerce and envisions that its customers will meet, work and live at Alibaba, and it aspires to be a company that will last for 102 years. Alibaba Group's businesses are comprised of core commerce, cloud computing, digital media and entertainment, and innovation initiatives.

Hangzhou Cainiao

Hangzhou Cainiao is established in the PRC with limited liability and is an indirect non-wholly-owned Subsidiary of Alibaba Holding. It is primarily engaged in the provision of data-driven logistics solutions and a supply chain platform in the PRC to merchants, buyers and other logistics companies. Hangzhou Cainiao is committed to providing merchants and buyers with timely and comprehensive logistics services and real-time logistics information.

LISTING RULES IMPLICATIONS

Perfect Advance is a substantial shareholder and a connected person of the Company. Alibaba Holding is the ultimate shareholder of Perfect Advance and accordingly a connected person of the Company. As Alibaba Holding directly or indirectly Controls or is the ultimate shareholder of each of the members of the AGH Relevant Entities and Alibaba Group, each of the members of the AGH Relevant Entities and Alibaba Group is a connected person of the Company. Further, as Hangzhou Cainiao is an indirect non-wholly-owned Subsidiary of Alibaba Holding, each of the members of Cainiao Group is also a connected person of the Company. The transactions contemplated under each of the 2021 CCT Agreements therefore constitute continuing connected transactions of the Company in accordance with the Listing Rules.

Since one or more of the applicable percentage ratios in respect of each of the annual cap under each of the 2021 CCT Agreements is higher than 5%, the transactions contemplated under each of 2021 CCT Agreements are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company has established an Independent Board Committee comprising all the independent non-executive Directors to advise the Independent Shareholders in connection with the entering into of the 2021 CCT Agreements. Platinum Securities Company Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on this matter.

As Mr. WU Yongming, Mr. WANG Lei and Mr. XU Hong are employees of Alibaba Holding or its Subsidiaries, each of these Directors is deemed or may be perceived to have a material interest in the transactions under the 2021 CCT Agreements. Accordingly, they abstained from voting on the resolutions in connection with the 2021 CCT Agreements, the transactions contemplated thereunder and the annual caps related thereto. Other than the aforesaid Directors, no other Directors have a material interest in the 2021 CCT Agreements or are required to abstain from voting on the resolutions of the Board approving the same.

THE SGM

To comply with Rule 14A.36 of the Listing Rules, the Company will convene the SGM to seek Independent Shareholders' approval for the 2021 CCT Agreements, the transactions contemplated thereunder and the annual caps related thereto. Any Shareholder with a material interest in the 2021 CCT Agreements and the transactions contemplated thereunder and his/her/its associates shall abstain from voting on the resolutions approving the same. To the best of knowledge, belief and information of the Directors, having made all reasonable enquiries, each of Perfect Advance, Ali JK, and Antfin (Hong Kong) Holding Limited holds 3,103,816,661 Shares, 3,699,911,207 Shares and 60,576,000 Shares respectively, representing approximately 25.80%, 30.76% and 0.50%, of the issued share capital of the Company. This in aggregate represents a total of 6,864,303,868 Shares and approximately 57.06% of the issued share capital of the Company. Each of Perfect Advance, Ali JK, Antfin (Hong Kong) Holding Limited and their associates, shall abstain from voting in relation to the ordinary resolutions to be put forward at the SGM for the purpose of approving the 2021 CCT Agreements, the transactions contemplated thereunder and the annual caps related thereto.

Apart from the above, none of the Shareholders has a material interest in the 2021 CCT Agreements and the transactions contemplated thereunder, and therefore no other Shareholder is required to abstain from voting on the proposed resolutions approving the same.

A circular containing, *inter alia*, further details of the 2021 CCT Agreements, the transactions contemplated thereunder and the annual caps related thereto, the letter from the Independent Board Committee to the Independent Shareholders, the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, together with the notice of SGM, is expected to be despatched to the Shareholders on or before March 9, 2020 as additional time will be required to finalise certain information to be included in the circular.

DEFINITIONS

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| “2020 Advertising Services Framework Agreement” | the agreement dated January 30, 2019 entered into between the Company and Alibaba Holding in relation to the provision of advertising services |
| “2020 CCT Agreements” | the 2020 Logistics Services Framework Agreement, the 2020 Platform Services Framework Agreement and the 2020 Advertising Services Framework Agreement |
| “2020 Logistics Services Framework Agreement” | the agreement dated March 28, 2019 entered into between Alibaba Health (HK) and Hangzhou Cainiao in relation to the provision of logistics services |

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| “2020 Platform Services Framework Agreement” | the agreement dated January 30, 2019 entered into between the Company and Alibaba Holding in relation to the provision of platform services |
| “2021 Advertising Services Framework Agreement” | the agreement dated February 7, 2020 entered into between the Company and Alibaba Holding in relation to the provision of Advertising Services |
| “2021 CCT Agreements” | the 2021 Logistics Services Framework Agreement, the 2021 Platform Services Framework Agreement and the 2021 Advertising Services Framework Agreement |
| “2021 Logistics Services Framework Agreement” | the agreement dated February 7, 2020 entered into between Alibaba Health (HK) and Hangzhou Cainiao in relation to the provision of Logistics Services |
| “2021 Platform Services Framework Agreement” | the agreement dated February 7, 2020 entered into between the Company and Alibaba Holding in relation to the provision of Platform Services |
| “Advertising Services” | the services to be provided by Alibaba Group to the Group under the 2021 Advertising Services Framework Agreement |
| “AGH Platforms” | the platforms operated by the AGH Relevant Entities from time to time, including but not limited to Taobao Marketplace, Tmall, Tmall Global, Rural Taobao, Lazada, LinkedMall, DingTalk and AliExpress |
| “AGH Relevant Entities” | Alibaba Holding and its Subsidiaries, including Alibaba Technology, Hangzhou Alibaba Advertising, Alibaba Software, Taobao Network, Taobao Software, Ecart Malaysia, Lazada Singapore, Lazada Ltd., Lazada Philippines, Ecart Indonesia, Recess, Kobron, Taobao China, Alibaba Singapore, Alibaba Communication Technology, DingTalk Technology, DingTalk China, Tmall Technology and Tmall Network, collectively |
| “Alibaba Communication Technology” | Zhejiang Alibaba Communication Technology Co., Ltd.* (浙江阿里巴巴通信技术有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Alibaba Group” | the group of companies comprising Alibaba Holding and its Subsidiaries, for the purpose of this announcement, excluding the Group |

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| “Alibaba Group Platforms” | the online platforms for brands and retailers operated by Alibaba Group, including but not limited to Taobao.com, Tmall.com, Etao.com and Juhuasuan.com |
| “Alibaba Health (HK)” | Alibaba Health (Hong Kong) Technology Company Limited (阿里健康(香港)科技有限公司), a company incorporated in Hong Kong, an indirect wholly-owned Subsidiary of the Company |
| “Alibaba Holding” | Alibaba Group Holding Limited, a company incorporated in the Cayman Islands, the ultimate controlling shareholder of the Company, with its American depositary shares, each representing eight ordinary shares, listed on the New York Stock Exchange (Stock Symbol: BABA), and its ordinary shares listed on the Main Board of the Stock Exchange (Stock Code: 9988) |
| “Alibaba Singapore” | Alibaba.com Singapore E-Commerce Private Limited, a company incorporated in Singapore and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Alibaba Software” | Alibaba (China) Software Co., Ltd.* (阿里巴巴(中國)軟件有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Alibaba Technology” | Alibaba (China) Technology Co., Ltd.* (阿里巴巴(中國)網絡技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “AliExpress” | a global marketplace targeting consumers from around the world and enabling them to buy directly from manufacturers and distributors in China and around the world |
| “Ali JK” | Ali JK Nutritional Products Holding Limited, a company incorporated in the British Virgin Islands and a wholly-owned Subsidiary of Alibaba Holding |
| “associate” | has the meaning given to it under the Listing Rules |
| “Board” | the board of directors of the Company |
| “Cainiao Group” | Hangzhou Cainiao and its Subsidiaries and affiliates |

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| “Company” | Alibaba Health Information Technology Limited (阿里健康信息技術有限公司), a company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00241) |
| “connected person” | has the meaning given to it under the Listing Rules |
| “Control” | the power or authority, whether exercised or not, to direct the business, management and policies of a person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, which power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty per cent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such person or power to control the composition of a majority of the board of directors (or similar governing body) of such person and the term “Controlled” shall be construed accordingly |
| “DingTalk” | a digital working platform that serves enterprises and organisations of various types and sizes with unified communication services, intelligent mobile workplaces and network collaboration services, being the largest business efficiency app in China by monthly active users in March 2019 |
| “DingTalk China” | DingTalk (China) Information Technology Co., Ltd.* (釘釘(中國)信息技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “DingTalk Technology” | DingTalk Technology Co., Ltd.* (釘釘科技有限公司), a company established in the PRC with limited liability and ultimately Controlled by Alibaba Holding |
| “Director(s)” | member(s) of the Board |
| “Ecart Indonesia” | PT. Ecart Webportal Indonesia, a company incorporated in Indonesia and an indirect non-wholly-owned Subsidiary of Alibaba Holding |
| “Ecart Malaysia” | Ecart Services Malaysia Sdn. Bhd., a company incorporated in Malaysia with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding |

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| “Effective Date” | the effective date of the respective 2021 CCT Agreements, being April 1, 2020 or the date of the approval of the 2021 CCT Agreements, the continuing connected transactions contemplated thereunder and the annual caps related thereto, by the Independent Shareholders at the SGM (whichever is later) |
| “GMV” | gross merchandise volume |
| “Group” | the Company and each of its Subsidiaries from time to time |
| “Hangzhou Alibaba Advertising” | Hangzhou Alibaba Advertising Co., Ltd.* (杭州阿里巴巴廣告有限公司), a company established in the PRC with limited liability and ultimately Controlled by Alibaba Holding |
| “Hangzhou Cainiao” | Hangzhou Cainiao Supply Chain Management Co., Ltd* (杭州菜鳥供應鏈管理有限公司), a company established in the PRC with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | Hong Kong Special Administrative Region of the PRC |
| “Independent Board Committee” | the independent committee of the Board, comprising Mr. LUO Tong, Mr. WONG King On, Samuel and Ms. HUANG Yi Fei, (Vanessa), being the independent non-executive Directors, established to advise the Independent Shareholders on the 2021 CCT Agreements |
| “Independent Financial Adviser” | Platinum Securities Company Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the 2021 CCT Agreements |
| “Independent Shareholders” | the Shareholders of the Company, other than (i) Alibaba Holding and its associates, including Perfect Advance, Ali JK and Antfin (Hong Kong) Holding Limited; and (ii) those who are required to abstain from voting at the SGM to be convened to approve the 2021 CCT Agreements, the transactions contemplated thereunder and the annual caps related thereto |
| “Kobron” | Kobron Hong Kong Development Limited, a company incorporated in Hong Kong with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding |

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| “Lazada” | a leading e-commerce platform across Southeast Asia with local language websites and mobile apps in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam |
| “Lazada Ltd.” | Lazada Ltd., a company established in Thailand with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding |
| “Lazada Philippines” | Lazada E-Services Philippines, Inc., a company incorporated in the Philippines and an indirect non-wholly-owned Subsidiary of Alibaba Holding |
| “Lazada Singapore” | Lazada Singapore Pte. Ltd., a company established in Singapore with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding |
| “LinkedMall” | a platform providing service solutions such as commodity selection, payment transaction, interest exchange, commission settlement and technical support for enterprises, with its customers covering many industries such as banks, aviation, hotels and operators |
| “Listing Rules” | The Rules Governing the Listing of Securities on the Stock Exchange |
| “Logistics Services” | the services to be provided by Cainiao Group to the Group under the 2021 Logistics Services Framework Agreement |
| “Perfect Advance” | Perfect Advance Holding Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Platform Services” | the services to be provided by the AGH Relevant Entities to the Group under the 2021 Platform Services Framework Agreement |
| “PRC” or “China” | the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan |
| “Recess” | Recess Company Limited, a company incorporated in Vietnam with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding |
| “RMB” | Renminbi, the lawful currency of the PRC |

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| “Rural Taobao” | Alibaba Group’s program to pioneer a two-way distribution infrastructure to connect commerce between cities and rural areas in the PRC |
| “SFO” | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time |
| “SGM” | the special general meeting of the Company to be convened for the Independent Shareholders to consider and vote on each of the 2021 CCT Agreements, the transactions contemplated thereunder and the annual caps related thereto |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Shares” | ordinary shares in the issued capital of the Company with a nominal value of HK\$0.01 |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subsidiary” | includes, in relation to any person: (i) any company or business entity of which that person owns or Controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or business entity; (ii) any company or business entity of which that person owns or controls (either directly or through one or more other subsidiaries, by contract or otherwise) not more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or business entity but effectively controls (either directly or through one or more other Subsidiaries) the management or the direction of business operations of such company or business entity; and (iii) any company or business entity which at any time has its accounts consolidated with those of that person or which, under Hong Kong law or any other applicable law, regulations or the Hong Kong Financial Reporting Standards or such other generally accepted accounting principles or standards as may be applicable to that person from time to time, should have its accounts consolidated with those of that person |
| “Taobao China” | Taobao China Holding Limited, a limited liability company incorporated in Hong Kong and an indirect wholly-owned Subsidiary of Alibaba Holding |

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| “Taobao Marketplace” | the online and mobile commerce platform or destination known as Taobao (淘寶) operated by Alibaba Holding’s affiliates |
| “Taobao Network” | Zhejiang Taobao Network Co., Ltd.* (浙江淘寶網絡有限公司), a company established in the PRC with limited liability and ultimately Controlled by Alibaba Holding |
| “Taobao Software” | Taobao (China) Software Co., Ltd.* (淘寶(中國)軟件有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Tmall” | Tmall.com, the third party online and mobile commerce platform known as Tmall (天貓) operated by Alibaba Holding’s affiliates |
| “Tmall Global” | the third party import e-commerce platform known as Tmall Global (天貓國際) operated by Alibaba Holding’s affiliates |
| “Tmall Network” | Zhejiang Tmall Network Co., Ltd.* (浙江天貓網絡有限公司), a company established in the PRC with limited liability and ultimately Controlled by Alibaba Holding |
| “Tmall Technology” | Zhejiang Tmall Technology Co., Ltd.* (浙江天貓技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “%” | per cent |

* *English name for identification purpose only.*

For and on behalf of the Board
Alibaba Health Information Technology Limited
SHEN Difan
Chief Executive Officer and Executive Director

Hong Kong, February 7, 2020

As at the date of this announcement, the Board comprises eight Directors, of whom (i) two are executive Directors, namely, Mr. SHEN Difan and Mr. WANG Qiang; (ii) three are non-executive Directors, namely Mr. WU Yongming, Mr. WANG Lei and Mr. XU Hong; and (iii) three are independent non-executive Directors, namely Mr. LUO Tong, Mr. WONG King On, Samuel and Ms. HUANG Yi Fei, (Vanessa).