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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)

GRANT OF SHARE OPTIONS AND RESTRICTED SHARE UNITS

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On June 15, 2023, the Company granted 7,413,000 Options to 13 Grantees and 48,071,800 RSUs to 629 Grantees in accordance with the terms of the Share Award Scheme, subject to acceptance.

This announcement is made pursuant to Rules 17.06A, 17.06B and 17.06C of the Listing Rules.

SHARE OPTIONS

On June 15, 2023, the Company granted 7,413,000 Options to 13 Grantees in accordance with the terms of the Share Award Scheme, subject to acceptance. The details of the Options granted to the Grantees are as follows:

Date of Grant: June 15, 2023

Grantees: A total of 7,413,000 Options are granted to the Grantees, of which five are Connected Grantees who are Directors and directors of subsidiaries of the Company and eight are Non-connected Grantees who are employees of the Group or the Company's affiliate(s)

Number of Options granted:	7,413,000 Each of the Options granted to the Grantees represents a new Share to be issued as and when the Grantees have exercised their Options
Purchase price for the grant of Options:	Nil
Closing price of the Shares on the Date of Grant:	HK\$5.160 per Share
Exercise price of the Options granted:	HK\$5.160, being the highest of (i) the closing price of the Shares of HK\$5.160 per Share as stated in the daily quotation sheet issued by the Stock Exchange on the Date of Grant, (ii) the average closing price of the Shares of HK\$4.842 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant, and (iii) the nominal value of each Share, which is HK\$0.01
Exercise period of the Options:	The exercise period of the Options shall be ten years from the Date of Grant and the Options shall lapse at the expiry of the exercise period
Vesting period of the Options:	Apart from the Options granted to one Connected Grantee which shall vest over one to six years from the Date of Grant, the Options granted shall vest in the Grantees over one to four years from the Date of Grant
Performance Targets:	The Options granted are not subject to performance targets Having considered that (i) the grant of Options to the Directors would provide them with the opportunity to acquire equity interests in the Company as recognition of their contribution to the success and development of the Group and (ii) the Options vest over a certain time period on a yearly basis which motivates them to remain with, and to strive for the future development and expansion of, the Group and this aligns with the purpose of the Share Award Scheme, the Remuneration Committee is of the view that performance targets are not necessary for the Options granted to the Directors

Clawback Mechanism: In the event that any circumstances as specified in the respective grant letter shall arise, which include among others, the termination of the Grantee's employment or service by the Company or any of its subsidiaries by reason of the employer terminating the contract of employment without notice or payment in lieu of notice, the Grantee has committed an act of theft, embezzlement, fraud, dishonesty, ethical breach or other similar acts or the commission of a criminal offence or any conduct that is materially adverse to the name, reputation or interests of the Group, the Options granted but unvested will automatically lapse and not be exercisable in respect of the underlying Shares with effect upon the occurrence of the relevant circumstances

Details of the Grantees

Among the 7,413,000 Options granted to the Grantees, 2,939,750 Options were granted to three Directors, 1,016,250 Options were granted to two directors of subsidiaries of the Company and 3,457,000 Options were granted to eight employees of the Group or the Company's affiliate(s), the details of which are as follows:

Name	Position	Number of Options granted
Zhu Shunyan	executive Director, chairman of the Board and chief executive officer of the Company	1,381,250
Shen Difan	executive Director and chief operating officer of the Company	1,302,750
Tu Yanwu	executive Director and chief financial officer of the Company	255,750
Two directors of subsidiaries of the Company		1,016,250
Eight employees of the Group or the Company's affiliate(s)		3,457,000

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of Options to the above Directors has been approved by the independent non-executive Directors. Each of the above Directors have abstained from voting on the resolution relating to the Options granted to themselves and had not been counted towards the quorum of the Board meeting in respect of such resolution.

RESTRICTED SHARE UNITS

On June 15, 2023, the Company granted 48,071,800 RSUs to 629 Grantees in accordance with the terms of the Share Award Scheme, subject to acceptance. Details of the grant of the RSUs are as follows:

Date of Grant:	June 15, 2023
Grantees:	A total of 48,071,800 RSUs are granted to the Grantees, of which ten are Connected Grantees who are directors of the Company and directors of subsidiaries of the Company and 619 are Non-connected Grantees who are employees of the Group or the Company's affiliate(s)
Number of RSUs granted:	48,071,800 Each of the RSUs granted to the Grantees represents a right to receive a Share on the date the RSU vests
Purchase price for the grant of RSUs:	Nil
Closing price of the Shares on the Date of Grant:	HK\$5.160 per Share
Vesting period of the RSUs:	Apart from the RSUs granted to one Connected Grantee which shall vest over one to six years from the Date of Grant, the RSUs granted shall vest in the Grantees over one to four years from the Date of Grant
Performance targets:	The RSUs granted are not subject to performance targets Having considered that (i) the grant of RSUs to the Directors would provide them with the opportunity to acquire equity interests in the Company as recognition of their contribution to the success and development of the Group and (ii) the RSUs vest over a certain time period on a yearly basis which motivates them to remain with, and to strive for the future development and expansion of, the Group and this aligns with the purpose of the Share Award Scheme, the Remuneration Committee is of the view that performance targets are not necessary for the RSUs granted to the Directors

Clawback mechanism: In the event that any circumstances as specified in the respective grant letter shall arise, which include among others, the termination of the Grantee's employment or service by the Company or any of its subsidiaries by reason of the employer terminating the contract of employment without notice or payment in lieu of notice, the Grantee has committed an act of theft, embezzlement, fraud, dishonesty, ethical breach or other similar acts or the commission of a criminal offence or any conduct that is materially adverse to the name, reputation or interests of the Group, the RSUs granted but unvested will automatically lapse in respect of the underlying Shares with effect upon the occurrence of the relevant circumstances

Details of the Grantees

Among the 48,071,800 RSUs granted to the Grantees, 1,175,900 RSUs were granted to three Directors, 1,627,900 RSUs were granted to seven directors of subsidiaries of the Company and 45,268,000 RSUs were granted to 619 employees of the Group or the Company's affiliate(s), the details of which are as follows:

Name	Position	Number of RSUs granted
Zhu Shunyan	executive Director, chairman of the Board and chief executive officer of the Company	552,500
Shen Difan	executive Director and chief operating officer of the Company	521,100
Tu Yanwu	executive Director and chief financial officer of the Company	102,300
Seven directors of subsidiaries of the Company		1,627,900
619 employees of the Group or the Company's affiliate(s)		45,268,000

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of RSUs to the above Directors has been approved by the independent non-executive Directors. Each of the above Directors have abstained from voting on the resolution relating to the RSUs granted to themselves and had not been counted towards the quorum of the Board meeting in respect of such resolution.

In relation to the 2,803,800 RSUs granted to the Connected Grantees, the Company shall procure the Trustee to purchase existing Shares from the market out of cash contributed by the Company to be held on trust for the Connected Grantees until such RSUs are vested with such Connected Grantees.

In relation to the 45,268,000 RSUs granted to the Non-connected Grantees, new Shares that rank *pari passu* in all respects among themselves and with all the Shares in issue from time to time shall be issued and/or existing Shares in issue to be purchased from the market out of cash contributed by the Company and held on trust for the Grantees shall be transferred to the Grantees (as the case may be) upon vesting and settlement of such RSUs.

REASONS FOR AND BENEFITS OF THE GRANTS

The purpose of the aforesaid grant of the Options and the RSUs is to (i) attract skilled and experienced personnel for the further development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company, (ii) recognize the contribution to the success and development of the Group made by the existing employees of the Group or the Company's affiliate(s), and/or (iii) generally incentivize and motivate our employees to remain with, and to strive for the future development and expansion of, the Group.

LISTING RULES IMPLICATIONS

Save as disclosed above and to the best of the knowledge of the Directors having made all reasonable enquiries, as at the Date of Grant, (i) none of the other Grantees is a Director, chief executive or substantial shareholder of the Company or an associate (as defined under the Listing Rules) of any of them; (ii) none of the Grantees is a participant with Options and RSUs granted and to be granted exceeding the 1% individual limit under Rule 17.03D(1) of the Listing Rules; (iii) none of the Grantees is a related entity participant or a service provider (as defined under the Listing Rules); and (iv) no financial assistance has been provided by the Group to the Grantees to facilitate the purchase of Shares under the Share Award Scheme. The above grant of Options and RSUs would not result in the Options and RSUs granted and to be granted to a Grantee in the 12-month period up to and including the Date of Grant in aggregate exceed 1% of the Shares in issue.

The Share Award Scheme was adopted before the effective date of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 in accordance with the transitional arrangements for the existing share scheme.

The grant of RSUs to the Connected Grantees constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. However, no new Shares will be issued and allotted upon vesting and settlement of such RSUs granted to the Connected Grantees. As the RSUs were granted to the Connected Grantees pursuant to their respective service contracts with the Company or its subsidiary as part of their respective

remuneration package under the service contract, the grant of RSUs to the Connected Grantees is exempt from reporting, announcement and independent shareholders' approval requirements under Rule 14A.73(6) and Rule 14A.95 of the Listing Rules.

NUMBER OF SHARES AVAILABLE FOR FUTURE GRANT

Upon the aforesaid grant of the Options and RSUs, 343,545,499 Shares underlying the Options and RSUs are available for future grant under the scheme mandate limit of the Share Award Scheme.

DEFINITIONS

“Board”	the board of directors of the Company
“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 Grantee”	the Grantees who are connected persons of the Company
“connected person”	has the same meaning ascribed to it under the Listing Rules
“Date of Grant”	June 15, 2023
“Director(s)”	director(s) of the Company
“Grantees”	Directors, directors of subsidiaries of the Company, employees of the Group or the Company's affiliate(s) who are granted Options and/or RSUs in accordance with the Share Award Scheme on the Date of Grant
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People's Republic of China
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Non-connected Grantees”	the Grantees who are not connected persons of the Company
“Options”	option(s) to subscribe for or acquire Shares which is/are granted under the Share Award Scheme

“Remuneration Committee”	the remuneration committee of the Company
“RSU(s)”	restricted share unit(s), being a contingent right to receive Share(s) which is/are awarded under the Share Award Scheme
“Share Award Scheme”	the share award scheme adopted by the Company at a special general meeting on November 24, 2014, the principal terms of which were set out on pages 10 to 20 of the Company’s circular dated October 31, 2014
“Shares”	ordinary shares of HK\$0.01 each in the issued capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the same meaning ascribed to it under the Listing Rules
“Trustee”	the professional trustee of the Share Award Scheme appointed by the Company

By Order of the Board
Alibaba Health Information Technology Limited
Zhu Shunyan
Chairman and Chief Executive Officer

Hong Kong, June 15, 2023

As at the date of this announcement, the Board comprises Mr. Zhu Shunyan, Mr. Shen Difan and Mr. Tu Yanwu as the executive Directors; Ms. Huang Jiaojiao as the non-executive Director; and Mr. Luo Tong, Mr. Wong King On, Samuel and Ms. Huang Yi Fei (Vanessa) as the independent non-executive Directors.