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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)**

**(1) DISCLOSEABLE AND CONNECTED TRANSACTION AND  
(2) NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS**

**Financial Adviser to Alibaba Group Holding Limited**



**THE PROPOSED ACQUISITION OF THE TARGET COMPANY**

The Board is pleased to announce that on November 28, 2023, the Company and the Vendor, a direct wholly-owned Subsidiary of Alibaba Holding entered into the Share Purchase Agreement pursuant to which the Company agreed to purchase, and the Vendor agreed to sell, the entire issued share capital of the Target Company, subject to the terms and conditions of the Share Purchase Agreement. The Consideration payable by the Company to the Vendor at Completion is HK\$13,512,000,000, which will be satisfied by (i) the Company issuing 2,558,222,222 Consideration Shares at the Issue Price of HK\$4.50 per Share to the Vendor (and/or its nominee) at Completion, and (ii) the Company paying the USD Equivalent of HK\$2,000,000,000 in cash to the Vendor at Completion. The Issue Price is subject to adjustments in the event of a share split, share combination, share dividend or similar events with respect to the capital of the Company prior to Completion.

The Target Company, an offshore holding vehicle incorporated under the laws of the Cayman Islands, holds the entire issued share capital of the HK Subsidiary which in turn holds 100% of the equity interest in the WFOE.

The WFOE, pursuant to the Exclusive Services Framework Agreement, operates and manages the Target Business with the Exclusive Marketing Materials Review Right to provide the Marketing Materials Review Services in respect of products and services under the Healthcare Categories and an ancillary right to provide the Value-added Services to the Target Merchants under the Healthcare Categories.

Completion is conditional upon, among other things:

- (i) the passing by the Independent Shareholders of the resolutions to approve the Proposed Acquisition and the non-exempt continuing connected transactions for the Company under the Exclusive Services Framework Agreement; and
- (ii) the granting of the approval of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

### **THE TARGET BUSINESS**

The Target Business comprises the provision of the following services under the Healthcare Categories: (i) the Marketing Materials Review Services pursuant to the Exclusive Marketing Materials Review Right, and (ii) the Value-added Services.

The “**Exclusive Marketing Materials Review Right**” is defined as the exclusive right to operate and manage the Marketing Materials Review Services under the Healthcare Categories on the Tmall Platform, to the absolute exclusion of the Alimama Group and the Taobao and Tmall Group.

The “**Marketing Materials Review Services**” are defined as the marketing materials review services provided by the WFOE under the Exclusive Services Framework Agreement, as may be amended from time to time, comprising (i) the review services in respect of marketing materials for the Performance-based Marketing and/or the Brand-based Marketing placed by the Target Merchants through the Alimama Group, and (ii) the review services in respect of corresponding qualifications of such marketing materials for products and services under the Healthcare Categories.

The “**Value-added Services**” are defined as the value-added services, within the scope of written authorisation from the Alimama Group and in accordance with the standards and requirements imposed by the Alimama Group, provided by the WFOE to the Target Merchants whose Primary Categories are the Healthcare Categories under the Exclusive Services Framework Agreement, as may be amended from time to time, which shall include providing consultation and suggestions to and responding to questions from such Target Merchants relating to marketing promotions under the Healthcare Categories.

The “**Brand-based Marketing (品牌營銷)**” is defined as the marketing products and services provided by the Alimama Group through including without limitation Pin Xiao Bao (品銷寶) for the purposes of enhancing brand exposures and awareness.

The “**Performance-based Marketing (效果營銷)**” is defined as the marketing products and services provided by the Alimama Group through including without limitation Zhi Tong Che (直通車) and Wan Xiang Tai (萬相台) for the purposes of enhancing operation results of the merchants.

The “**Healthcare Categories (醫療健康類目)**” has the meaning ascribed to it under the Exclusive Services Framework Agreement, as may be amended from time to time, which shall comprise the following categories at Completion:

- (i) OTC Drugs/International Drugs (OTC藥品／國際醫藥類目);
- (ii) Prescription Drugs (處方藥類目);
- (iii) Health Food/Dietary Supplements (保健食品／膳食營養補充食品類目);
- (iv) Medical Devices (醫療器械類目);
- (v) Family Planning Products (計生用品類目);
- (vi) Contact Lenses/Contact Lens Solution (隱形眼鏡／護理液類目);
- (vii) Adult Products/Sexual Health Products (成人用品／情趣用品類目);
- (viii) Healthcare Products (保健用品類目);
- (ix) Medical and Health Services (醫療及健康服務類目);
- (x) Examination/Medical Insurance Card (體檢／醫療保障卡類目);
- (xi) Vaccine Services (疫苗服務類目);
- (xii) Chinese Medicines (精緻中藥材類目); and
- (xiii) Traditional Nutritional Products (傳統滋補營養品類目).

## **THE EXCLUSIVE SERVICES FRAMEWORK AGREEMENT**

Pursuant to the Exclusive Services Framework Agreement, the WFOE operates and manages the Target Business which comprises the provision of services under the Healthcare Categories comprising (i) the Marketing Materials Review Services pursuant to the Exclusive Marketing Materials Review Right and (ii) the Value-added Services, and receive the Marketing Materials Review Services Fees payable by the Alimama Software to the WFOE. The initial term of the Exclusive Services Framework Agreement is three years commencing from the date of signing of the Exclusive Services Framework Agreement, which shall be renewed subject to compliance with the reporting, announcement and shareholders' approval requirements under applicable laws and regulations.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios in respect of the Share Purchase Agreement exceed 5% but are all below 25%, the Share Purchase Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Each of Perfect Advance Holding Limited and Ali JK Nutritional Products Holding Limited is a Substantial Shareholder and a connected person of the Company. Alibaba Holding is the ultimate holding company of Perfect Advance Holding Limited, Ali JK Nutritional Products Holding Limited and the Vendor. Accordingly, the Vendor is a connected person of the Company and therefore the Proposed Acquisition also constitutes a connected transaction of the Company and is subject to the approval of the Independent Shareholders at the SGM.

In addition, Alimama Software is an indirect wholly-owned Subsidiary of Alibaba Holding and therefore is a connected person of the Company. Therefore, the transactions contemplated under the Exclusive Services Framework Agreement will, upon the Completion, constitute continuing connected transactions for the Company under the Listing Rules. It is expected that the highest of the applicable percentage ratios in respect of the Exclusive Services Framework Agreement will be more than 5%. Accordingly, the transactions contemplated under the Exclusive Services Framework Agreement will constitute non-exempt continuing connected transactions subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

**Warning: The Company will despatch a circular on or before December 29, 2023, which is more than 15 business days after publication of this announcement, as the Company requires more time to prepare the information to be included in the circular. The circular will contain, among other things, further details of the Proposed Acquisition and related agreements, a letter of advice from the Independent Financial Adviser to the Independent Board Committee of the Company and the Independent Shareholders in relation to the Proposed Acquisition, the key unaudited adjusted financial information of the Target Business and the Valuation Report of the Target Business.**

**The completion of the Proposed Acquisition is subject to the satisfaction and/or waiver (where applicable) of conditions precedent as set out in the Share Purchase Agreement including but not limited to Independent Shareholders' approval, which may or may not be fulfilled. The Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.**

## **INTRODUCTION**

The Board is pleased to announce that, on November 28, 2023, the Company and the Vendor entered into the Share Purchase Agreement pursuant to which the Company had conditionally agreed to acquire, and the Vendor had conditionally agreed to sell, the entire issued share capital of the Target Company subject to the terms and conditions of the Share Purchase Agreement.

On November 27, 2023, the WFOE and Alimama Software entered into the Exclusive Services Framework Agreement pursuant to which the WFOE would operate and manage the Target Business with the Exclusive Marketing Materials Review Right to provide the Marketing Materials Review Services in respect of products and services under the Healthcare Categories and an ancillary right to provide the Value-added Services to the Target Merchants under the Healthcare Categories.

The principal terms of the Share Purchase Agreement are set out as follows.

## **THE SHARE PURCHASE AGREEMENT**

### **(1) Date**

November 28, 2023

### **(2) Parties**

- (i) The Company as the purchaser; and
- (ii) Taobao Holding Limited as the Vendor.

The Vendor is a direct wholly-owned Subsidiary of Alibaba Holding, the ultimate controlling shareholder of the Company and a connected person of the Company. Accordingly, the Vendor is also a connected person of the Company and the transactions contemplated under the Share Purchase Agreement will constitute a connected transaction under the Listing Rules.

### (3) The Proposed Acquisition of the Target Company

Pursuant to the Share Purchase Agreement, the Company had conditionally agreed to purchase, and the Vendor had conditionally agreed to sell, the entire issued share capital of the Target Company subject to the terms and conditions of the Share Purchase Agreement.

The Target Company, an offshore holding vehicle incorporated under the laws of the Cayman Islands, holds the entire issued share capital of the HK Subsidiary which in turn holds 100% of the equity interest in the WFOE.

The Target Group, which comprises the Target Company, the HK Subsidiary and the WFOE, holds the Target Business.

The Target Business comprises the provision of the following services under the Healthcare Categories: (i) the Marketing Materials Review Services pursuant to the Exclusive Marketing Materials Review Right, and (ii) the Value-added Services.

The “**Exclusive Marketing Materials Review Right**” is defined as the exclusive right to operate and manage the Marketing Materials Review Services under the Healthcare Categories on the Tmall Platform (天貓平台), to the absolute exclusion of the Alimama Group and the Taobao and Tmall Group.

The “**Marketing Materials Review Services**” are defined as the marketing materials review services provided by the WFOE under the Exclusive Services Framework Agreement, as may be amended from time to time, comprising (i) the review services in respect of marketing materials for the Performance-based Marketing and/or the Brand-based Marketing placed by the Target Merchants through the Alimama Group, and (ii) the review services in respect of corresponding qualifications of such marketing materials for products and services under the Healthcare Categories.

The “**Value-added Services**” are defined as the value-added services, within the scope of written authorisation from the Alimama Group and in accordance with the standards and requirements imposed by the Alimama Group, provided by the WFOE to the Target Merchants whose Primary Categories are the Healthcare Categories under the Exclusive Services Framework Agreement, as may be amended from time to time, which shall include providing consultation and suggestions to and responding to questions from such Target Merchants relating to marketing promotions under the Healthcare Categories.

The “**Brand-based Marketing (品牌營銷)**” is defined as the marketing products and services provided by the Alimama Group through including without limitation Pin Xiao Bao (品銷寶) for the purposes of enhancing brand exposures and awareness.



The “**Performance-based Marketing (效果營銷)**” is defined as the marketing products and services provided by the Alimama Group through including without limitation Zhi Tong Che (直通車) and Wan Xiang Tai (萬相台) for the purposes of enhancing operation results of the merchants.

The “**Healthcare Categories (醫療健康類目)**” has the meaning ascribed to it under the Exclusive Services Framework Agreement, as may be amended from time to time, which shall comprise the following categories at the Completion:

- (i) OTC Drugs/International Drugs (OTC藥品／國際醫藥類目);
- (ii) Prescription Drugs (處方藥類目);
- (iii) Health Food/Dietary Supplements (保健食品／膳食營養補充食品類目);
- (iv) Medical Devices (醫療器械類目);
- (v) Family Planning Products (計生用品類目);
- (vi) Contact Lenses/Contact Lens Solution (隱形眼鏡／護理液類目);
- (vii) Adult Products/Sexual Health Products (成人用品／情趣用品類目);
- (viii) Healthcare Products (保健用品類目);
- (ix) Medical and Health Services (醫療及健康服務類目);
- (x) Examination/Medical Insurance Card (體檢／醫療保障卡類目);
- (xi) Vaccine Services (疫苗服務類目);
- (xii) Chinese Medicines (精緻中藥材類目); and
- (xiii) Traditional Nutritional Products (傳統滋補營養品類目);

Upon Completion, the Target Company will become a direct wholly-owned Subsidiary of the Company, and the financial results of the Target Group will be consolidated into the Group’s accounts. The historical financial information of the Company will not be adjusted retrospectively as a result of the Proposed Acquisition.

#### **(4) The Consideration**

The Consideration payable by the Company to the Vendor is HK\$13,512,000,000, which was determined after arm's length negotiations between the Company and the Vendor. The Consideration will be satisfied by:

- (i) the Company issuing 2,558,222,222 Consideration Shares at the Issue Price of HK\$4.50 per Share to the Vendor (and/or its nominee) at Completion;
- (ii) the Company paying the USD Equivalent of HK\$2,000,000,000 in cash to the Vendor at Completion.

The Issue Price is subject to adjustments in the event of a share split, share combination, share dividend or similar events with respect to the capital of the Company prior to Completion.

For a period of 18 months from Completion, the Vendor has agreed that it will not dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or other third-party rights in respect of the Consideration Shares issued to it without the Company's prior written consent.

The Consideration Shares represent approximately 18.90% of the issued share capital of the Company as at the date of this announcement and approximately 15.90% of the issued share capital of the Company as enlarged by the issue of the Consideration Shares. Based on the current shareholding structure of the Company, the Company will continue to be able to satisfy the public float requirement under the Listing Rules following issue of the Consideration Shares.

The Alimama Group established and grew the Target Business, and did not acquire it from a third party, as such an original acquisition cost is not applicable for the Target Business. The Consideration was arrived at after arm's length negotiations between the Company and the Vendor, taking into account various factors, including:

- (a) the strategic value of the Target Business to the Group, which will be a synergistic addition to the Group's healthcare ecosystem, representing an opportunity for the Group to diversify its business, expand its presence and provide more value-added services along the healthcare industry value chain;
- (b) the financial performance and the growth potential in the scale and profitability of the Target Business;
- (c) the unique technology capabilities of the Target Business;



- (d) the appraised value of the entire issued share capital of the Target Business as at September 30, 2023 in the amount of HK\$13,794,000,000 according to the Valuation Report which was prepared by the Valuer using the market approach; and
- (e) the price-to-earnings ratios of the Target Business relative to that of the other publicly traded comparable companies which are similarly engaged in the provision of digital marketing services.

The Company will include the abovementioned Valuation Report in the circular to be despatched to the Shareholders.

## **(5) The Issue Price**

The Issue Price represents:

- (a) a discount of approximately 3.23% to the closing price of the Shares of HK\$4.65 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 3.10% to the average closing price for the five consecutive trading days up to and including the Last Trading Day of approximately HK\$4.64 per Share;
- (c) a discount of approximately 4.66% to the average closing price for the ten consecutive trading days up to and including the Last Trading Day of approximately HK\$4.72 per Share;
- (d) a discount of approximately 5.38% to the average closing price for the fifteen consecutive trading days up to and including the Last Trading Day of approximately HK\$4.76 per Share;
- (e) a discount of approximately 5.33% to the average closing price for the twenty consecutive trading days up to and including the Last Trading Day of approximately HK\$4.75 per Share; and
- (f) a discount of approximately 4.28% to the average closing price for the thirty consecutive trading days up to and including the Last Trading Day of approximately HK\$4.70 per Share.

The Issue Price was arrived at after arm's length negotiations between the Company and the Vendor, taking into account various factors, including:

- (a) the share price performance of the Company in the thirty trading days prior to the Last Trading Day; and
- (b) application of an appropriate discount for a substantial placing such as the one contemplated under the Share Purchase Agreement,

as well as the factors described above.

**(6) Completion and conditions precedent**

Completion is expected to take place on the Business Day immediately following the satisfaction or waiver of certain conditions precedent including:

- (a) the passing by the Independent Shareholders at a duly convened Shareholders' meeting of the Company of resolutions approving the Proposed Acquisition, including but not limited to, the issue of the Consideration Shares pursuant to the Share Purchase Agreement and the non-exempt continuing connected transactions by the members of the Group as contemplated under the Exclusive Services Framework Agreement;
- (b) the granting of the approval of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares;
- (c) the Vendor and/or its related companies (other than the Group) having obtained all necessary consents and approvals from the relevant governmental or regulatory authorities or other third parties required for the execution and performance of this Agreement by the Vendor and the transactions contemplated thereunder;
- (d) the Company and/or its related companies (other than the Vendor Group) having obtained all necessary consents and approvals from the relevant governmental or regulatory authorities or other third parties required for the execution and performance of this Agreement by the Company and the transactions contemplated thereunder;
- (e) no governmental authority in any relevant jurisdiction having enacted any laws, rules or regulations which might render Completion or any part thereof unlawful;
- (f) the Vendor Group having obtained all relevant corporate approvals for this Agreement and the transactions contemplated thereunder; and
- (g) the Group having obtained all relevant corporate approvals for this Agreement and the transactions contemplated thereunder.

The Vendor undertakes to use all reasonable endeavours to ensure that the conditions precedent set out in paragraphs (c) and (f) (to the extent the Vendor Group is responsible for the satisfaction of such conditions precedent) are fulfilled as soon as possible.

The Company undertakes to use all reasonable endeavours to ensure that the conditions precedent set out in paragraphs (a), (b), (d) and (g) (to the extent the Group is responsible for the satisfaction of such conditions precedent) are fulfilled as soon as possible.

The Company is entitled in its absolute discretion, by written notice to the Vendor, to waive the conditions precedent set out in paragraph (c) above, either in whole or in part.

The Vendor is entitled in its absolute discretion, by written notice to the Company, to waive the conditions precedent set out in paragraph (d) above, either in whole or in part.

If any of the conditions precedent sets out above has not been fulfilled (or waived) on or before June 30, 2024, or such later date as may be agreed in writing between the Company and the Vendor, the Share Purchase Agreement shall automatically terminate with immediate effect pursuant to its terms.

If any of the conditions precedent responsible for by a party (the “**First Party**”) has been waived by the other party (the “**Second Party**”) at Completion, the First Party shall, nevertheless, be obliged to fulfil such conditions precedent as soon as practicable after Completion to the satisfaction of the Second Party.

## **(7) Further Undertakings**

The Vendor confirms and undertakes that, among others, subject to the Completion and for so long as the Exclusive Services Framework Agreement remains in force and effect, save for during the Suspension Period (as defined below):

- (a) the Company shall have the exclusive right to provide the Marketing Materials Review Services to the Target Merchants in respect of products and services under the Healthcare Categories;
- (b) it shall not, and shall procure the Alimama Group and the Taobao and Tmall Group not to, build an internal function or engage a third party to provide the Marketing Materials Review Services to the Target Merchants in respect of products and services that are subject to the Exclusive Marketing Materials Review Right; and
- (c) it shall, and shall procure the Alimama Group and the Taobao and Tmall Group to, use commercially reasonable endeavours to preserve the Exclusive Marketing Materials Review Right under the Healthcare Categories in accordance with the terms and conditions of the Exclusive Services Framework Agreement.

The Vendor further confirms and undertakes that, subject to the Completion and for so long as the Exclusive Services Framework Agreement remains in force and effect:

- (a) in the event where there is any change or adjustment within the Alimama Group or the Taobao and Tmall Group that will, directly or indirectly, cause material adverse change to the Exclusive Marketing Materials Review Right or the Group's right to receive the Marketing Materials Review Services Fees, it shall, and shall procure the Alimama Group and the Taobao and Tmall Group to, discuss with the Group to find a reasonable and mutually acceptable remedy to the Group;
- (b) it shall, and shall procure the Alimama Group and the Taobao and Tmall Group to, mutually agree in advance with the Company on any adjustment to the pricing policy or the pricing rate for the marketing products or services under the Healthcare Categories if such adjustment will cause any unreasonable and material loss to the Company; and
- (c) it shall not, and shall procure the Alimama Group and the Taobao and Tmall Group not to, change the identification number or name of the products or services under the Healthcare Categories, or change the scope or the category of the products or services under the Healthcare Categories, unless with the prior written consent of the Group.

The obligations of the Vendor under the foregoing paragraph shall continue to be in full force and effect during the Suspension Period.

The Company undertakes, among others, that:

- (a) it shall file the registration for issuance and allotment of the Consideration Shares with the China Securities Regulatory Commission (the "CSRC") within three Business Days after the Completion, and promptly inform the Vendor following the CSRC's confirmation of completion of such registration;
- (b) subject to the Completion and for so long as the Exclusive Services Framework Agreement remains in force and effect, it shall not, and shall procure its Affiliates not to, (i) provide any products or services relating to the marketing promotions or the entire chain of business of marketing placements under the Healthcare Categories to the Target Merchants, other than the services contemplated under the Exclusive Services Framework Agreement, or (ii) cooperate or consummate a transaction with any third party relating to the business of provision of products or services mentioned in paragraph (i) above or the marketing services under the Healthcare Categories to the Target Merchants, in each case, unless with the prior written consent from Alimama and/or the Taobao and Tmall Group; and

- (c) subject to the Completion and for so long as the Exclusive Services Framework Agreement remains in force and effect, it shall not, and shall procure its Affiliates not to, change the identification number or name of the products or services under the Healthcare Categories, or change the scope or the category of the products or services under the Healthcare Categories, unless with the prior written consent of the Vendor.

## **THE EXCLUSIVE SERVICES FRAMEWORK AGREEMENT**

On November 27, 2023, the WFOE and Alimama Software entered into the Exclusive Services Framework Agreement pursuant to which the WFOE would operate and manage the Target Business with the Exclusive Marketing Materials Review Right to provide the Marketing Materials Review Services in respect of products and services under the Healthcare Categories and an ancillary right to provide the Value-added Services to the Target Merchants under the Healthcare Categories.

Upon Completion, the transactions contemplated under the Exclusive Services Framework Agreement constitute non-exempt continuing connected transactions for the Company under the Listing Rules. The principal terms of the Exclusive Services Framework Agreement are set out as follows.

### **(1) Date**

November 27, 2023

### **(2) Parties**

- (a) the WFOE; and
- (b) Alimama Software.

### **(3) Term and termination**

The initial term of the Exclusive Services Framework Agreement is three years commencing from the date of signing of the Exclusive Services Framework Agreement, which shall be renewed subject to compliance with the reporting, announcement and shareholders' approval requirements under applicable laws and regulations. The parties will take actions to execute a renewed Exclusive Services Framework Agreement 6 months before it expires.

Upon the expiration of each term of the Exclusive Services Framework Agreement, unless with the prior written consent of the Company (such consent not to be unreasonably withheld, conditioned or delayed), the Vendor undertakes to procure Alimama Software to, subject to compliance with applicable laws, rules and regulations (including rules of applicable stock exchanges or other regulators), renew and execute the Exclusive Services Framework Agreement on substantially the same terms and conditions as the previous agreement subject to the approval of independent shareholders of the Company, provided that Alimama Software may propose any reasonable amendments to the renewed Exclusive Service Framework Agreement which the Company shall consider and negotiate with Alimama Software in good faith.

**(4) Services to be provided**

Pursuant to the terms of the Exclusive Services Framework Agreement, the WFOE would operate and manage the Target Business with the Exclusive Marketing Materials Review Right to provide the Marketing Materials Review Services in respect of products and services under the Healthcare Categories and an ancillary right to provide the Value-added Services to the Target Merchants under the Healthcare Categories, in accordance with the relevant marketing policies and quality requirements made by the Alimama Group from time to time.

**(5) Marketing Review Service Fee and Annual Caps**

Alimama Software shall pay the Marketing Materials Review Services Fees to the WFOE equal to 20% of the Marketing Services Fees received by the Alimama Group in respect of product promotion under the Healthcare Categories by the Target Merchants whose Primary Categories are the Healthcare Categories, which was arrived at after arm's length negotiations between the Group and the Alimama Group, taking into account various factors, including:

- (a) the value of the Marketing Materials Review Services and the Value-added Services provided by the Group to the Target Merchants, with the aim to optimise their marketing placements, integrate marketing insights into a unified technology platform and centrally manage marketing platform resources; and
- (b) typical marketing spending take rate charged by agencies who are engaged in comparable marketing services within the wider digital marketing industry according to i-Research.

The chief financial officer of the Company will cross-check the amount of the Marketing Materials Review Services Fees to be received from Alimama Software on a quarterly basis to ensure the accuracy of the amount. The Marketing Materials Review Services Fees shall be settled in cash on a quarterly basis.

The proposed annual caps (where applicable) in respect of the fees receivable by the Company under the Exclusive Services Framework Agreement are RMB391 million, RMB2,032 million and RMB2,641 million for each of the financial years ending March 31, 2024, 2025 and 2026, respectively.

The proposed annual caps for the applicable period in respect of the Exclusive Services Framework Agreement were arrived at after considering:

- (a) the unaudited adjusted revenue of the Target Business based on the revenue for marketing services in the management accounts of the Alimama Group and adjusted in accordance with the agreed pricing policy as set out in the Exclusive Services Framework Agreement for (i) the recent two financial years (i.e., approximately RMB1,201 million and RMB1,202 million in the financial years ended March 31, 2022 and 2023, respectively) and (ii) the three months ended June 30, 2022 and 2023 (i.e., approximately RMB290 million and RMB343 million, respectively);
- (b) the Company's own projections for the spending of marketing services of the Target Merchants based on projections for the growth of the overall e-commerce healthcare market in China; and
- (c) the Company's marketing plans for onboarding additional Target Merchants and enhancing the services that the Company seeks to provide to the Target Merchants.

**(6) Internal controls relating to the implementation of the Proposed Annual Caps**

The Company has internal controls in place to monitor the implementation of the annual caps, including a written policy which sets out the proper steps for escalating information regarding the usage of the proposed annual caps from the operating team to the executive officers, including monthly reports to the Company's chief executive officer, chief financial officer and general counsel and then to the independent non-executive Directors where required. The Company's operating team will have day-to-day interaction with the Target Merchants.



## **(7) Rectification and Suspension**

- (a) If, during the provision of the services contemplated under the Exclusive Services Framework Agreement, the WFOE and/or its Affiliates are in breach of any applicable law, regulation or the Exclusive Services Framework Agreement and such breach results in a Material Adverse Effect, the Alimama Group shall have the right to request the WFOE and/or its Affiliates by written notice to rectify such breach within 15 days (the “**Rectification Period**”).
- (b) If the WFOE and/or its Affiliates fail to complete the rectification referred to in paragraph (a) above within the Rectification Period, the Alimama Group shall have the right, by a written notice to the WFOE and/or its Affiliates, to suspend the Exclusive Marketing Materials Review Right of the WFOE and/or its Affiliates until completion of such rectification (the “**Suspension Period**”). No Marketing Materials Review Services Fees shall be payable by Alimama Software to the WFOE or any of its Affiliates during the Suspension Period.
- (c) During the Suspension Period, the Alimama Group may, through itself, any of its Affiliates, or any third-party service provider, provide the Marketing Materials Review Services and the Value-added Services in substitute to the WFOE, provided that the WFOE and/or its Affiliates shall bear all reasonable cost relating to such engagement of the third-party service provider.
- (d) If (i) the provision of the Marketing Materials Review Services under the Exclusive Marketing Materials Review Right of the Group is suspended in accordance with the terms and conditions of the Exclusive Services Framework Agreement, and (ii) the Group and the Alimama Group fail to reach a consensus on the rectification of any breach leading to the suspension or the resumption of the Group’s provision of the Marketing Materials Review Services under the Exclusive Marketing Materials Review Right within 90 days after the commencement of the Suspension Period, then the Vendor shall, and shall procure the Alimama Group to, negotiate with the Group in good faith to find a fair and mutually acceptable solution, as soon as practicable, without unreasonably prejudicing the Group’s rights (including its entitlement to the Exclusive Marketing Materials Review Right) under the Exclusive Services Framework Agreement.

## **APPLICATION FOR LISTING OF THE CONSIDERATION SHARES**

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Consideration Shares to be allotted and issued pursuant to the Share Purchase Agreement.

## EFFECT OF THE PROPOSED ACQUISITION ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the shareholding structure of the Company: (i) as at the date of this announcement; and (ii) immediately after Completion (assuming there is no change in the issued share capital of the Company other than the issue of the Consideration Shares between the date of the Share Purchase Agreement and Completion).

	As at the date of this announcement		Immediately after Completion	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
— Perfect Advance Holding Limited <sup>(1)</sup>	3,103,816,661	22.93	3,103,816,661	19.29
— Alibaba Investment Limited <sup>(2)</sup>	48,716,465	0.36	48,716,465	0.30
— Ali JK Nutritional Products Holding Limited <sup>(3)</sup>	4,560,785,407	33.70	4,560,785,407	28.34
— Antfin (Hong Kong) Holding Limited <sup>(4)</sup>	60,576,000	0.45	60,576,000	0.38
— Uni-Tech International Group Limited <sup>(5)</sup>	777,484,030	5.74	777,484,030	4.83
— Taobao Holding Limited	—	—	2,558,222,222	15.90
— Directors of the Company	3,201,442	0.02	3,201,442	0.02
— Other shareholders	<u>4,978,919,537</u>	<u>36.80</u>	<u>4,978,919,537</u>	<u>30.94</u>
Total	<u>13,533,499,542<sup>(*)</sup></u>	<u>100%</u>	<u>16,091,721,764</u>	<u>100%</u>

\* Since the last monthly return submitted by the Company under Rule 13.25B of the Listing Rules, the Company had issued a total of 161,000 Shares due to the exercise of share options by certain employees of the Company under the Company's share award scheme. Such options were not exercised by a Director and hence the Company was not required to submit a next day disclosure return under Rule 13.25A(1) of the Listing Rules.

- (1) Perfect Advance Holding Limited holds 3,103,816,661 Shares of the Company and is wholly-owned by Alibaba Investment Limited, which is in turn wholly-owned by Alibaba Holding.
- (2) Alibaba Investment Limited holds 48,716,465 Shares of the Company and is wholly-owned by Alibaba Holding.
- (3) Ali JK Nutritional Products Holding Limited holds 4,560,785,407 Shares of the Company and is wholly-owned by Alibaba Holding.

- (4) Antfin (Hong Kong) Holding Limited holds 60,576,000 Shares of the Company and is a close associate of Alibaba Holding.
- (5) Uni-Tech International Group Limited holds 777,484,030 Shares of the Company and is wholly-owned by 21CN Corporation. 21CN Corporation is wholly-owned by Pollon Internet Corporation, which is wholly-owned by Ms. Chen Xiao Ying.

## INFORMATION ON THE TARGET GROUP AND THE TARGET BUSINESS

The Target Group, which comprises the Target Company, the HK Subsidiary and the WFOE, operates and manages the Target Business.

The Target Company, an offshore holding vehicle incorporated under the laws of the Cayman Islands, holds the entire issued share capital of the HK Subsidiary which in turn holds 100% of the equity interest in the WFOE.

The Target Business comprises the provision of the following services under the Healthcare Categories: (i) the Marketing Materials Review Services pursuant to the Exclusive Marketing Materials Review Right, and (ii) the Value-added Services.

Based on the unaudited adjusted financial information of the Target Business as of March 31, 2023, the net asset value of the Target Business was nil. Set out below is the key unaudited adjusted financial information of the Target Business for (i) the financial years ended March 31, 2022 and 2023, and (ii) the three months ended June 30, 2022 and 2023.

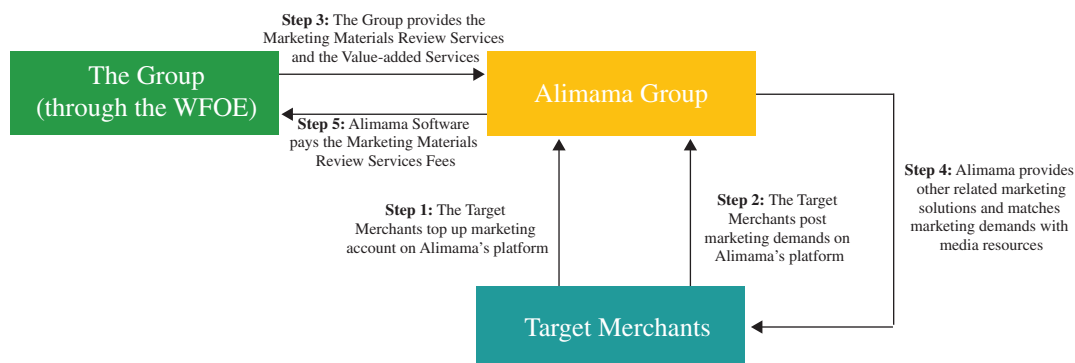
	For the year ended March 31,		For the three months ended	
	2022	2023	June 30,	2023
	(Unaudited) (RMB'000)	(Unaudited) (RMB'000)	(Unaudited) (RMB'000)	(Unaudited) (RMB'000)
<b>Revenue<sup>(*)</sup></b>	1,200,899	1,202,212	290,077	342,735
<b>Gross profit<sup>(*)</sup></b>	1,198,976	1,199,639	289,296	342,068
<b>Net profit</b>				
<b>(before taxation)<sup>(*)</sup></b>	1,198,963	1,199,626	289,293	342,065
<b>Net profit</b>				
<b>(after taxation)<sup>(*)</sup></b>	899,222	899,719	216,970	256,549

\* The unaudited adjusted revenue, gross profit and net profit (both before and after taxation) of the Target Business were provided by the Alimama Group and adjusted on the assumption that the Exclusive Services Framework Agreement was in effect from April 1, 2021 for illustrative purposes. The adjustments and assumptions include:

- the unaudited adjusted revenue of the Target Business was based on the revenue for marketing services in the management accounts of Alimama Group, which was either recognised ratably over the period in which the marketing promotion is displayed as the merchants simultaneously consume the benefits as the marketing promotion is displayed or when the marketing promotion is viewed by users, depending on the type of marketing services selected by the merchants, and adjusted in accordance with the agreed pricing policy as set out in the Exclusive Services Framework Agreement; and
- the unaudited adjusted cost of revenue and general and administrative expenses of the Target Business were identified from the management accounts of Alimama Group, including but not limited to staff costs and rental expenses relevant to the Target Business, which were recognised as incurred on accrual basis; and
- the unaudited adjusted income tax expense of the Target Business was based on a standard tax rate of 25% under the Corporate Income Tax Law of the People’s Republic of China.

The reporting accountant of the Company will perform certain agreed-upon procedures in respect of the key unaudited adjusted financial information of the Target Business in accordance with the Hong Kong Standard on Related Services 4400 (Revised), Agreed-Upon Procedures Engagements issued by the Hong Kong Institute of Certified Public Accountants. The work performed by the reporting accountant in this respect will not constitute an assurance engagement and consequently no opinion or assurance conclusion will be expressed by the reporting accountant on the unaudited adjusted financial information of the Target Business.

Set out below is a chart illustrating the operation model of the Target Business after Completion:



## **INFORMATION ON THE COMPANY**

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, staying true to its aspiration in making healthcare services accessible and affordable, by capitalising on its leading digital technology and operation capabilities, is committed to providing affordable, convenient, efficient and reliable medical and healthcare services to hundreds of millions of families. The principal activities of the Group comprise the sale of pharmaceutical and healthcare products and services, the provision of internet-based medical and healthcare services, and digital tracking services and other innovative services.

## **INFORMATION ON THE VENDOR**

The Vendor, an exempt company incorporated with limited liability under the laws of the Cayman Islands, which is directly wholly-owned by Alibaba Holding and a holding company of certain major entities under the Taobao and Tmall 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 (HKD Counter) and 89988 (RMB Counter)). Alibaba Holding Group's mission is to make it easy to do business anywhere. Alibaba Holding 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 Holding is a holding company of six major business groups: Taobao and Tmall Group, Alibaba International Digital Commerce Group, Cloud Intelligence Group, Local Services Group, Cainiao Smart Logistics Network Limited, and Digital Media and Entertainment Group, along with various other businesses.

## **REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION AND THE EXCLUSIVE SERVICES FRAMEWORK AGREEMENT**

The Company believes that its acquisition of the Target Business will enable it to:

- (a) offer one-stop solutions to better serve healthcare merchants' needs along the entire consumer journey, by leveraging the respective strengths of the Alimama Group and the Group to jointly operate the marketing business in addition to the Group's existing businesses;
- (b) provide market competitive services and solutions to merchants;
- (c) optimise healthcare merchants' marketing efficiency and return on investment by leveraging the Group's unique healthcare insights and in-depth understanding of consumer's healthcare needs;
- (d) further improve the Group's revenue growth and profitability outlook;

- (e) capture cross-selling opportunities to encourage healthcare category merchants from the Alimama Group to adopt the Group's existing service offerings, and vice versa; and
- (f) foster business growth and increase marketing expenditure of healthcare merchants to achieve a win-win situation for both the Company and the Alimama Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Share Purchase Agreement and the Exclusive Services Framework Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Share Purchase Agreement exceed 5% but are all below 25%, the Share Purchase Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Each of Perfect Advance Holding Limited and Ali JK Nutritional Products Holding Limited is a Substantial Shareholder and a connected person of the Company. Alibaba Holding is the ultimate holding company of Perfect Advance Holding Limited, Ali JK Nutritional Products Holding Limited and the Vendor. Accordingly, the Vendor is a connected person of the Company and therefore the Proposed Acquisition also constitutes a connected transaction of the Company and is subject to the approval of the Independent Shareholders at the SGM.

In addition, Alimama Software is an indirect wholly-owned Subsidiary of Alibaba Holding and therefore is a connected person of the Company. Therefore, the transactions contemplated under the Exclusive Services Framework Agreement will, upon the Completion, constitute continuing connected transactions for the Company under the Listing Rules. It is expected that the highest of the applicable percentage ratios in respect of the Exclusive Services Framework Agreement will be more than 5%. Accordingly, the transactions contemplated under the Exclusive Services Framework Agreement will constitute non-exempt continuing connected transactions subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As Mr. Zhu Shunyan, Mr. Xu Haipeng and Ms. Huang Jiaojiao 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 contemplated under the Proposed Acquisition and the Exclusive Services Framework Agreement. Accordingly, they have abstained from voting on the board resolutions in connection with the Proposed Acquisition and the continuing connected transactions under the Exclusive Services Framework Agreement. Other than the aforesaid Directors, no other Directors have a material interest in the Proposed Acquisition or the continuing connected transactions under the Exclusive Services Framework Agreement and are not required to abstain from voting on the board resolutions approving the same.



The SGM will be convened by the Company to propose ordinary resolutions seeking approval from the Independent Shareholders by way of poll for: (i) the Share Purchase Agreement and the connected transaction contemplated thereunder, (ii) the issue of the Consideration Shares under specific mandate, and (iii) the Exclusive Services Framework Agreement and the non-exempt continuing connected transactions contemplated thereunder.

To the best knowledge, belief and information of the Directors, having made all reasonable enquiries, as at the date of this announcement, each of Perfect Advance Holding Limited, Alibaba Investment Limited, Ali JK Nutritional Products Holding Limited and Antfin (Hong Kong) Holding Limited holds 3,103,816,661 Shares, 48,716,465 Shares, 4,560,785,407 Shares and 60,576,000 Shares, and these Shares represent approximately 22.93%, 0.36%, 33.70% and 0.45% of the issued share capital of the Company, respectively. This, when aggregated, represents a total of 7,773,894,533 Shares and approximately 57.44% of the issued share capital of the Company. Each of Perfect Advance Holding Limited, Alibaba Investment Limited, Ali JK Nutritional Products Holding Limited and Antfin (Hong Kong) Holding Limited and their respective associates, will abstain from voting in relation to the ordinary resolutions to be put forward at the SGM. Save as disclosed above, no other Shareholder is required to abstain from voting on the above ordinary resolutions.

#### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Company has established an Independent Board Committee comprising of all the independent non-executive Directors to advise the Independent Shareholders in connection with the approval of the Share Purchase Agreement, the Exclusive Services Framework Agreement and the connected transactions contemplated thereunder. Altus Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

#### **DESPATCH OF CIRCULAR**

A circular containing, among other things:

- further details of the Share Purchase Agreement;
- further details of the Exclusive Services Framework Agreement;
- the advice and recommendations of the Independent Board Committee;
- the advice and recommendations of the Independent Financial Adviser;
- the key unaudited adjusted financial information of the Target Business;
- the Valuation Report of the Target Business; and



- notice of the SGM,

will be despatched to the Shareholders on or before December 29, 2023, which is more than 15 business days after publication of this announcement, as the Company requires more time to prepare the information to be included in the circular.

## WARNING

**The completion of the Proposed Acquisition is subject to the satisfaction and/or waiver (where applicable) of conditions precedent of the Share Purchase Agreement including but not limited to Independent Shareholders' approval, which may or may not be fulfilled. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, save as the context otherwise requires, the defined terms shall have the following meanings:

- “Affiliates” (a) with respect to any person that is an individual, his or her Immediate Family Members, and (b) with respect to any person that is not an individual, any other person that directly or indirectly through one or more intermediaries, Controls, or is Controlled by, or is under common Control with, such person; provided, however, that for purposes of this announcement, the Vendor and its Affiliates (other than the Company and its Controlled subsidiaries), on the one hand, and the Company and its Controlled subsidiaries, on the other hand, shall not be deemed to be Affiliates of each other
- “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 (HKD Counter) and 89988 (RMB Counter))
- “Alibaba Holding Group” the group of companies comprising Alibaba Holding and its Subsidiaries, for the purpose of this announcement, excluding the Group
- “Alimama” Hangzhou Alimama Technology Co., Ltd.\* (杭州阿里媽媽網絡技術有限公司), a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of Alibaba Holding

“Alimama Group”	Alimama and its Subsidiaries
“Alimama Software”	Hangzhou Alimama Software Services Co., Ltd.* (杭州阿里媽媽軟件服務有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of Alimama
“Board”	the board of Directors
“Brand-based Marketing (品牌營銷)”	the marketing products and services provided by the Alimama Group through including without limitation Pin Xiao Bao (品銷寶) for the purposes of enhancing brand exposures and awareness
“Business Day”	any day (other than a Saturday or Sunday or public holiday) on which banks in Hong Kong, the PRC, Bermuda and Cayman Islands are generally open for business
“Company”	Alibaba Health Information Technology Limited, an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00241)
“Completion”	the completion of the sale and purchase of the entire issued share capital of the Target Company under the Share Purchase Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the total consideration of HK\$13,512,000,000 for the Proposed Acquisition
“Consideration Shares”	2,558,222,222 Shares in aggregate to be issued to the Vendor pursuant to the Share Purchase Agreement
“Control”	the power or authority, whether exercised or not, to direct the business, management and policies of such 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. The term “Controlled” shall be construed accordingly

“CSRC”	has the meaning given to it in the sub-section “The Share Purchase Agreement — (7) Further Undertakings” in this announcement
“Director(s)”	director(s) of the Company
“Exclusive Marketing Materials Review Right”	the exclusive right to operate and manage the Marketing Materials Review Services under the Healthcare Categories, to the absolute exclusion of the Alimama Group and the Taobao and Tmall Group
“Exclusive Services Framework Agreement”	the exclusive services framework agreement entered into between the WFOE and Alimama Software on November 27, 2023
“Governmental Entity”	any foreign, domestic, multinational, federal, territorial, state or local governmental authority, quasi-governmental authority, government-owned or government-controlled (in whole or in part) enterprise, public international organization, regulatory body, court, tribunal, commission, board, bureau, agency, instrumentality, or any regulatory, administrative or other department, or agency, or any political or other subdivision of any of the foregoing, or any political party or official thereof, or any candidate for political office
“Group”	the Company and its Subsidiaries
“Healthcare Categories (醫療健康類目)”	has the meaning ascribed to it under the Exclusive Services Framework Agreement, as may be amended from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HK Subsidiary”	AJK Technology (Hong Kong) Limited, a company incorporated under the laws of Hong Kong and a direct wholly-owned Subsidiary of the Target Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Immediate Family Members”	for any natural person, (a) such person’s spouse, parents, parents-in-law, grandparents, children, grandchildren, siblings and siblings-in-law (in each case whether adoptive or biological), (b) spouses of such person’s children, grandchildren and siblings (in each case whether adoptive or biological) and (c) estates, trusts, partnerships and other persons which directly or indirectly through one or more intermediaries are Controlled by the foregoing
“Independent Board Committee”	the independent committee of the Board, comprising Ms. Huang Yi Fei (Vanessa), Dr. Shao Rong and Ms. Wu May Yihong, being the independent non-executive Directors, established to advise the Independent Shareholders on the Share Purchase Agreement, the Exclusive Services Framework Agreement and the connected transactions contemplated thereunder
“Independent Financial Adviser” or “Altus Capital”	Altus Capital Limited, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in relation to the Share Purchase Agreement, the Exclusive Services Framework Agreement and the continuing connected transactions contemplated thereunder
“Independent Shareholders”	the Shareholders, other than (i) Alibaba Holding and its associates, including Perfect Advance Holding Limited, Alibaba Investment Limited, Ali JK Nutritional Products Holding Limited 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 Share Purchase Agreement, the Exclusive Services Framework Agreement and the connected transactions contemplated thereunder
“Issue Price”	the per share price of HK\$4.50 for the issue of each Consideration Share
“Last Trading Day”	November 27, 2023, being the last full trading day prior to the date of the Share Purchase Agreement
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Marketing Materials Review Services”	the marketing materials review services provided by the WFOE under the Exclusive Services Framework Agreement, as may be amended from time to time, comprising (i) the review services in respect of marketing materials for the Performance-based Marketing and/or the Brand-based Marketing placed by the Target Merchants through the Alimama Group, and (ii) the review services in respect of corresponding qualifications of such marketing materials for products and services under the Healthcare Categories
“Marketing Materials Review Services Fees”	the service fees relating to the Target Business payable by the Alimama Group to the WFOE as determined in accordance with an agreed pricing policy under the Exclusive Services Framework Agreement, which may be amended from time to time
“Marketing Services Fees”	the various types of services fees received by the Alimama Group in respect of the Performance-based Marketing and the Brand-based Marketing, the specific forms of which include, but not limited to, the software service fees and the technical support service fees in connection with performance-based and brand-based marketing software services and any other forms of marketing software services adopted from time to time
“Material Adverse Effect”	<p>means any circumstance which will cause material adverse effect to the Alimama Group or the Taobao and Tmall Group’s financial status, operation and/or assets including but not limited to:</p> <ul style="list-style-type: none"> <li>(i) the Governmental Entity having initiated an administrative process against the Alimama Group and/or the Taobao and Tmall Group (a) ordering an administrative penalty in aggregate amount exceeding a total of RMB12,500,000 (or the equivalent in other currencies), or (b) making an administrative order including operation restriction or suspension order, business licences or permits revocation or cancellation order, or rectification order which will result in similar adverse effect as the foregoing;</li> <li>(ii) the Alimama Group and/or the Taobao and Tmall Group being subject to third-party compensation in the aggregate amount exceeding a total of RMB12,500,000 (or the equivalent in other currencies); or</li> </ul>

	(iii) the key management of the Alimama Group and/or the Taobao and Tmall Group being subject to administrative or criminal liabilities
“Performed-based Marketing (效果營銷)”	the marketing products and services provided by the Alimama Group through including without limitation Zhi Tong Che (直通車) and Wan Xiang Tai (萬相台) for the purposes of enhancing operation results of the merchants
“Person”	any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, government authority or other entity
“PRC” or “China”	the People’s Republic of China, and for the purposes of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Primary Categories”	the nature and category of products or services for sale by the merchants which are automatically identified by the system in accordance with the merchant service agreements, rules and standards
“Proposed Acquisition”	the sale and purchase of the entire issued share capital of the Target Company as contemplated under the Share Purchase Agreement
“Rectification Period”	has the meaning given to it in the sub-section “The Exclusive Services Framework Agreement — (7) Rectification and Suspension” in this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	the special general meeting of the Company to be convened for the Independent Shareholders to consider, and vote, on the Share Purchase Agreement, the Exclusive Services Framework Agreement and the connected transactions contemplated thereunder
“Share Purchase Agreement”	the share purchase agreement dated November 28, 2023 entered into between the Company and the Vendor in respect of the Proposed Acquisition
“Shareholder(s)”	holder(s) of the Shares

“Shares”	ordinary shares of par value HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary” or “Subsidiaries”	an entity or entities which are Controlled
“Substantial Shareholder”	has the meaning ascribed to it under the Listing Rules
“Suspension Period”	has the meaning given to it in the sub-section “The Exclusive Services Framework Agreement — (7) Rectification and Suspension” in this announcement
“Taobao”	the companies within the Taobao and Tmall Group that operate the Taobao Platforms, including Taobao (China) Software Co., Ltd.* (淘寶(中國)軟件有限公司) and Zhejiang Taobao Network Co., Ltd.* (浙江淘寶網絡有限公司)
“Taobao and Tmall Group”	the business group under the Alibaba Holding Group that operates its online retail trading and digital marketing businesses on platforms including Taobao Platform (淘寶平台), Tmall Platform (天貓平台), Tmall Global (天貓國際), Taobao Live (淘寶直播), Tmall Supermarket (天貓超市) and Taobao Grocery (淘寶買菜)
“Taobao Platform (淘寶平台)”	the e-commerce platform and interface providing internet information services and related software and technical support which are operated by Taobao, with the URL being Taobao website (淘寶網) (www.taobao.com) or such URL as may be amended from time to time in accordance with the business needs of Taobao, including but not limited to the URL of computer internet or mobile device internet
“Target Business”	the business relating to the provision of the Marketing Materials Review Services and the Value-added Services under the Healthcare Categories to be directly or indirectly injected into the Group pursuant to the terms of the Share Purchase Agreement
“Target Company”	AJK Technology Holding Limited, a company incorporated under the laws of Cayman Islands and a direct wholly-owned Subsidiary of the Vendor
“Target Group”	the Target Company and its Subsidiaries



“Target Merchant”	a merchant or a brand on the Taobao Platform or the Tmall Platform, or the marketing agent engaged by a merchant or a brand, who have engaged the Alimama Group to market products and/or services
“Tmall”	the companies within the Taobao and Tmall Group that operate the Tmall Platforms, including Zhejiang Tmall Technology Co., Ltd.* (浙江天貓技術有限公司) and Zhejiang Tmall Network Co., Ltd.* (浙江天貓網絡有限公司)
“Tmall Platform (天貓平台)”	the e-commerce platform and interface providing internet information services and related software and technical support which are operated by Tmall, with the URL being www.tmall.com (or such URL as may be amended from time to time in accordance with the business needs of the Tmall, including but not limited to the URL of the computer internet or mobile device internet)
“USD Equivalent”	an amount in USD converted based on the USD/HKD exchange rate prevailing at 12:00 noon (Hong Kong time) on the Business Day immediately preceding the date of the Share Purchase Agreement as such rate is displayed on or derived from the relevant Bloomberg page “BFIX” (or its equivalent successor page if such page is not available)
“Valuation Report”	the valuation report on the Target Business as at September 30, 2023 prepared by the Valuer
“Value-added Services”	the value-added services, within the scope of written authorisation from the Alimama Group and in accordance with the standards and requirements imposed by the Alimama Group, provided by the WFOE to the Target Merchants whose Primary Categories are the Healthcare Categories under the Exclusive Services Framework Agreement, as may be amended from time to time, which shall include providing consultation and suggestions to and responding to questions from such Target Merchants relating to marketing promotions under the Healthcare Categories
“Valuer”	Asia-Pacific Consulting and Appraisal Limited, an independent valuer appointed by the Company
“Vendor”	Taobao Holding Limited, a company incorporated under the laws of Cayman Islands and a direct wholly-owned Subsidiary of Alibaba Holding

“Vendor Group”	the Vendor and its Subsidiaries
“WFOE”	Hangzhou Jingzhun Health Information Technology Co., Ltd.* (杭州精準健康信息科技有限公司), a company incorporated under the laws of the PRC and a direct wholly-owned Subsidiary of the HK Subsidiary
“%”	per cent

\* *English name for identification purpose only.*

By Order of the Board  
**ALIBABA HEALTH INFORMATION TECHNOLOGY LIMITED**  
**ZHU Shunyan**  
*Chairman and Chief Executive Officer*

Hong Kong, November 28, 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 and Mr. Xu Haipeng as the non-executive Directors; and Ms. Huang Yi Fei (Vanessa), Dr. Shao Rong and Ms. Wu May Yihong as the independent non-executive Directors.*