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**ALIBABA GROUP HOLDING LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*



**ALIBABA.COM LIMITED**

**阿里巴巴網絡有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1688)**

## **JOINT ANNOUNCEMENT**

### **PROPOSED PRIVATIZATION OF ALIBABA.COM LIMITED BY ALIBABA GROUP HOLDING LIMITED BY WAY OF A SCHEME OF ARRANGEMENT (UNDER SECTION 86 OF THE CAYMAN ISLANDS COMPANIES LAW)**

### **CLOSING AND RESULTS OF THE SHARE INCENTIVES OFFER**

#### **Joint Financial Advisors to the Offeror**



**Financial Advisor to the Company**

**Independent Financial Advisor to the  
Independent Board Committee**



## **CLOSING AND RESULTS OF THE SHARE INCENTIVES OFFER**

The Share Incentives Offer closed at 4:30 p.m. on Tuesday, July 3, 2012.

As at 4:30 p.m. on Tuesday, July 3, 2012, being the latest time and date for acceptance of the Share Incentives Offer, the Offeror has received valid acceptances of the Share Incentives Offer in respect of 6,455 out of the 6,628 Share Incentives Holders, and no valid rejections of the Share Incentives Offer have been received, subject to final verification.

This represents acceptances in respect of 25,451,950 Share Options, 36,384,061 RSUs, 1,261,042 Share Awards, 6,902,610 Offeror Share Options and 9,914,136 Offeror RSUs.

The Share Incentives Offer has not been revised or extended.

## **PAYMENT UNDER THE SHARE INCENTIVES OFFER**

Share Incentive Holders that accepted the Share Incentives Offer have received payment or will receive payment (as applicable) under the Share Incentives Offer as follows:

Any cash entitlements under the Share Incentives Offer will be paid in accordance with the existing vesting schedules of the Share Incentives, net of any applicable taxes. Payment in respect of Share Incentives that have vested before the Share Incentives Record Date (but in respect of which the underlying Shares have not been registered in the name of the relevant holder (or its nominee), before the Record Date), has been made within seven Business Days of the Effective Date, or in the case of Forms of Acceptance received after the Effective Date but before 4:30 p.m. on Tuesday, July 3, 2012, has been made or shall be made (as applicable) within seven Business Days of receipt of the relevant Form of Acceptance. Payment in respect of each unvested Share Incentive will be made by the Offeror within 60 days of the vesting date of the relevant Share Incentive if a valid Form of Acceptance has been received before 4:30 p.m. on Tuesday, July 3, 2012. Any Share Incentive Holder who has not returned a valid Form of Acceptance is treated as if he/she had returned a duly executed Form of Acceptance with the "Accept" box ticked in respect of all Share Incentives held by him/her on the Share Incentives Record Date.

## **INTRODUCTION**

Reference is made to: (i) the scheme document jointly issued by the Offeror and the Company on April 24, 2012 in relation to the proposed privatization of Alibaba.com Limited by Alibaba Group Holding Limited by way of a scheme of arrangement under Section 86 of the Cayman Islands Companies Law (the "**Scheme Document**"); and (ii) the announcement jointly issued by the Offeror and the Company on June 19, 2012 in relation to the announcement of the Effective Date. Terms defined in the Scheme Document shall have the same meanings when used in this announcement unless the context otherwise requires.

## **CLOSING AND RESULTS OF THE SHARE INCENTIVES OFFER**

The Share Incentives Offer closed at 4:30 p.m. on Tuesday, July 3, 2012.

As at 4:30 p.m. on Tuesday, July 3, 2012, being the latest time and date for acceptance of the Share Incentives Offer, the Offeror has received valid acceptances of the Share Incentives Offer in respect of 6,455 out of the 6,628 Share Incentives Holders, and no valid rejections of the Share Incentives Offer have been received, subject to final verification.

This represents acceptances in respect of each type of Share Incentive as set out below:

	Share Options	RSUs	Share Awards	Offeror Share Options	Offeror RSUs
Number in respect of which acceptances have been received	25,451,950	36,384,061	1,261,042	6,902,610	9,914,136
Percentage of total number of respective outstanding Share Incentives as at the Share Incentives Record Date	98.08%	99.42%	90.09%	90.36%	95.64%

The Share Incentives Offer has not been revised or extended.

#### **PAYMENT UNDER THE SHARE INCENTIVES OFFER**

Share Incentive Holders that accepted the Share Incentives Offer have received payment or will receive payment (as applicable) under the Share Incentives Offer as follows:

Any cash entitlements under the Share Incentives Offer will be paid in accordance with the existing vesting schedules of the Share Incentives, net of any applicable taxes. Payment in respect of Share Incentives that have vested before the Share Incentives Record Date (but in respect of which the underlying Shares have not been registered in the name of the relevant holder (or its nominee), before the Record Date), has been made within seven Business Days of the Effective Date, or in the case of Forms of Acceptance received after the Effective Date but before 4:30 p.m. on Tuesday, July 3, 2012, has been made or shall be made (as applicable) within seven Business Days of receipt of the relevant Form of Acceptance. Payment in respect of each unvested Share Incentive will be made by the Offeror within 60 days of the vesting date of the relevant Share Incentive if a valid Form of Acceptance has been received before 4:30 p.m. on Tuesday, July 3, 2012. Any Share Incentive Holder who has not returned a valid Form of Acceptance is treated as if he/she had returned a duly executed Form of Acceptance with the “Accept” box ticked in respect of all Share Incentives held by him/her on the Share Incentives Record Date.

The vesting schedule for each Share Incentive Holder’s Share Incentives is set out in the relevant notice(s) of grant relating to each Share Incentive Holder’s Share Incentives. Cash entitlements under the Share Incentives Offer will continue to be subject to the conditions to entitlement under the terms of such Share Incentives, including the requirement to remain in employment or service of the Offeror Group or the Group.

Payment will be made either by way of (i) electronic bank transfer into a bank or brokerage account as customarily used by the Share Incentive Holder to receive Shares or other compensation from the Company or the Offeror, or (ii) physical delivery to the Share Incentive Holder of a check. Payments will be made in Hong Kong dollars (with regard to Share

Incentive Holders based in Mainland China, subject to SAFE approval, payment of an equivalent amount will be made in Renminbi at the then prevailing exchange rate with reference to the mid point exchange rate published by the People's Bank of China at the time of payment).

Any RSUs in respect of which the Share Incentives Offer has been rejected before the Record Date have been automatically cancelled upon the Record Date under the terms of the RSU Scheme.

Any Share Options, Share Awards, Offeror Share Options and Offeror RSUs in respect of which the Share Incentives Offer has been rejected have not been automatically cancelled. However, the Offeror intends the Company to remain a wholly-owned subsidiary of the Offeror (whether directly or indirectly). In view of this intention, the Offeror may take steps to ensure that the Company remains a wholly-owned subsidiary by, for example, amending the terms of the Share Incentives schemes and/or amending the terms of the articles of association of the Company to ensure that Share Incentive Holders are not entitled to receive any Shares. Accordingly, there is no certainty that Share Incentives Holders who validly rejected the Share Incentives Offer will receive any consideration for Share Incentives.

Share Incentive Holders should refer to the terms of the Share Incentives Offer as set out in the Share Incentives Offer Letter.

## **GENERAL**

As at February 17, 2012 (the Latest Practicable Date as defined in the joint announcement issued by the Offeror and the Company on February 21, 2012), the total number of Shares held, controlled or directed by the Offeror and Offeror Concert Parties was 3,673,985,314, representing 73.45% of the total number of Share in issue at the time. As at April 20, 2012 (the Latest Practicable Date as defined in the Scheme Document), the total number of Shares held, controlled or directed by the Offeror and Offeror Concert Parties was 3,674,130,376 Shares, representing 73.41% of the total number of Shares in issue at the time. As at July 3, 2012, the total number of Shares held, controlled or directed by the Offeror and Offeror Concert Parties was 5,006,001,570, representing 100.00% of the total number of Share in issue at the time. None of the Offeror or Offeror Concert Parties had acquired or agreed to acquire any Shares or any convertible securities, warrants, options or derivatives in respect of the Shares since February 21, 2012 up to the date of this announcement, other than Shares acquired by the Offeror pursuant to the terms of the Scheme. As at the date of this announcement, none of the Offeror or Offeror Concert Parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Hong Kong Takeovers Code) of the Company.

On behalf of the Board of  
**Alibaba Group Holding Limited**  
**MA Yun, Jack**  
*Chairman*

By Order of the Board of  
**Alibaba.com Limited**  
**WONG Lai Kin, Elsa**  
*Company Secretary*

Hong Kong, *July 3, 2012*

*As at the date of this announcement, the directors of the Offeror are:*

*MA Yun, Jack*

*TSAI Chung, Joseph*

*MORSE, Timothy R*

*SON, Masayoshi*

*The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information*

*contained in this announcement (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the date of this announcement, the directors of the Company are:*

***Chairman and  
Non-executive Director***  
MA Yun, Jack

***Non-executive Directors***  
TSAI Chung, Joseph  
TSOU Kai-Lien, Rose  
OKADA, Satoshi  
PENG Yi Jie, Sabrina

***Executive Directors***  
LU Zhaoxi, Jonathan  
WU Wei, Maggie  
YE Peng

***Independent Non-executive Directors***  
NIU Gen Sheng  
KWAIK Teh Ming, Walter  
TSUEI, Andrew Tien-Yuan  
KWAN Ming Sang, Savio

*The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*