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阿里巴巴·影业集团™
Alibaba · Pictures
Alibaba Pictures Group Limited
阿里巴巴影業集團有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 1060)

CONTINUING CONNECTED TRANSACTIONS – ENTERING INTO OF SUBLEASE AGREEMENTS

SUBLEASE AGREEMENT I

The Board announces that Alibaba Pictures LLC, an indirect wholly-owned subsidiary of the Company, entered into the Sublease Agreement I with Alibaba US, an indirect wholly-owned subsidiary of AGH, on August 30, 2018 (Pacific Time) for a term commencing from the Commencement Date I and ending on March 31, 2021. Pursuant to the Sublease Agreement I, Alibaba Pictures LLC agrees to sublease to Alibaba US the Subleased Premises I and the Additional Space I (where required).

SUBLEASE AGREEMENT II

The Board further announces that Alibaba Pictures LLC entered into the Sublease Agreement II with Wavelets, a 30%-controlled company indirectly held by AGH, on August 16, 2018 (Pacific Time) for a term commencing from the Commencement Date II and ending on March 31, 2021. Pursuant to the Sublease Agreement II, Alibaba Pictures LLC agrees to sublease to Wavelets the Subleased Premises II and the Additional Space II (where required).

LISTING RULES IMPLICATIONS

Alibaba US is an indirect wholly-owned subsidiary of AGH and Wavelets is a 30%-controlled company indirectly held by AGH. AGH is the ultimate sole shareholder of Ali CV, which is a substantial shareholder and a connected person of the Company holding approximately 49% of the issued share capital of the Company as at the date of this announcement. Accordingly, each of Alibaba US and Wavelets is an associate of Ali CV and hence a connected person of the Company. The entering into of the Sublease Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the highest annual cap for the Base Rent I and the Additional Rent I in aggregate under the Sublease Agreement I are more than 0.1% but less than 5%, the entering into of the Sublease

Agreement I and the transaction contemplated thereunder are subject to the reporting, announcement and annual review requirements but exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Since all the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the expected maximum annual rental for the Base Rent II and the Additional Rent II in aggregate under the Sublease Agreement II are less than 0.1%, the entering into of the Sublease Agreement II and the transaction contemplated thereunder were, pursuant to Rule 14A.76(1) of the Listing Rules, fully exempt from independent shareholders' approval, annual review and all disclosure requirements at the time of signing.

In addition, as the Sublease Agreement I and the Sublease Agreement II are of a similar nature and have been entered into by the Group with a subsidiary or an associated company of AGH within a 12-month period, the transactions contemplated under the Sublease Agreement I and the Sublease Agreement II shall be aggregated as if they were one transaction pursuant to Rule 14A.81 of the Listing Rules.

However, as all the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of (i) the highest annual cap under the Sublease Agreement I and (ii) the expected maximum annual rental under the Sublease Agreement II, when aggregated upon the entering into of the Sublease Agreement I on August 30, 2018 (Pacific Time), are more than 0.1% but less than 5%, such transactions under the Sublease Agreements are subject to the reporting, announcement and annual review requirements but exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board announces that Alibaba Pictures LLC, an indirect wholly-owned subsidiary of the Company, entered into the Sublease Agreement I with Alibaba US, an indirect wholly-owned subsidiary of AGH, on August 30, 2018 (Pacific Time) for a term commencing from the Commencement Date I and ending on March 31, 2021. Pursuant to the Sublease Agreement I, Alibaba Pictures LLC agrees to sublease to Alibaba US the Subleased Premises I and the Additional Space I (where required).

The Board further announces that Alibaba Pictures LLC entered into the Sublease Agreement II with Wavelets, a 30%-controlled company indirectly held by AGH, on August 16, 2018 (Pacific Time) for a term commencing from the Commencement Date II and ending on March 31, 2021. Pursuant to the Sublease Agreement II, Alibaba Pictures LLC agrees to sublease to Wavelets the Subleased Premises II and the Additional Space II (where required).

PRINCIPAL TERMS OF THE SUBLEASE AGREEMENT I

The principal terms of the Sublease Agreement I are set out below:

Signing Date, Parties and Term of the Sublease Agreement I

Date: August 30, 2018 (Pacific Time)

Parties: (1) Alibaba Pictures LLC, as sublandlord

(2) Alibaba US, as subtenant

Term: the period commencing from the Commencement Date I and ending on March 31, 2021

Other Principal Terms of the Sublease Agreement I

Subject Matter

Pursuant to the Sublease Agreement I, Alibaba Pictures LLC agrees to sublease the Subleased Premises I to Alibaba US for general office use. Subject to the consent of Alibaba Pictures LLC, Alibaba US shall be also entitled to use the Additional Space I (where required) located in the Sublandlord Area as designated by Alibaba Pictures LLC in its sole and absolute discretion.

Basis of Determination of the Base Rent I, the Additional Rent I and the Costs and Taxes I

Pursuant to the Sublease Agreement I, Alibaba US shall pay to Alibaba Pictures LLC:

I. as base rent for the Subleased Premises I (the "Base Rent I") during the term of the Sublease Agreement I the following:

Period	Rate Per Rentable Square Foot Per Month	Monthly Base Rent I
Commencement Date I - October 31, 2018	US$3.957	US$41,999.60
November 1, 2018 - October 31, 2019	US$4.076	US$43,262.66
November 1, 2019 - October 31, 2020	US$4.198	US$44,557.57
November 1, 2020 - March 31, 2021	US$4.324	US$45,894.94

II. as additional rent for such Additional Space I (the "Additional Rent I"), the base rent for the Sublandlord Area (payable by Alibaba Pictures LLC to the Landlord under the Master Lease Agreement) by multiplying Alibaba US' percentage share of the Sublandlord Area (the overflow headcount of Alibaba US divided by total headcount within the Sublandlord Area).

In addition, Alibaba US shall be responsible for its percentage share of the Operating Costs and the real estate taxes charged by the Landlord to Alibaba Pictures LLC pursuant to the Master Lease Agreement ((the "Costs and Taxes I"), and shall reimburse Alibaba Pictures LLC for such share of the Costs and Taxes I.

Payment Terms

Pursuant to the Sublease Agreement I, the Base Rent I shall be paid in advance on the first day of each month during the term of the Sublease Agreement I, except that Alibaba US shall pay one (1) month's Base Rent I (i.e., US$41,999.60) to Alibaba Pictures LLC upon execution of the Sublease Agreement I and delivery of the Sublease Agreement I to Alibaba Pictures LLC. The said pre-paid Base Rent I will be applied to the first (1st) month's Base Rent I due and payable under the Sublease Agreement I.

Pursuant to the Sublease Agreement I, Alibaba Pictures LLC will invoice Alibaba US, on a quarterly basis, for the Additional Rent I and the Costs and Taxes I for the Additional Space I (if any). Alibaba US shall pay such Additional Rent I and the Costs and Taxes I for the Additional Space I within thirty (30) days following Alibaba Pictures LLC's delivery of an invoice therefor to Alibaba US.

From and after the Commencement Date I, for each calendar year of the term of the Sublease Agreement I, Alibaba US shall pay the Costs and Taxes I for the Subleased Premises I to Alibaba Pictures LLC for the then current calendar year. Alibaba Pictures LLC shall provide Alibaba US with written notice of its estimate on the amount of the Costs and Taxes I for the Subleased Premises I per month payable pursuant to the Sublease Agreement I for each calendar year promptly following its receipt of the Landlord's estimate of the Operating Costs and real estate taxes payable under the Master Lease Agreement. On or before the first day of each month during each calendar year, Alibaba US shall pay to Alibaba Pictures LLC, as the Costs and Taxes I for the Subleased Premises I, one-twelfth (1/12) of such estimated amount. Thereafter, the final Costs and Taxes I for the Subleased Premises I shall be determined and adjusted based on the annual final statement of the Operating Costs and the real estate taxes from the Landlord with respect to each calendar year in accordance with the provisions of the Sublease Agreement I.

Except for the Base Rent I, the Additional Rent I and the Costs and Taxes I, concurrently with the execution of the Sublease Agreement I, Alibaba US shall deposit with Alibaba Pictures LLC the sum of US$257,049.85 as security for the faithful performance by Alibaba US of all the provisions of the Sublease Agreement I.

PRINCIPAL TERMS OF THE SUBLEASE AGREEMENT II

The principal terms of the Sublease Agreement II are set out below:

Signing Date, Parties and Term of the Sublease Agreement II

Date: August 16, 2018 (Pacific Time)

Parties: (1) Alibaba Pictures LLC, as sublandlord

(2) Wavelets, as subtenant

Term: the period commencing from the Commencement Date II and ending on March 31, 2021

Other Principal Terms of the Sublease Agreement II

Subject Matter

Pursuant to the Sublease Agreement II, Alibaba Pictures LLC agrees to sublease the Subleased Premises II to Wavelets for general office use. Subject to the consent of Alibaba Pictures LLC, Wavelets shall be also entitled to use the Additional Space II (where required) located in the Sublandlord Area as designated by Alibaba Pictures LLC in its sole and absolute discretion.

Basis of Determination of the Base Rent II, the Additional Rent II and the Costs and Taxes II

Pursuant to the Sublease Agreement II, Wavelets shall pay to Alibaba Pictures LLC:

I. as base rent for the Subleased Premises II (the "Base Rent II") during the term of the Sublease Agreement II the following:

Period	Rate Per Rentable Square Foot Per Month	Monthly Base Rent II
Commencement Date II - October 31, 2018	US$3.957	US$3,147.44
November 1, 2018 - October 31, 2019	US$4.076	US$3,242.09
November 1, 2019 - October 31, 2020	US$4.198	US$3,339.13
November 1,2020 - March 31, 2021	US$4.324	US$3,439.35

II. as additional rent for such Additional Space II (the "Additional Rent II"), the base rent for the Additional Space II payable by Alibaba Pictures LLC to the Landlord under the Master Lease Agreement (i.e. the rentable square feet of the Additional Space II multiplied by the applicable rate per rentable square foot as per the table above).

In addition, Wavelets shall be responsible for its percentage share of the Operating Costs and the real estate taxes charged by the Landlord to Alibaba Pictures LLC pursuant to the Master Lease Agreement (the "Costs and Taxes II"), and shall reimburse Alibaba Pictures LLC for such share of the Costs and Taxes II.

Payment Terms

Pursuant to the Sublease Agreement II, the Base Rent II shall be paid in advance on the first day of each month during the term of the Sublease Agreement II, except that Wavelets shall pay one (1) month's Base Rent II (i.e., US$3,147.44) to Alibaba Pictures LLC upon execution of the Sublease Agreement II and delivery of the Sublease Agreement II to Alibaba Pictures LLC. The said pre-paid Base Rent II will be applied to the first (1st) month's Base Rent II due and payable under the Sublease Agreement II.

Pursuant to the Sublease Agreement II, Alibaba Pictures LLC will invoice Wavelets, on a monthly basis, for the Additional Rent II and the Costs and Taxes II for the Additional Space II (if any). Wavelets shall pay such Additional Rent II and the Costs and Taxes II for the Additional Space II within thirty (30) days following Alibaba Pictures LLC's delivery of an invoice therefor to Wavelets.

From and after the Commencement Date II, for each calendar year of the term of the Sublease Agreement II, Wavelets shall pay the Costs and Taxes II for the Subleased Premises II to Alibaba Pictures LLC for the then current calendar year. Alibaba Pictures LLC shall provide Wavelets with written notice of its estimate on the amount of the Costs and Taxes II for the Subleased Premises II per month payable pursuant to the Sublease Agreement II for each calendar year promptly following its receipt of the Landlord's estimate of the Operating Costs and real estate taxes payable under the Master Lease Agreement. On or before the first day of each month during each calendar year, Wavelets shall pay to Alibaba Pictures LLC, as the Costs and Taxes II for the Subleased Premises II, one-twelfth (1/12) of such estimated amount. Thereafter, the final Costs and Taxes II for the Subleased Premises II shall be determined and adjusted based on the annual final statement of the Operating Costs and the real estate taxes from the Landlord with respect to each calendar year in accordance with the provisions of the Sublease Agreement II.

Except for the Base Rent II, the Additional Rent II and the Costs and Taxes II, concurrently with the execution of the Sublease Agreement II, Wavelets shall (i) deposit with Alibaba Pictures LLC the sum of US$9,442.32 as security for the faithful performance by Wavelets of all the provisions of the Sublease Agreement II; and (ii) pay to Alibaba Pictures LLC the sum of US$500.00 to cover the cost of Wavelets' network setup of the five (5) workstations within the Subleased Premises II.

ANNUAL CAPS, EXPECTED MAXIMUM ANNUAL RENTALS AND THEIR BASIS OF DETERMINATION

The Board has determined (1) the annual caps for the Base Rent I and the Additional Rent I under the Sublease Agreement I and (2) the expected maximum annual rentals for the Base Rent II and the Additional Rent II under the Sublease Agreement II for the financial years ending March 31, 2019, March 31, 2020 and March 31, 2021 to be fixed as follows:

	For the financial year ending		
	March 31, 2019 *(US$)*	March 31, 2020 *(US$)*	March 31, 2021 *(US$)*
Sublease Agreement I (annual caps)			
Base Rent I	300,312.52	525,626.51	541,377.68
Additional Rent I	100,000	100,000	100,000
Sublease Agreement II (expected maximum annual rentals)			
Base Rent II	23,723.69	39,390.29	40,570.68
Additional Rent II	33,213.17	55,146.41	56,798.96
Total amount	**457,249.38**	**720,163.21**	**738,747.32**

The above-mentioned annual caps/ expected maximum annual rentals were determined after arm's length negotiations between the relevant parties, with reference to (i) the actual rents charged by the Landlord to Alibaba Pictures LLC, which were determined by reference to the prevailing market rent of similar properties in the vicinity, pursuant to the terms of the Master Lease Agreement, (ii) the actual annual base rents payable under the Sublease Agreements, and (iii) the estimated rental amount for usage of the Additional Space I/the Additional Space II.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SUBLEASE AGREEMENTS

The Master Lease Premises is located in the heart of Pasadena, a grade A office space for rent. It is a high demand for good quality office spaces in Southern California regions with a good rental price. Given the relatively small scale of number of staff of the Group in the USA, the Group considers that subletting the unused space of the Master Lease Premises will allow the Group to use every spare foot to its maximum capacity and generate some extra cash flow and at the same time, reduce the amount of rent payable to the Landlord. The extra cash flow can serve as office maintenance and repairs reserve and funds for future business development. The Group also considers the co-sharing of an office with Alibaba Group/Wavelets enables the optimization of facility utilization and the sharing of office support function resources (such as human resources, administrative and information technology support resources). This also helps lower the rental and operating expense for all the parties.

Having reviewed the terms of the Sublease Agreements, the Directors (including the independent non-executive Directors) are of the view that the terms of the Sublease Agreements, the relevant annual caps and the relevant expected maximum annual rentals are fair and reasonable, the

transactions contemplated under the Sublease Agreements are on normal commercial terms to the Company and that the entering into of the Sublease Agreements is in the ordinary and usual course of business of the Group and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Alibaba US is an indirect wholly-owned subsidiary of AGH and Wavelets is a 30%-controlled company indirectly held by AGH. AGH is the ultimate sole shareholder of Ali CV, which is a substantial shareholder and a connected person of the Company holding approximately 49% of the issued share capital of the Company as at the date of this announcement. Accordingly, each of Alibaba US and Wavelets is an associate of Ali CV and hence a connected person of the Company. The entering into of the Sublease Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the highest annual cap for the Base Rent I and the Additional Rent I in aggregate under the Sublease Agreement I are more than 0.1% but less than 5%, the entering into of the Sublease Agreement I and the transaction contemplated thereunder are subject to the reporting, announcement and annual review requirements but exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Since all the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the expected maximum annual rental for the Base Rent II and the Additional Rent II in aggregate under the Sublease Agreement II are less than 0.1%, the entering into of the Sublease Agreement II and the transaction contemplated thereunder were, pursuant to Rule 14A.76(1) of the Listing Rules, fully exempt from independent shareholders' approval, annual review and all disclosure requirements at the time of signing.

In addition, as the Sublease Agreement I and the Sublease Agreement II are of a similar nature and have been entered into by the Group with a subsidiary or an associated company of AGH within a 12-month period, the transactions contemplated under the Sublease Agreement I and the Sublease Agreement II shall be aggregated as if they were one transaction pursuant to Rule 14A.81 of the Listing Rules.

However, as all the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of (i) the highest annual cap under the Sublease Agreement I and (ii) the expected maximum annual rental under the Sublease Agreement II, when aggregated upon the entering into of the Sublease Agreement I on August 30, 2018 (Pacific Time), are more than 0.1% but less than 5%, such transactions under the Sublease Agreements are subject to the reporting, announcement and annual review requirements but exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

As Mr. Yu Yongfu, Mr. Shao Xiaofeng and Mr. Fan Luyuan are employees of AGH or its subsidiaries, each of them is deemed or may be perceived to have a material interest in the Sublease Agreements, the transactions contemplated thereunder, the relevant annual caps/ the relevant expected maximum annual rentals. Accordingly, they have abstained from voting on the resolutions passed by the Board in relation to the Sublease Agreements, the transactions

contemplated thereunder, the relevant annual caps and the relevant expected maximum annual rentals.

Save for the aforesaid Directors, none of the other Directors has a material interest in the Sublease Agreements, the transactions contemplated thereunder, the relevant annual caps and the relevant expected maximum annual rentals, and therefore none of them has abstained from voting on the relevant resolutions passed by the Board.

INFORMATION ON THE COMPANY AND ALIBABA PICTURES LLC

The Company is listed on both the Stock Exchange (stock code: 1060) and the Singapore Exchange Securities Trading Limited (stock code: S91). As the flagship unit of Alibaba Group's entertainment arm, the Company focuses on developing the full business potential of integration and innovative applications of the Internet and traditional film and television industries. The core business of the Company includes the three major segments: (i) internet-based promotion and distribution, (ii) content production, and (iii) integrated development. These segments encompass (i) the operation of an integrated O2O platform for the promotion and distribution of entertainment content, and the provision of online movie ticketing service to consumers and ticket issuance system to cinemas; (ii) the investment and production of entertainment content such as film and drama series both domestically and internationally; and (iii) centered around copyrights the development of professional services ranging from financing, business placement, promotion and distribution to merchandising, respectively.

Alibaba Pictures LLC, being a Delaware limited liability company, is an indirect wholly-owned subsidiary of the Company and an investment holding company.

INFORMATION ON AGH, ALIBABA GROUP, ALIBABA US AND WAVELETS

AGH is a company incorporated in the Cayman Islands and its American depositary shares are listed on the New York Stock Exchange.

Alibaba Group's mission is to make it easy to do business anywhere. Founded in 1999, Alibaba Group provides the technology infrastructure and marketing reach to help merchants, brands and other businesses to leverage the power of new technology to engage with their users and customers and operate in a more efficient way. Alibaba Group's businesses are comprised of core commerce, cloud computing, digital media and entertainment and innovation initiatives.

Alibaba US, being a Delaware corporation, is an indirect wholly-owned subsidiary of AGH which is principally engaged in e-commerce business development.

Wavelets, being a Delaware corporation, is a 30%-controlled company indirectly held by AGH. It is principally engaged in provision of script origination and development services in the USA for Chinese movies, television and internet projects.

DEFINITIONS

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

"30%-controlled company"	has the meaning ascribed to this term under Chapter 14A of the Listing Rules
"Additional Space I"	additional work stations located in the Sublandlord Area (other than the Additional Space II)
"Additional Space II"	additional work stations located in the Creative Room in the Sublandlord Area
"AGH"	Alibaba Group Holding Limited, a company incorporated in the Cayman Islands and the American depositary shares of which are listed on the New York Stock Exchange
"Alibaba Group"	AGH and its subsidiaries
"Alibaba Pictures LLC"	Alibaba Pictures LLC, a Delaware limited liability company and an indirect wholly-owned subsidiary of the Company
"Alibaba US"	Alibaba Group (U.S.) Inc., a Delaware corporation and an indirect wholly-owned subsidiary of AGH
"Ali CV"	Ali CV Investment Holding Limited, a company incorporated in the Cayman Islands, an indirect wholly-owned subsidiary of AGH
"associate(s)"	has the meaning ascribed to this term under Chapter 14A of the Listing Rules
"Board"	the board of Directors
"Commencement Date I"	the commencement date of the Sublease Agreement I which is the later to occur of (i) September 1, 2018 and (ii) the date that Alibaba Pictures LLC delivers possession of the Subleased Premises I to Alibaba US and (iii) the date upon which Alibaba Pictures LLC procures the Landlord's consent to the entering into of the Sublease Agreement I

"Commencement Date II"	the commencement date of the Sublease Agreement II which is the later to occur of (i) August 16, 2018 (Pacific Time) and (ii) the date that Alibaba Pictures LLC delivers possession of the Subleased Premises II to Wavelets and (iii) the date upon which Alibaba Pictures LLC procures the Landlord's consent to the entering into of the Sublease Agreement II
"Company"	Alibaba Pictures Group Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange with stock code 1060, which also has a secondary listing on the Singapore Exchange Securities Trading Limited (stock code: S91)
"connected person(s)"	has the meaning ascribed to this term under Chapter 14A of the Listing Rules
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"Landlord"	the landlord under the Master Lease Agreement
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Master Lease Agreement"	the lease agreement dated June 1, 2015 entered into between the Landlord and Alibaba Pictures LLC, as amended by the parties on March 17, 2016, in respect of the lease of the Master Lease Premises for a term commencing from November 1, 2015 and ending on March 31, 2026
"Master Lease Premises"	certain space containing approximately 21,994 rentable square feet located on the fifth (5^{th}) floor of the building located at 680 East Colorado Boulevard, Pasadena, California, the USA
"Operating Costs"	all costs and expenses incurred by the Landlord in connection with ownership, maintenance and/or operating of the building located at 680 East Colorado Boulevard, Pasadena, California, the USA, including but not limited to costs of heating, cooling, utilities (including any taxes or impositions thereon)

"Share(s)"	ordinary share(s) of HK$0.25 each in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Sublandlord Area"	the remaining portion of the Master Lease Premises other than the Subleased Premises I or the Subleased Premises II (as the case may be)
"Sublease Agreement I"	the sublease agreement entered into between Alibaba Pictures LLC and Alibaba US on August 30, 2018 (Pacific Time) for a term commencing from the Commencement Date I and ending on March 31, 2021 in respect of the sublease of the Subleased Premises I
"Sublease Agreement II"	the sublease agreement entered into between Alibaba Pictures LLC and Wavelets on August 16, 2018 (Pacific Time) for a term commencing from the Commencement Date II and ending on March 31, 2021 in respect of the sublease of the Subleased Premises II
"Sublease Agreements"	the Sublease Agreement I and the Sublease Agreement II
"Subleased Premises I"	a portion (approximately 10,614 rentable square feet) of the Master Lease Premises
"Subleased Premises II"	a portion (approximately 795.41 rentable square feet) of the Master Lease Premises
"subsidiary"	has the meaning ascribed to this term under the Listing Rules
"substantial shareholder"	has the meaning ascribed to this term under the Listing Rules
"USA"	the United States of America
"US$"	American dollars, the lawful currency of the USA
"Wavelets"	Wavelets Entertainment, Inc., being a Delaware corporation, is currently a 30%-controlled company indirectly held by AGH

"%"	per cent.

On behalf of the Board
Alibaba Pictures Group Limited
Fan Luyuan
Chairman & Chief Executive Officer

Hong Kong, August 31, 2018

As at the date of this announcement, the Board comprises Mr. Fan Luyuan, Mr. Yu Yongfu and Ms. Zhang Wei, being the executive directors; Mr. Li Lian Jie and Mr. Shao Xiaofeng, being the non-executive directors; and Ms. Song Lixin, Mr. Tong Xiaomeng and Mr. Johnny Chen, being the independent non-executive directors.