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(Incorporated in Bermuda with limited liability)

(Stock Code: 1060)

CONTINUING CONNECTED TRANSACTIONS - VARIETY SHOWS COOPERATION FRAMEWORK AGREEMENT

VARIETY SHOWS COOPERATION FRAMEWORK AGREEMENT

The Board announces that the Company entered into the Variety Shows Cooperation Framework Agreement with Youku Information on September 2, 2020 for a term commencing from September 2, 2020 and ending on March 31, 2023. Pursuant to the Variety Shows Cooperation Framework Agreement, the Company and/or any of its affiliates and Youku Information and/or any of its affiliates may, subject to the relevant annual caps, enter into specific agreements with respect to the following cooperation:

- (1) joint investment in the Variety Shows, the Children's Shows and/or the Movies and Dramas;
- (2) transfer of investment share in the Movies and Dramas;
- (3) commissioned production of the Variety Shows, the Children's Shows and/or the Movies and Dramas;
- (4) joint investment and production in the Variety Shows, the Children's Shows and/or the Movies and Dramas;
- (5) procurement of Copyrights on the Target Works;
- (6) engagement of artists;
- (7) Commercial Development of the Variety Shows, the Children's Shows and/or the Movies and Dramas;
- (8) advertising services cooperation;

- (9) distribution of TV broadcasting rights;
- (10) overseas distribution of information online dissemination rights; and
- (11) IP commercialization cooperation.

LISTING RULES IMPLICATIONS

Youku Information is a consolidated entity of AGH. AGH is the ultimate sole shareholder of Ali CV, which is a controlling shareholder and a connected person of the Company holding approximately 50.27% of the issued share capital of the Company as at the date of this announcement. Accordingly, Youku Information is an associate of Ali CV and hence a connected person of the Company. The entering into of the Variety Shows Cooperation Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of (i) the highest annual cap of the aggregate of the total investment amount to be made by the Company and/or its affiliates and the total fees payable by the Company and/or its affiliates to Youku Information and/or its affiliates and (ii) the highest annual cap of the total fees payable by Youku Information and/or its affiliates to the Company and/or its affiliates under the Variety Shows Cooperation Framework Agreement, are more than 0.1% but less than 5%, the entering into of the Variety Shows Cooperation Framework Agreement and the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements but exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board announces that the Company entered into the Variety Shows Cooperation Framework Agreement with Youku Information on September 2, 2020 for a term commencing from September 2, 2020 and ending on March 31, 2023. Pursuant to the Variety Shows Cooperation Framework Agreement, the Company and/or any of its affiliates and Youku Information and/or any of its affiliates may, subject to the relevant annual caps, enter into specific agreements with respect to the following cooperation:

- (1) joint investment in the Variety Shows, the Children's Shows and/or the Movies and Dramas;
- (2) transfer of investment share in the Movies and Dramas;
- (3) commissioned production of the Variety Shows, the Children's Shows and/or the Movies and Dramas;
- (4) joint investment and production in the Variety Shows, the Children's Shows and/or the Movies and Dramas;

- (5) procurement of Copyrights on the Target Works;
- (6) engagement of artists;
- (7) Commercial Development of the Variety Shows, the Children's Shows and/or the Movies and Dramas;
- (8) advertising services cooperation;
- (9) distribution of TV broadcasting rights;
- (10) overseas distribution of information online dissemination rights; and
- (11) IP commercialization cooperation.

VARIETY SHOWS COOPERATION FRAMEWORK AGREEMENT

The principal terms of the Variety Shows Cooperation Framework Agreement are set out below:

Date: September 2, 2020

Parties: (1) the Company
(2) Youku Information, a consolidated entity of AGH and a connected person of the Company

Term: the period commencing from September 2, 2020 and ending on March 31, 2023

Subject Matter and Pricing Basis

The Company and/or any of its affiliates and Youku Information and/or any of its affiliates may enter into specific agreements with respect to the following cooperation:

- (1) *Joint investment in the Variety Shows, the Children's Shows and/or the Movies and Dramas*

The Company and/or any of its affiliates and Youku Information and/or any of its affiliates, or together with any third party(ies), may jointly invest in the production of the Variety Shows, the Children's Shows and/or the Movies and Dramas. The parties shall make investment contributions in accordance with their respective share in the total investment budget for the production of the Variety Shows, the Children's Shows and/or the Movies and Dramas and share the net investment income in proportion to their respective investment contributions.

(2) *Transfer of investment share in the Movies and Dramas*

The Company and/or any of its affiliates may transfer its investment share in the Movies and Dramas to Youku Information and/or any of its affiliates at a price to be determined by adding a specific markup to the cost of the investment share to be transferred. The markup percentage will be fixed within a range from 1% to 20% based on the expected Quality Rating for the relevant Movies and Dramas and/or other reasonable criteria to be agreed by the parties.

(3) *Commissioned production of the Variety Shows, the Children's Shows and/or the Movies and Dramas*

(i) Youku Information and/or any of its affiliates, or (ii) the Company and/or any of its affiliates and Youku Information and/or any of its affiliates, and/or (iii) any other investors of the Variety Shows, the Children's Shows and/or the Movies and Dramas may entrust the Company and/or any of its affiliates to produce the Variety Shows, the Children's Shows and/or the Movies and Dramas by paying the relevant labor costs and/or the production service fees. The relevant labor costs will be determined based on, among others, the number of production staff and the prevailing market price corresponding to their professional capabilities. The production service fees will be normally fixed at 0% to 25% of the total production costs based on the expected and/or actual Quality Rating for the Variety Shows, the Children's Shows and/or the Movies and Dramas (as the case may be) and/or other reasonable criteria to be agreed by the parties.

(4) *Joint investment and production in the Variety Shows, the Children's Shows and/or the Movies and Dramas*

The Company and/or any of its affiliates and Youku Information and/or any of its affiliates, or together with any third party(ies) which jointly invest in the production of the Variety Shows, the Children's Shows and/or the Movies and Dramas, may entrust the Company and/or any of its affiliates to produce the Variety Shows, the Children's Shows and/or the Movies and Dramas by paying the relevant labor costs and/or production service fees.

The parties shall make investment contributions in accordance with their respective share in the total investment budget for the production of the Variety Shows, the Children's Shows and/or the Movies and Dramas and share the net investment income in proportion to their respective investment contributions. The relevant labor costs will be determined based on, among others, the number of production staff and the prevailing market price corresponding to their professional capabilities. The production service fees will be normally fixed at 0% to 25% of the total production costs based on the expected and/or actual Quality Rating for the Variety Shows, the Children's Shows and/or the Movies and Dramas (as the case may be) and/or other reasonable criteria to be agreed by the parties.

(5) *Procurement of Copyrights on the Target Works*

The Company and/or any of its affiliates may transfer to Youku Information and/or any of its affiliates, and/or grant Youku Information and/or any of its affiliates a license to use, all or part of its Copyrights on the Target Works for the business needs of Youku Information and/or any of its affiliates at a price to be determined as follows:

(i) Variety Shows and Children's Shows

The purchase price will be determined by adding a specific markup to the actual production cost of the Variety Shows or the Children's Shows. The markup percentage will be fixed within a range from 1% to 20% based on the expected and/or actual Quality Rating for the relevant Variety Shows or Children's Shows and/or other reasonable criteria to be agreed by the parties.

(ii) Online movies

Purchase price = fixed price/tiered pricing + contingent allocation share of the revenue to be generated from an online movie

or

Purchase price = allocation share of the revenue to be generated from an online movie

where:

the "fixed price/tiered pricing" is to be agreed by the parties with regard to comparable prices from any third party and the expected Quality Rating for the relevant online movie to be determined by the parties; the "contingent allocation share of the revenue to be generated from an online movie" is to be agreed by the parties with regard to the expected Quality Rating for the relevant online movie to be determined by the parties, and/or the actual rating of the online movie to be attained on Youku Platform, and/or any other criteria to be agreed by the parties; the "allocation share of the revenue to be generated from an online movie" is to be determined based on the duration of the viewing time of the platform members and the unit price for the contents rating of an online movie which is announced on Youku Platform from time to time.

(iii) Written works, comics, musical works and others

Except that the standard fees for use of the Copyrights fixed by the Music Copyright Society of China need to be considered for determining the purchase price of musical works, the purchase price of written works, comics, musical works or other types of the Target Works not mentioned above is to be determined by the parties with reference to (i) the original acquisition cost of the Copyrights incurred by the Company and/or any of its

affiliates, (ii) area, term, method and restrictions (if any) for the use of Copyrights, (iii) the popularity of the works and/or (iv) any other criteria as agreed by the parties.

(6) *Engagement of artists*

The Company and/or any of its affiliates may invite artists from Youku Information and/or any of its affiliates to perform in the Variety Shows or the Movies and Dramas invested or produced by the Company and/or any of its affiliates.

The engagement fee payable by the Company and/or any of its affiliates to Youku Information and/or any of its affiliates is to be agreed by both parties with regard to, among others, (i) the popularity of an artist; (ii) the prevailing market rates of engagement fees for participating in the same and similar activities by artists of the same ranking; (iii) the quality and impacts of the Variety Shows and/or the Movies and Dramas; (iv) the workload and duration of a task; and (v) internal assessment of an artist by Youku Information or any of its affiliates.

(7) *Commercial Development of the Variety Shows, the Children's Shows and/or the Movies and Dramas*

Youku Information and/or any of its affiliates may entrust the Company and/or any of its affiliates with the provision of services in exploring business opportunities for all or some types of the Commercial Development with respect to the Variety Shows, the Children's Shows and/or the Movies and Dramas broadcast on Youku Platform. Having succeeded in introducing clients for the Commercial Development, the Company and/or any of its affiliates will be entitled to receive from Youku Information and/or any of its affiliates a service fee, being a portion of the revenue to be generated from the Commercial Development.

Such portion is to be agreed by the parties with regard to the number of clients, the estimated transaction amount, the impact of the Commercial Development on the quality of the Variety Shows/the Children's Shows/the Movies and Dramas, the production costs, the implementation costs, comparable prices from any third party, and the Quality Rating of the Variety Shows/the Children's Shows/the Movies and Dramas.

Where the Company and/or any of its affiliates carry(ies) out the implementation work on the Commercial Development, Youku Information and/or any of its affiliates shall pay the Company and/or any of its affiliates for the implementation costs. The aggregate sum of the service fee and the implementation costs to be payable by Youku Information and/or any of its affiliates to the Company and/or any of its affiliates shall not be more than 35% of the revenue to be generated from the Commercial Development. Otherwise, such aggregate sum shall be separately agreed by the parties.

(8) *Advertising services cooperation*

Youku Information and/or any of its affiliates may entrust the Company and/or any of its affiliates with the provision of services in exploring business opportunities for placement of all or some types of advertisements in the Variety Shows, the Children's Shows and/or

the Movies and Dramas broadcast on Youku Platform. Having succeeded in introducing clients for placement of advertisements on Youku Platform, the Company and/or any of its affiliates will be entitled to receive from Youku Information and/or any of its affiliates a service fee, being a portion of the revenue to be generated from the placement of advertisements on Youku Platform.

Such portion is to be agreed by the parties with regard to such factors, among others, the degree of difficulty in exploring business opportunities for placement of advertisements on Youku Platform, the market comparable prices from any third party, and the popularity of the Variety Shows/the Children's Shows/the Movies and Dramas on the market.

Where the Company and/or any of its affiliates carry(ies) out the implementation work in the placement of advertisements on Youku Platform, Youku Information and/or any of its affiliates shall pay the Company and/or any of its affiliates a service fee of not more than 30% of the revenue to be generated from the placement of advertisements on Youku Platform. Otherwise, such service fee shall be separately agreed by the parties.

(9) *Distribution of TV broadcasting rights*

- (i) Youku Information, any of its affiliates and/or any other copyrights owner(s) may entrust the Company and/or any of its affiliates with the provision of services in transferring, and/or granting a license to use, the TV broadcasting rights of the Variety Shows, the Children's Shows and/or the online movies owned by Youku Information and/or any of its affiliates and/or any other copyrights owner(s);
- (ii) the Company, any of its affiliates and/or any other copyrights owner(s) may entrust Youku Information and/or any of its affiliates with the provision of services in transferring, and/or granting a license to use, the TV broadcasting rights of the Variety Shows, the Children's Shows and/or the online movies owned by the Company and/or any of its affiliates and/or any other copyrights owner(s); and/or
- (iii) both the Company and/or any of its affiliates and Youku Information and/or any of its affiliates may jointly entrust any third party with the provision of services in transferring, and/or granting a license to use, the TV broadcasting rights of the Variety Shows, the Children's Shows and/or the online movies jointly owned by them,

whereby the service provider is entitled to receive from the service receiver an agency fee, being a portion of the revenue to be generated from the distribution of the TV broadcasting rights.

Such portion shall be not more than 20% of the revenue to be generated from the distribution of the TV broadcasting rights and is to be agreed by the parties with regard to, among others, the complexity for the provision of such distribution services, the estimated amount of revenue to be generated from the distribution of the TV broadcasting rights and the market practice. The service receiver shall reimburse the service provider for any distribution fee paid by it.

(10) *Overseas distribution of information online dissemination rights*

- (i) Youku Information, any of its affiliates and/or copyrights owner(s) may entrust the Company and/or any of its affiliates with the provision of services in transferring, and/or granting a license to use, the information online dissemination rights of the Variety Shows, the Children's Shows and/or the Movies and Dramas owned by Youku Information and/or any of its affiliates and/or any other copyrights owner(s) outside of mainland China;
- (ii) the Company, any of its affiliates and/or copyrights owner(s) may entrust Youku Information and/or any of its affiliates with the provision of services in transferring, and/or granting a license to use, the information online dissemination rights of the Variety Shows, the Children's Shows and/or the Movies and Dramas owned by the Company and/or any of its affiliates and/or any other copyrights owner(s) outside of mainland China; and/or
- (iii) both the Company and/or any of its affiliates and Youku Information and/or any of its affiliates may jointly entrust any third party with the provision of services in transferring, and/or granting a license to use, the information online dissemination rights of the Variety Shows, the Children's Shows and/or the Movies and Dramas jointly owned by them outside of mainland China,

whereby the service provider is entitled to receive from the service receiver an agency fee, being a portion of the revenue to be generated from the overseas distribution of information online dissemination rights.

Such portion shall be in a range between 1% and 20% of the revenue to be generated from the overseas distribution of information online dissemination rights and is to be agreed by the parties with regard to, among others, the complexity for the provision of such distribution services, the estimated amount of revenue to be generated from the overseas distribution of the information online dissemination rights and the market practice. The service receiver shall reimburse the service provider for any distribution fee paid by it.

(11) *IP commercialization cooperation*

The Company and/or any of its affiliates may grant Youku Information and/or any of its affiliates a license to use its/their IPs (including, among others, images and trademarks) in the production of the Variety Shows, the Children's Shows and/or the Movies and Dramas exclusively and free of charge so as to promote the related IPs, and/or for the purpose of other IP commercialization cooperation.

The sharing of IP commercialization income is to be agreed by the parties with regard to the prevailing market rates and based on the cooperation types. In particular cases, Youku Information and/or any of its affiliates is entitled to receive not more than 40% of the total IP commercialization income as the operating fees for its/their execution of the IP commercialization. Such percentage shall be determined with reference to the types of IP

commercialization cooperation and the relevant prevailing market rates. Any relevant percentage exceeding 40% shall be separately agreed by the parties.

Specific agreements and payment terms

The Company and/or any of its affiliates and Youku Information and/or any of its affiliates may from time to time enter into specific agreements which set out the detailed terms of the transactions (including payment terms) contemplated under the Variety Shows Cooperation Framework Agreement in accordance with the terms of the Variety Shows Cooperation Framework Agreement. The terms of the specific agreements will be negotiated on an arm's length basis by the parties.

INTERNAL CONTROL MEASURES

Based on the control measures set out below, the Company considers that: (a) the factors to be taken into consideration in calculating all the above prices and fees are in line with the normal market practices; and (b) there should be no material difference between the pricing arrangements under the Variety Shows Cooperation Framework Agreement and those with independent third parties, thereby ensuring the prices and the fees being on normal commercial terms after arm's length negotiations between the Company (and/or any of its affiliates) and Youku Information (and/or any of its affiliates), and not be more favourable to Youku Information and/or any of its affiliates, nor any less favourable to the Company and/or any of its affiliates, than those available to or from independent third parties under the same or similar conditions.

The Company will from time to time review the prices, the fees and the pricing basis by comparing them against prices, fees and pricing basis for comparable cooperation payable or receivable by the Group to or from any independent third party. The finance department of the Company will also from time to time conduct market researches, which may include obtaining the market information on prices, fees and/or pricing basis with respect to the same or similar transactions entered into between other market participants and other independent parties, to ensure that the prices, the fees and the pricing basis are in line with the normal market practices and no more favourable to Youku Information and/or any of its affiliates than those available to or from any independent third party under the same or similar conditions. It will also regularly collect information and monitor the actual transactions conducted with the relevant parties and the corresponding prices and fees incurred under the Variety Shows Cooperation Framework Agreement on a regular basis (i.e. six months) and will update such information to the chief financial officer of the Company.

In addition, the independent non-executive Directors will conduct annual independent review on the above control measures and the transactions to ensure that the transactions are entered into through arm's length negotiations and on normal commercial terms, are fair and reasonable, and are carried out pursuant to the terms of the transactions. The auditor of the Company would also conduct an annual review on the pricing basis and the annual caps under the Variety Shows Cooperation Framework Agreement. The Company will facilitate the provision of necessary information to its independent non-executive Directors and auditor for the purpose of such review. Meanwhile, the Board will continue to review on a regular basis the Company's internal control system and its effectiveness.

ANNUAL CAPS AND BASIS OF DETERMINATION OF ANNUAL CAPS

The annual caps for the aggregate of (i) the total investment amount to be made by the Company and/or its affiliates and (ii) the total fees payable by the Company and/or its affiliates to Youku Information and/or its affiliates under the Variety Shows Cooperation Framework Agreement for the three financial years ending March 31, 2021, March 31, 2022 and March 31, 2023 are fixed at RMB10,000,000, RMB 12,000,000 and RMB 18,000,000, respectively.

The aforesaid annual caps are determined with reference to: (i) the total estimated amount of investment contributions to be made by the Company and/or its affiliates for joint investment in the Movies and Dramas for each of the three financial years ending March 31, 2021, March 31, 2022 and March 31, 2023; (ii) the total estimated amount of fees payable by the Company and/or its affiliates to Youku Information and/or its affiliates with respect to engagement of artists, distribution of TV broadcasting rights and overseas distribution of information online dissemination rights for each of the three financial years ending March 31, 2021, March 31, 2022 and March 31, 2023; (iii) development and business plans of the working parties; and (iv) certain percentage of buffer providing for potential increment of cooperation.

The annual caps for the total fees payable by Youku Information and/or its affiliates to the Company and/or its affiliates with respect to the transactions contemplated under the Variety Shows Cooperation Framework Agreement for the three financial years ending March 31, 2021, March 31, 2022 and March 31, 2023 are fixed at RMB40,000,000, RMB 50,000,000 and RMB60,000,000, respectively.

The aforesaid annual caps are determined with reference to: (i) the total estimated amount of fees payable by Youku Information and/or its affiliates to the Company and/or its affiliates with respect to the Variety Shows (including the Children's Shows) for the three financial years ending March 31, 2021, March 31, 2022 and March 31, 2023; (ii) the total estimated amount of fees payable by Youku Information and/or its affiliates to the Company and/or its affiliates with respect to the Movies and Dramas for the three financial years ending March 31, 2021, March 31, 2022 and March 31, 2023; (iii) the total estimated amount of fees payable by Youku Information and/or its affiliates to the Company and/or its affiliates with respect to procurement of Copyrights on the Target Works for the three financial years ending March 31, 2021, March 31, 2022 and March 31, 2023; (iv) development and business plans of the working parties; and (v) certain percentage of buffer providing for potential increment of cooperation.

REASONS FOR AND BENEFITS OF ENTERING INTO THE VARIETY SHOWS COOPERATION FRAMEWORK AGREEMENT

Youku Platform is an online video platform with a vast number of registered users in the PRC. By collaborating with Youku Information and/or any of its affiliates under the Variety Shows Cooperation Framework Agreement, the Group believes that this will allow the Group to better integrate the high-quality contents of the Variety Shows, the Children's Shows, the Movies and Dramas and the related IP commercialization cooperation with the online platform(s) of Youku Information and/or any of its affiliates, so as to make high-quality contents available to a greater number of users through online platform(s), thereby strengthening the Group's market competitiveness in content production and IP-integrated development as well as bringing more business opportunities for the Group.

Having reviewed the terms of the Variety Shows Cooperation Framework Agreement, the Directors (including the independent non-executive Directors) are of the view that the terms of the Variety Shows Cooperation Framework Agreement and the relevant annual caps are fair and reasonable, the transactions contemplated thereunder are on normal commercial terms and that the entering into of the Variety Shows Cooperation Framework Agreement 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

Youku Information is a consolidated entity of AGH. AGH is the ultimate sole shareholder of Ali CV, which is a controlling shareholder and a connected person of the Company holding approximately 50.27% of the issued share capital of the Company as at the date of this announcement. Accordingly, Youku Information is an associate of Ali CV and hence a connected person of the Company. The entering into of the Variety Shows Cooperation Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of (i) the highest annual cap of the aggregate of the total investment amount to be made by the Company and/or its affiliates and the total fees payable by the Company and/or its affiliates to Youku Information and/or its affiliates and (ii) the highest annual cap of the total fees payable by Youku Information and/or its affiliates to the Company and/or its affiliates under the Variety Shows Cooperation Framework Agreement, are more than 0.1% but less than 5%, the entering into of the Variety Shows Cooperation Framework Agreement and the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements but exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As (i) each of Mr. Fan Luyuan, Mr. Meng Jun and Mr. Xu Hong is an employee of AGH or its subsidiaries, and (ii) Mr. Li Jie is currently taking up a management role in a subsidiary of AGH, they are deemed or may be perceived to have a material interest in the Variety Shows Cooperation Framework Agreement, the relevant annual caps and the transactions contemplated thereunder. As such, each of Mr. Fan Luyuan, Mr. Meng Jun, Mr. Xu Hong and Mr. Li Jie has abstained from voting on the relevant resolution(s) of the Board in relation to the Variety Shows Cooperation Framework Agreement, the relevant annual caps and the transactions contemplated thereunder. Save as aforesaid, none of the other Directors has a material interest in the Variety Shows Cooperation Framework Agreement, the relevant annual caps and the transactions contemplated thereunder, and therefore none of them has abstained from voting on the said resolution(s) passed by the Board.

INFORMATION ON THE COMPANY

The Company is listed on both the Stock Exchange (stock code: 1060) and the Singapore Exchange Securities Trading Limited (stock code: S91). 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 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 ticketing 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.

INFORMATION ON AGH AND YOUKU INFORMATION

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

Youku Information, a company established under the laws of the PRC and a consolidated entity of AGH, is principally engaged in the business of providing online videos in the PRC on Youku Platform.

DEFINITIONS

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

“affiliate(s)”	members of the Group or Alibaba Group as specified in the Variety Shows Cooperation Framework Agreement and such other companies connected with the Group or Alibaba Group as agreed by the Company and Youku Information according to the terms of the Variety Shows Cooperation Framework Agreement; for the purpose of this announcement, the Company together with its affiliates and Youku Information together with its affiliates shall not be deemed to be an affiliate of each other
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“AGH”	Alibaba Group Holding Limited, a company incorporated in the Cayman Islands, with its American depository shares, each representing eight ordinary shares, listed on the New York Stock Exchange (stock symbol: BABA), and its ordinary shares listed on the Main Board of the Stock Exchange (stock code:9988)
“Alibaba Group”	AGH and its affiliates
“Ali CV”	Ali CV Investment Holding Limited, a company incorporated in the Cayman Islands and an indirect wholly-owned subsidiary of AGH
“associate”, “connected person”, “controlling shareholder” and “subsidiary(ies)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Children’s Shows”	include, among others, variety shows, television programmes and short dramas for children
“Commercial Development”	use, permission to use and/or transfer of any rights attached to the Variety Shows, the Children's Shows and the Movies and Dramas (other than distribution), such as sponsorship, advertising, derivative development, video game development and use of characters’ images
“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 (stock code: 1060), which also has a secondary listing on the Singapore Exchange Securities Trading Limited (stock code: S91)
“Copyrights”	the copyrights, including rights of publication, authorship, alteration, integrity, reproduction, distribution, rental, exhibition, performance, release, broadcasting, information online dissemination, shooting and production, adaption, translation, compiling and other rights to which the copyrights owner(s) is/are entitled to
“Directors”	the directors of the Company

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IP”	intellectual property
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Movies and Dramas”	include, among others, movies, online movies, TV dramas and online dramas
“PRC”	the People’s Republic of China
“Quality Rating”	the quality rating for the Variety Shows, the Children’s Shows or the Movies and Dramas to be agreed by the parties based on the scoring system of Youku Information and/or any of its affiliates (as the case may be), criteria of which are generally applicable to the rating of similar Variety Shows, Children’s Shows, Movies and Dramas to be broadcast on Youku Platform
“RMB”	Renminbi, the lawful currency of the PRC
“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
“Target Works”	include, among others, the Variety Shows, the Children’s Shows, written works, comics, online movies and musical works, but excluding TV dramas, online dramas and cinema movies
“TV”	television
“Variety Shows”	include, among others, any type of variety shows, variety videos, pan-cultural and pan-entertainment programmes

“Variety Shows Cooperation Framework Agreement”

the framework agreement entered into between the Company and Youku Information on September 2, 2020 for a term commencing from September 2, 2020 and ending on March 31, 2023 with respect to cooperation in investment and production of the Variety Shows, the Children’s Shows, the Movies and Dramas, procurement of Copyrights on the Target Works, engagement of artists and other commercial matters

“Youku Information”

優酷信息技術（北京）有限公司 (Youku Information Technology (Beijing) Co., Ltd*), a company established under the laws of the PRC with limited liability and a consolidated entity of AGH

“Youku Platform”

the online video platform operated by Alibaba Group

“%”

per cent.

** For identification purpose only*

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

Hong Kong, September 2, 2020

As at the date of this announcement, the Board comprises Mr. Fan Luyuan, Mr. Li Jie and Mr. Meng Jun, being the executive directors; Mr. Xu Hong, being the non-executive director; and Ms. Song Lixin, Mr. Tong Xiaomeng and Mr. Johnny Chen, being the independent non-executive directors.