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Alibaba Pictures Group Limited
阿里巴巴影业集团有限公司

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

**COMPLETION OF SUBSCRIPTION OF NEW SHARES
BY THE CONTROLLING SHAREHOLDER
AND
CHANGE OF DIRECTORS**

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that all conditions precedent in respect of the Subscription have been fulfilled or waived and the Completion took place on March 5, 2019. A total of 1,000,000,000 new Shares have been duly allotted and issued in accordance with the terms and conditions of the Subscription Agreement.

CHANGE OF DIRECTORS

The Board also announces that with effect from March 5, 2019:

1. each of Mr. Yu Yongfu and Ms. Zhang Wei has resigned as executive Director;
2. each of Mr. Shao Xiaofeng and Mr. Li Lian Jie has resigned as non-executive Director;
3. Mr. Meng Jun has been appointed as executive Director and member of the executive committee of the Company; and
4. each of Ms. Zhang Yu and Mr. Chang Yang has been appointed as non-executive Director.

COMPLETION OF THE SUBSCRIPTION

References are made to (i) the circular of Alibaba Pictures Group Limited (the “Company”) dated January 31, 2019 in relation to, among other things, the Subscription (the “Circular”); and (ii) the announcement of the Company dated February 22, 2019 in relation to, among other things, the poll results of the SGM. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Circular.

The Board is pleased to announce that all conditions precedent in respect of the Subscription set out under the section headed “SUBSCRIPTION OF NEW SHARES – The Subscription Agreement - Conditions precedent” in the Letter from the Board of the Circular have been fulfilled or waived and the Completion took place on March 5, 2019. A total of 1,000,000,000 new Shares were duly allotted and issued in accordance with the terms and conditions of the Subscription Agreement. Immediately after the Completion, there are 26,488,023,910 Shares in issue.

The following table illustrates the shareholding structure of the Company (i) immediately before the Completion; and (ii) immediately after the Completion:

Shareholder	Shareholding immediately before the Completion		Shareholding immediately after the Completion	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Subscriber	12,488,058,846	49.00	13,488,058,846	50.92
Other Shareholders	12,999,965,064	51.00	12,999,965,064	49.08
Total	25,488,023,910	100.00	26,488,023,910	100.00

RESIGNATION OF DIRECTORS

The Board also announces that with effect from March 5, 2019, each of Mr. Yu Yongfu (“Mr. Yu”) and Ms. Zhang Wei has resigned as executive Director, and each of Mr. Shao Xiaofeng (“Mr. Shao”) and Mr. Li Lian Jie (“Mr. Li”) has resigned as non-executive Director, due to their other work commitments.

Each of Mr. Yu, Ms. Zhang Wei, Mr. Shao and Mr. Li has confirmed that he/she has no disagreement with the Board and there are no matters in respect of his resignation that need to be brought to the attention of the Shareholders and the Stock Exchange.

The Board would like to take this opportunity to express its gratitude to Mr. Yu, Ms. Zhang Wei, Mr. Shao and Mr. Li for their contribution to the Company in their past positions.

APPOINTMENT OF DIRECTORS

The Board is pleased to announce that with effect from March 5, 2019, Mr. Meng Jun (“Mr. Meng”) has been appointed as executive Director and member of the executive committee of the Company, and each of Ms. Zhang Yu (“Ms. Zhang”) and Mr. Chang Yang (“Mr. Chang”) has been appointed as non-executive Director. The biographical details of Mr. Meng, Ms. Zhang and Mr. Chang are as follows:

Mr. Meng, aged 38, is the chief financial officer of the Company and a director of certain subsidiaries of the Company. He joined the Company on April 9, 2018. Before joining the Company, Mr. Meng served at Alibaba Group, where he held key financial management positions at a number of business units, including among others, Tao Dian Dian, Taobao Movie (now known as Tao Piao Piao), Tmall Supermarket and Alibaba Digital Media & Entertainment Group; he still held office at some of the said positions after joining the Company. Prior to joining Alibaba Group, Mr. Meng served auditing and financial advisory positions at various companies, such as E&Y and IBM. Mr. Meng holds a bachelor’s degree in economics from Beijing Technology and Business University.

Save as disclosed above, Mr. Meng has not held any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, nor has he held any other major appointments and professional qualifications and was not connected with any other Directors, senior management, substantial or controlling shareholder (as defined in the Listing Rules) of the Company.

As at the date of this announcement, Mr. Meng is not interested in any Shares within the meaning of Part XV of the SFO.

Mr. Meng will enter into a letter of appointment with the Company for a term of one year, which is renewable for a one-year period upon expiry of each term. Mr. Meng is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Bye-laws and the Listing Rules or any other applicable laws whereby he shall vacate his office. Mr. Meng will not receive any fees from the Company for his positions as executive Director and member of the executive committee of the Company. The remuneration for Mr. Meng’s position as the chief financial officer of the Company and any other positions (if any) will be determined by the Company based on the recommendation from the remuneration committee of the Company (if appropriate) with reference to the Company’s remuneration policy and taken into account, among other factors, his qualification and experience, responsibilities undertaken, contribution to the Company and the prevailing market level of remuneration of similar positions. The Company will make further announcement(s) as and when necessary.

Ms. Zhang, aged 46, joined Alibaba Group in November 2015, is the vice president of finance at Alibaba Group. She is also a director of 蘇寧雲商集團股份有限公司 (Suning Commerce Group Co., Ltd.) (a company listed on the Shenzhen Stock Exchange) since March 2017, a supervisor of 浙江螞蟻小微金融服務集團股份有限公司 (Ant Small and Micro Financial Services Group Co., Ltd.*) since December 2016 and the financial controller and the supervisor of various subsidiaries of AGH. Ms. Zhang has been appointed as a non-executive director of Alibaba Health Information Technology Limited (SEHK: 241) since December 29, 2017. She was a partner of the Corporate Finance Audit (CFA) function in Siemens AG's East Asia Pacific Region since October 2010 where she managed a team of professionals across the finance, operations, IT, compliance and forensic audit disciplines, serving regions and countries such as the PRC, Southeast Asia, Korea, Japan, Australia and New Zealand. Before joining Siemens AG, Ms. Zhang was a partner at KPMG, where she had worked for more than 14 years serving large multinational companies and PRC companies.

Ms. Zhang holds a bachelor's degree in economics from Renmin University of China and a master's degree in accounting from University of Denver, the United States. She is also a Certified Public Accountant in the PRC and the United States.

Save as disclosed above, Ms. Zhang has not held any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, nor has she held any other major appointments and professional qualifications and was not connected with any other Directors, senior management, substantial or controlling shareholder (as defined in the Listing Rules) of the Company.

As at the date of this announcement, Ms. Zhang is not interested in any Shares within the meaning of Part XV of the SFO.

Ms. Zhang will enter into a letter of appointment with the Company for a term of one year, which is renewable for a one-year period upon expiry of each term. Ms. Zhang is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Bye-laws and the Listing Rules or any other applicable laws whereby she shall vacate her office. Ms. Zhang will not receive any fees or remuneration from the Company for her position as non-executive Director.

Mr. Chang, aged 53, has been the vice president of human resources at Alibaba Group since July 2015. He is responsible for investment and M&A related human resources work and manages the overall human resources operation in Beijing. He has been the chief people officer of Auto Navi since April 2015 and the chief people officer of Alibaba Digital Media & Entertainment Group since April 2016. In July 2010, Mr. Chang joined Alibaba Group as the vice president of human resources of Alipay. Since then, Mr. Chang was responsible for the human resources work of several business units, including Alipay, Taobao, Tmall, Juhuasuan and Alibaba.com. Before joining

Alibaba Group, Mr. Chang held a number of human resources leadership roles, including, among others, human resources manager of IKEA China, senior human resources consultant to the Royal Bank of Scotland, and global human resources director of Perlos. Mr. Chang holds a bachelor's degree in astrophysics from Peking University.

Save as disclosed above, Mr. Chang has not held any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, nor has he held any other major appointments and professional qualifications and was not connected with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the date of this announcement, Mr. Chang is interested in 200,000 Shares within the meaning of Part XV of the SFO.

Mr. Chang will enter into a letter of appointment with the Company for a term of one year, which is renewable for a one-year period upon expiry of each term. Mr. Chang is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Bye-laws and the Listing Rules or any other applicable laws whereby he shall vacate his office. Mr. Chang will not receive any fees from the Company for his position as non-executive Director. The remuneration for Mr. Chang's position as a senior consultant to the human resources department and senior management of the Company and any other positions (if any) will be determined by the Company based on the recommendation from the remuneration committee of the Company (if appropriate) with reference to the Company's remuneration policy and taken into account, among other factors, his qualification and experience, responsibilities undertaken, contribution to the Company and the prevailing market level of remuneration of similar positions. The Company will make further announcement(s) as and when necessary.

Save as disclosed above, there is no other information in relation to the appointment of Mr. Meng, Ms. Zhang and Mr. Chang, which is discloseable pursuant to the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules, nor is any of them involved in any of the matters required to be disclosed pursuant to the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to welcome Mr. Meng, Ms. Zhang and Mr. Chang to the Board.

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

Hong Kong, March 5, 2019

As at the date of this announcement, the Board comprises Mr. Fan Luyuan and Mr. Meng Jun, being the executive Directors; Ms. Zhang Yu and Mr. Chang Yang, being the non-executive Directors; and Ms. Song Lixin, Mr. Tong Xiaomeng and Mr. Johnny Chen, being the independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement 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.