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## **ANNOUNCEMENT – PARTICIPATION IN THE PROPOSED PRIVATISATION OF BONA FILM GROUP LIMITED**

This announcement is made by Alibaba Pictures Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company is pleased to announce that the Group, through a wholly-owned subsidiary of the Company, has agreed to participate as an investor in the proposed acquisition (the “**Proposed Acquisition**”) of Bona Film Group Limited (the “**Target**”, a company incorporated in the Cayman Islands and listed on the NASDAQ), through a “going private” transaction by Mountain Tiger International Limited (“**HoldCo**”). The Group has agreed to invest approximately US\$86 million in the shares of HoldCo upon completion of the Proposed Acquisition. The Target operates a vertically integrated business mainly in China which offers high-quality content and has strong film distribution capabilities.

On June 12, 2015, the chairman of the Target and certain co-investors entered into a consortium agreement (which has now been superseded by the Interim Investors Agreement (as defined below)) and made a non-binding proposal to acquire the Target.

On December 15, 2015, the Group entered into an interim investors agreement (the “**Interim Investors Agreement**”) with (i) Mr. Dong Yu (the chairman of the Target), Skillgreat Limited and Vantage Global Holdings Ltd, (ii) Fosun International Limited and its affiliate, Orrick Investments Limited, (iii) Sequoia Capital China I, L.P., Sequoia Capital China Partners Fund I, L.P. and Sequoia Capital China Principals Fund I, L.P., (iv) Uranus Connection Limited, (v) All Gain Ventures Limited, (vi) SAIF Partners IV L.P., (vii) Willow Investment Limited (the parties described under (i) and (vii), together with the Group, being the “**Consortium**”), (viii) HoldCo, and (ix) Mountain Tiger Limited (“**Merger Sub**”, a wholly-owned subsidiary of HoldCo).

On December 15, 2015, HoldCo and Merger Sub entered into an Agreement and Plan of Merger (the “**Merger Agreement**”) with the Target, pursuant to which, among other things and subject to certain conditions, the Merger Sub will merge with and into Target by way of statutory merger under the Cayman Islands law, with the Target surviving the merger and becoming a wholly-owned subsidiary of HoldCo. Should the Consortium proceed with and complete the Proposed Acquisition, the Group will indirectly hold an approximately 10%

interest in the Target (subject to dilution) (based on the offer price at US\$13.70 in cash per American depository share of the Target, or US\$27.40 in cash per ordinary share of the Target) following completion of the Proposed Acquisition. In connection with the Group's commitment to participate in the Consortium, the Group has entered into other customary agreements (including an equity commitment letter and a limited guarantee) between the parties on the date of the Merger Agreement.

The Proposed Acquisition will not constitute a notifiable transaction under Chapter 14 of the Listing Rules. The Company will make further announcements to update the market on the Proposed Acquisition as and when appropriate.

**The Proposed Acquisition may or may not proceed so shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities.**

By Order of the Board  
**Alibaba Pictures Group Limited**  
**Shao Xiaofeng**  
*Chairman*

Hong Kong, December 15, 2015

*As at the date of this announcement, the Board comprises Mr. Shao Xiaofeng, Mr. Liu Chunning and Mr. Zhang Qiang, being the executive Directors; Mr. Li Lian Jie, being the non-executive Director; and Ms. Song Lixin and Mr. Tong Xiaomeng, being the independent non-executive Directors.*