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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)

# GRANT OF AWARDED SHARES AND ISSUE OF NEW SHARES UNDER GENERAL MANDATE PURSUANT TO SHARE AWARD SCHEME

## GRANT OF AWARDED SHARES

The Board announces that on May 21, 2018, the Company granted 94,378,600 Awarded Shares to 328 Selected Employees in accordance with the terms of the Share Award Scheme.

## ISSUE OF NEW SHARES UNDER GENERAL MANDATE

Out of the 94,378,600 Awarded Shares, 90,678,600 Awarded Shares were granted to non-connected Grantees who are not connected persons of the Company. New Shares shall be allotted and issued pursuant to the 2017 General Mandate to the Trustee at nominal value pursuant to the terms of the Share Award Scheme in order to satisfy the Awarded Shares granted to the non-connected Grantees.

Reference is made to the announcement of Alibaba Pictures Group Limited (the "Company") dated January 4, 2017 (the "Announcement") relating to the adoption of the share award scheme by the Company on December 30, 2016 (the "Share Award Scheme"). The Share Award Scheme does not constitute a share option scheme within the meaning of Chapter 17 of the Listing Rules, and is a discretionary scheme of the Company. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings ascribed to them in the Announcement.

## GRANT OF AWARDED SHARES

The Board announces that on May 21, 2018, the Company granted 94,378,600 Awarded Shares (the "Grant") to 328 Selected Employees (the "Grantee(s)"), among whom 2 Selected Employees are connected persons of the Company (the "Connected Grantees"), in accordance with the terms of the Share Award Scheme at nil consideration, subject to the acceptance of the Grantees. Each of the Awarded Shares granted to the Grantees represents the right to receive a Share on the date it vests and the Awarded Shares granted are not subject to performance targets. Details of the Grant are set out below:

| | Number of Awarded Shares |
|---|---|
| **Non-connected Grantees** | 90,678,600 |
| **Connected Grantees** | |
| - Ms. Zhang Wei (executive Director) | 2,500,000 |
| - One director of certain subsidiaries of the Company | 1,200,000 |
| **Total** | 94,378,600 |

In relation to the 3,700,000 Awarded Shares granted to the Connected Grantees, the Board shall procure the Trustee to purchase existing Shares from the market out of cash contributed by the Company, to be held on trust for the Connected Grantees until such Awarded Shares are vested with such Connected Grantees. Based on the closing price of HK$0.910 per Share as quoted on the Stock Exchange on May 21, 2018 (being the date of grant of the Awarded Shares), the market value of the Awarded Shares granted to the Connected Grantees amounts to HK$3,367,000. The grant of Awarded Shares to each of the Connected Grantees has been approved by the Board (including but not limited to the independent non-executive Directors), save that Ms. Zhang Wei was not involved in deciding the grant of the Awarded Shares to herself.

Except for Ms. Zhang Wei, none of the Grantees (including the Connected Grantees) is a Director, chief executive or substantial shareholder of the Company, or an associate (as defined in the Listing Rules) of any of them.

**ISSUE OF NEW SHARES UNDER GENERAL MANDATE PURSUANT TO THE SHARE AWARD SCHEME**

In relation to the 90,678,600 Awarded Shares granted to the non-connected Grantees who are not connected persons of the Company, new Shares shall be allotted and issued, pursuant to the general mandate (the "2017 General Mandate") granted by the shareholders of the Company at the annual general meeting of the Company held on June 23, 2017 (the "2017 AGM"), to the Trustee at nominal value pursuant to the terms of the Share Award Scheme. Pursuant to the 2017 General Mandate, the Company can issue and allot a maximum number of 5,046,912,282 Shares (being 20% of the total number of the issued shares of the Company as at the date of the 2017 AGM). Except for (i) the issue of 158,793,500 new Shares as disclosed in the announcement of the Company dated September 1, 2017, (ii) the issue of 76,349,000 new Shares as disclosed in the announcement of the Company dated October 27, 2017, (iii) the issue of 18,320,000 new Shares as disclosed in the announcement of the Company dated January 18, 2018 and (iv) the aforesaid issue of 90,678,600 new Shares, no new Share has been issued or allotted under the 2017 General Mandate.

As at the date of this announcement, the Trustee is a third party independent of the Company and its connected persons. The Board shall cause to be paid the subscription money of HK$22,669,650 for the 90,678,600 new Shares from the Company's internal resources to the Trustee. Upon the allotment of the 90,678,600 new Shares, the Trustee will hold the said new Shares on trust for the non-connected Grantees and will transfer the respective proportions to each of them at no cost upon vesting and settlement of their respective Awarded Shares.

The issue of new Shares to satisfy the 90,678,600 Awarded Shares represents (i) approximately 0.36% of the total issued Shares of the Company as at the date of this announcement; and (ii) approximately 0.35% of the total issued Shares of the Company as enlarged by such allotment and issue.

No new funds will be raised as a result of the aforesaid allotment and issue. Save as disclosed in the announcements of the Company dated September 1, 2017, October 27, 2017 and January 18, 2018, the Company has not engaged in any fund raising activities by any issue of Shares in the 12 months immediately preceding the date of this announcement. The new Shares, when issued and fully paid, will rank *pari passu* among themselves and with the other Shares in issue. Pursuant to the Share Award Scheme, the Trustee shall not exercise the voting rights in respect of such Shares held by it under trust.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of approval for the listing of, and permission to deal in, the 90,678,600 new Shares to be allotted and issued.

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

Hong Kong, May 21, 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. Shao Xiaofeng and Mr. Li Lian Jie, being the non-executive directors; and Ms. Song Lixin, Mr. Tong Xiaomeng and Mr. Johnny Chen, being the independent non-executive directors.*