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ALIBABA HEALTH INFORMATION TECHNOLOGY LIMITED

阿里健康信息技術有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00241)

**RENEWAL OF NON-EXEMPT
CONTINUING CONNECTED TRANSACTIONS**

References are made to (i) the announcement of the Company dated February 14, 2018 and the circular of the Company dated March 13, 2018 in respect of the Renewed Services Agreement, the Renewed Services Framework Agreement and the Advertising Services Framework Agreement; and (ii) the announcement of the Company dated May 29, 2018 and the circular of the Company dated July 16, 2018 in respect of the Services Amendment Agreement.

Each of the CCT Agreements will expire on or before March 31, 2019 and it is currently expected that the transactions under the CCT Agreements will continue. On January 30, 2019, the Company and its relevant Subsidiaries entered into the 2020 CCT Agreements, each of which has a term commencing from the Effective Date and ending on March 31, 2020.

The Company expects that the total service fees receivable by or payable by the Group (as the case may be) under each of the 2020 Outsourced Services Framework Agreement, the 2020 Platform Services Framework Agreement and the 2020 Advertising Services Framework Agreement during the year ending March 31, 2020 will be not more than RMB148 million, RMB434 million and RMB252 million, respectively. Since one or more of the applicable percentage ratios in respect of the annual cap under each of the 2020 CCT Agreements is higher than 5%, the transactions contemplated under each of the 2020 CCT Agreements are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Perfect Advance is a substantial shareholder and a connected person of the Company. Alibaba Holding is the ultimate shareholder of Perfect Advance. As Alibaba Holding directly or indirectly Controls or is the ultimate shareholder of each of the members of Taobao Group, the AGH Relevant Entities and Alibaba Group, each of the members of Taobao Group, the AGH Relevant Entities and Alibaba Group is a connected person of the Company.

To comply with the requirements under Rule 14A.36 of the Listing Rules, the Company will convene an SGM to seek Independent Shareholders' approval for each of the 2020 CCT Agreements and their respective annual caps.

A circular containing, *inter alia*, further details of the 2020 CCT Agreements and the transactions contemplated thereunder, the letter from the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, together with the notice of SGM, is expected to be despatched to the Shareholders in accordance with the Listing Rules.

BACKGROUND

References are made to (i) the announcement of the Company dated February 14, 2018 and the circular of the Company dated March 13, 2018 in respect of the Renewed Services Agreement, the Renewed Services Framework Agreement and the Advertising Services Framework Agreement; and (ii) the announcement of the Company dated May 29, 2018 and the circular of the Company dated July 16, 2018 in respect of the Services Amendment Agreement.

Each of the CCT Agreements will expire on or before March 31, 2019 and it is currently expected that the transactions under the CCT Agreements will continue. The transactions under each of the Renewed Services Agreement and the Advertising Services Framework Agreement will continue on similar terms with the involvement of different connected counterparties, and the Company or its relevant Subsidiary has entered into agreements with Alibaba Holding, as the holding company of such connected counterparties. On January 30, 2019, the Company and its relevant Subsidiaries entered into the 2020 CCT Agreements, each of which has a term commencing from the Effective Date and ending on March 31, 2020.

A summary of the principal terms of each of the 2020 CCT Agreements and the respective estimated annual caps for the transactions thereunder are set out below.

2020 OUTSOURCED SERVICES FRAMEWORK AGREEMENT

Date

January 30, 2019

Parties

- (1) Taobao Holding (for itself and on behalf of its Subsidiaries)
- (2) Alibaba Health (Beijing) (for itself and on behalf of its Subsidiaries)

Duration

Subject to the approval by the Independent Shareholders at the SGM, the 2020 Outsourced Services Framework Agreement will commence from the Effective Date and end on March 31, 2020, unless otherwise terminated in accordance with the terms thereunder.

Termination events

The 2020 Outsourced Services Framework Agreement shall automatically terminate upon the occurrence of any of the following events:

- (i) if any party is ordered or judged to be bankrupt, comes under receivership or enters into any plan or settlement proposal with its creditors or makes any transfer in the interests of its creditors;
- (ii) if the assets of any party are nationalized or requisitioned by any government or government department;
- (iii) if Alibaba Holding directly or indirectly holds less than 30% of the total issued share capital of the Company or ceases to be a “controlling shareholder” (as defined in the Listing Rules) of the Company; or
- (iv) if the annual cap is exceeded during the term of the 2020 Outsourced Services Framework Agreement.

In the event of any dispute on the service fee that is not resolved within 60 days, either Taobao Holding or Alibaba Health (Beijing) may terminate the 2020 Outsourced Services Framework Agreement by giving the other party written notice of no less than 30 days.

If there is a material breach of the 2020 Outsourced Services Framework Agreement that has not been remedied after 30 days from the notice of such breach, the non-defaulting party may terminate the 2020 Outsourced Services Framework Agreement with immediate effect.

Each of Alibaba Health (Beijing) and Taobao Holding shall also have the right to terminate the 2020 Outsourced Services Framework Agreement by giving the other party written notice of no less than 90 days.

Services to be provided

Pursuant to the terms of the 2020 Outsourced Services Framework Agreement, Alibaba Health (Beijing) and its Subsidiaries agree to provide Taobao Group with the following outsourced and value-added services in relation to the Relevant Categories:

- (i) Merchants' business development, including tracking market trends and policy updates. For example, the Group will update Merchants on any policy changes and provide analysis of how such changes might impact Merchants' business, and on trends to help Merchants identify opportunities or areas to focus on in their business;
- (ii) Merchant customer services, including providing helpline support for Merchants on the process of admission to Tmall, Tmall Supermarket and Tmall Global and general operational questions; assisting Merchants in optimizing searches for their products through their product information display, collating and analyzing consumer behavior data, updating Merchants on any new business rules, upcoming marketing activities, business risks, as well as collecting feedback and suggestions from Merchants to improve overall services to Merchants. For example, the Group will assist Merchants to optimize searches for their products through using more intuitive or popular key words of product functions in the product names, increase cross-selling opportunities by analysing overall customer purchase trends and making customized recommendations to consumers and increase repeat custom by recommending certain promotions for repeat purchases. As part of the store design services, the Group can also provide tailored suggestions such as how to use banner designs to drive brand recognition, better placement of the latest promotions on the storefront to increase user clicks, and tab design based on functionality and to emphasize brand recognition;
- (iii) marketing event planning for Merchants, including planning and organizing marketing events for Merchants, organizing Merchants to participate in events, designing and building event webpage interfaces, planning customer discount programs and conducting consumer data analysis. For example, the Group will plan special marketing events around certain themes such as around hot and cold seasons, or at the same time as specific awareness days such as World Cancer Day or World Diabetes Day, as well as conduct consumer data analysis to provide feedback on the performance of the sales of products or services which Merchants have selected to participate in the marketing events as well as the amount of resultant traffic to the Merchants' stores;

- (iv) technical support, including providing technical support on product information display and store design, transaction completion processes, the use of payment tools, consumer service tools (such as the use of chat windows or complaints forms); and
- (v) assistance to Taobao Group's business team with: (a) Merchant admissions; (b) Merchants' business operations; (c) Merchant management; and (d) product quality control functions, including assisting with formulating rules that govern Merchants' operation, reviewing documents required for Merchants' admission and formulating and implementing quality control rules and conducting regular inspections.

Taobao Group will continue to have primary responsibility for all work and business decisions pertaining to the Merchant admissions, Merchants' business operations and product quality control functions, including signing and reviewing contracts with Merchants, reviewing product information and images displayed by the Merchants and providing the technology infrastructure, and Alibaba Health (Beijing) agrees to assist and execute business decisions made by Taobao Group.

Service fees and payment terms

Taobao Group shall pay the Group a service fee amounting to 21.5% of the fees paid by the Merchants to Taobao Group and/or their respective affiliates in respect of the value of completed sales of products or services under the Relevant Categories on Tmall, Tmall Supermarket and Tmall Global. The service fee rate for the term of the 2020 Outsourced Services Framework Agreement is fixed and may not be adjusted.

The service fee shall be paid in cash on a quarterly basis. The service fee is determined by reference to, among other things, the operating costs expected to be incurred by the Group in providing the services including staff costs, forecast marketing and promotional activities and technical support expenses.

2020 PLATFORM SERVICES FRAMEWORK AGREEMENT

Date

January 30, 2019

Parties

- (1) The Company (for itself and on behalf of its Subsidiaries)
- (2) Alibaba Holding (for itself and on behalf of its Subsidiaries)

Duration

Subject to the approval by the Independent Shareholders at the SGM, the 2020 Platform Services Framework Agreement will commence from the Effective Date and end on March 31, 2020, unless otherwise terminated in accordance with the terms thereunder.

Services to be provided

Pursuant to the 2020 Platform Services Framework Agreement, Alibaba Holding has agreed that the AGH Relevant Entities will provide to the Group the Platform Services including but not limited to Internet information related software technical services, bonus points system related software technical services, Internet information services, secondary domain name services, promotion and logistics related technical services, product information display and release services, order verification and processing services, payment system technical services, coordination and storage services for returned products, trading technology services, channel promotion services, other related platform services, and other similar or related services. These services relate to the Group's use of various AGH Platforms, to sell healthcare-related products and services to consumers and businesses.

The AGH Relevant Entities shall provide the Platform Services to the Group in accordance with the standard terms and conditions as amended and published on the respective online platforms operated by the AGH Relevant Entities from time to time.

Service fees, pricing terms and payment terms

The service fees shall be calculated in accordance with the underlying standard agreements and with the standard terms and conditions as amended and published on the respective online sales platforms operated by the respective AGH Relevant Entities from time to time. Currently, the service fees comprise the following components:

- (i) a standard rebatable annual fee designated by the relevant entity of the AGH Relevant Entities (different annual fees are applicable to different categories of products/services) (if applicable), currently being RMB30,000 per Tmall storefront, RMB60,000 per Tmall Global storefront and RMB10,000 per AliExpress storefront, for the year ending December 31, 2019;
- (ii) technical service fees calculated as a percentage of the value of sales of products or services sold by the Group of the applicable categories on the AGH Platforms published from time to time. Currently, the products and services sold by the Group at the relevant storefronts on the AGH Platforms are categorized into the personal care products, over-the-counter drugs, cosmetics products and medical devices categories, which are subject to a fee rate ranging from 1% to 10%; and
- (iii) international delivery fees which include any cost incurred in the delivery of the products sold by the Group on the relevant AGH Platforms.

The fee tables published on the respective AGH Platforms are subject to adjustment and are typically revised annually by the AGH Relevant Entities.

The AGH Relevant Entities will ensure that the terms under which the Platform Services are provided to the Group are no less favorable than the general terms available to other independent third parties. As the standard terms and conditions are amended and published on the respective online sales platforms operated by the AGH Relevant Entities from time to time, the Company will regularly check that the rates that it is charged is consistent with such published rates.

As the technical service fees or payment fees to be charged for the sale of products and services on the respective online sales platforms is subject to change by the AGH Relevant Entities and is beyond the Group's control, the Company will seek Independent Shareholders' approval in the event that there is material change to the terms of the service fees including any material increase in the fee rate applicable to the products and services sold by the Group, as amended from time to time.

The designated annual fees shall be settled at the beginning of each calendar year and the technical service fees will be settled immediately after the sale of the relevant product(s) or service(s). The settlement of the service fees, payment fees and the international delivery fees shall be set off against funds received by the AGH Relevant Entities from customers in respect of the transactions conducted on the relevant AGH Platform.

2020 ADVERTISING SERVICES FRAMEWORK AGREEMENT

Date

January 30, 2019

Parties

- (1) The Company (for itself and on behalf of its Subsidiaries)
- (2) Alibaba Holding (for itself and on behalf of its Subsidiaries and affiliates)

Duration

Subject to the approval by the Independent Shareholders at the SGM, the Advertising Services Framework Agreement will commence from the Effective Date and end on March 31, 2020, unless otherwise terminated in accordance with the terms thereunder.

Services to be provided

Pursuant to the 2020 Advertising Services Framework Agreement, Alibaba Group has agreed that Alibaba Group will provide to the Group the Advertising Services, including but not limited to, the display of advertisements on various platforms supported by Alibaba Group, including the Alibaba Group Platforms or other third party platforms, from time to time in accordance with the standard terms and conditions as amended and published on the relevant online platforms operated by Alibaba Group. The Group shall pay Alibaba Group the advertising fees.

Service fees, pricing terms and payment terms

The service fees shall be calculated in accordance with the underlying standard agreements and the standard terms and conditions as amended and published on the respective online platforms operated by Alibaba Group from time to time. As at the date of this announcement, the Advertising Services comprise the following services:

- (i) CPM (cost per impression) model advertising services. Advertisements are displayed on the various platforms operated by Alibaba Group and other third parties and Alibaba Group charges advertising fees each time the advertisement is displayed, i.e. a unit price for every 1,000 impressions served. The unit prices of certain CPM model advertisements are fixed while the unit prices of other advertisements are determined through an auction system. Where the auction system applies, the Group offers bid prices for the relevant advertisement spaces taking into account the commercial circumstances and comparable prices offered by other independent third party advertisers on other advertising platforms. Alibaba Group's systems automatically accepts the highest bids for each advertising space where the auction process is used. The fixed prices currently charged by Alibaba Group and the bid prices currently offered by the Group which have been accepted under the CPM model range from RMB15 to RMB100 per 1,000 impressions, depending on the designated space, size, advertising format, timing and targeted users;
- (ii) CPC (cost per click) model advertising services. Advertisements are displayed on the various platforms operated by Alibaba Group and other third parties and Alibaba Group charges advertising fees each time a user clicks on the displayed advertisement. The unit prices for CPC model advertisements are determined through an auction system, under which the Group offers bid prices for the relevant advertisement spaces taking into account the commercial circumstances and comparable prices offered by other independent third party advertisers on other advertising platforms. Alibaba Group's systems automatically accepts the highest bids for each advertising space where the auction process is used. The bid prices currently offered by the Group which have been accepted under the CPC model range from RMB2 to RMB10 per click, depending on the size, advertising format and timing of the advertisement; and
- (iii) Project-based advertising services. Alibaba Group provides project-based advertising campaign services, whereby it offers advertisements on its advertising platforms for a certain advertising period. Alibaba Group charges advertising fees based on a cost per time (CPT) model (i.e. advertising fees are charged based on the amount of time displayed). The specific location, timing and frequency of the advertisements displayed on various platforms during the period will be determined by Alibaba Group.

HISTORICAL AMOUNTS AND BASIS FOR DETERMINING THE ANNUAL CAPS AMOUNTS

The historical transaction amounts for the year ended March 31, 2018, the approximate transaction amounts for the nine months ended December 31, 2018 based on the management accounts and the proposed annual caps relating to each of the 2020 CCT Agreements are set out below:

	Approximate historical amounts for the year ended March 31, 2018 (RMB)	Approximate unaudited transaction amounts for the nine months ended December 31, 2018 based on management accounts (RMB)	Annual caps for the year ending March 31, 2020 (RMB)
2020 Outsourced Services Framework Agreement	124,400,000	115,703,000	148,000,000
2020 Platform Services Framework Agreement	78,600,000	101,202,000	434,000,000
2020 Advertising Services Framework Agreement	7,700,000	32,567,000	252,000,000

The Outsourced Services Annual Cap was determined with reference to (i) the historical transaction amounts under the existing agreement; (ii) the Company's projections for the Relevant Categories for the year ending March 31, 2020 based on projections for the growth of the corresponding business and the overall healthcare market in the PRC; and (iii) the Company's marketing plans in relation to enhancing the services that the Company seeks to continue providing for the pharmaceutical and healthcare products and services e-commerce business of Tmall.

The Platform Services Annual Cap was determined with reference to (i) the historical transaction amounts under the existing agreement; (ii) the expected sales of products during the coming financial year; (iii) the products and services that the Group intends to feature on the AGH Relevant Entities' platforms; and (iv) the potential of the future development of healthcare products and services business in the PRC.

The Advertising Services Annual Cap was determined with reference to (i) the historical transaction amounts incurred under the existing agreements in respect of the Advertising Services; (ii) the Group's marketing plans for the financial year ending March 31, 2020; and (iii) the expected marketing needs of the Group's clients for the financial year ending March 31, 2020.

The Directors, whereby the independent non-executive Directors' opinion will be subject to the advice of the independent financial adviser, consider that the proposed annual cap under each of the 2020 CCT Agreements is fair and reasonable and in the interests of the Group and the Shareholders as a whole.

INTERNAL CONTROLS FOR THE GROUP'S CONTINUING CONNECTED TRANSACTIONS

As previously disclosed, the Company has adopted adequate internal control measures to comply with the Listing Rules requirements with respect to the supervision and monitoring of the annual caps of the transactions contemplated under the 2020 CCT Agreements. The finance department of the Company has been collecting and will continue to collect information on the actual transactions conducted with the relevant parties, and the corresponding services fees incurred on the Merchant Services, the Platform Services and the Advertising Services on a bi-weekly, weekly and monthly basis, respectively, and has been updating such information to the legal department and the chief financial officer of the Company, to monitor these transaction amounts.

The Company will continue to closely monitor the implementation of the 2020 CCT Agreements and take prompt action to make necessary disclosure and obtain Independent Shareholders' approval in the event that any adjustment to an annual cap becomes foreseeable.

The Company's external auditors will review the continuing connected transactions under each of the 2020 CCT Agreements annually to check and confirm (among others) whether the pricing terms have been adhered to and whether the relevant caps have been

exceeded. Alibaba Holding and Taobao Holding have respectively agreed to allow the Company and its external auditors to access the information necessary to report on the non-exempt continuing connected transactions contemplated under the respective 2020 CCT Agreement.

The independent non-executive Directors will review the continuing connected transactions under the 2020 CCT Agreements annually to check and confirm whether such continuing connected transactions have been conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and whether the internal control procedures put in place by the Company are adequate and effective to ensure that such continuing connected transactions are conducted in accordance with the pricing policies set out in such relevant agreements.

REASONS FOR ENTERING INTO THE 2020 CCT AGREEMENTS

The Company's mission is to connect participants in the PRC healthcare market.

In respect of the 2020 Outsourced Services Framework Agreement, the Merchant Services remain within the existing skill set of the Group given that it has been developing its own pharmaceutical e-commerce, internet healthcare, and intelligent medicine businesses. The service fees received under the 2020 Outsourced Services Framework Agreement will continue to be one of the steady growing sources of revenue for Alibaba Health. Together with the rapid growth of Alibaba Health's self-operated B2C online pharmacy business, as well as given the potential of such innovative new businesses as intelligent healthcare and health management services, the Merchant Services provided under the 2020 Outsourced Services Framework Agreement serves as another source of revenue of the Group.

In respect of the 2020 Platform Services Framework Agreement, the Company believes that by marketing and selling products or services on online sales platforms operated by the AGH Relevant Entities in relation to the Platform Services, it will be able to reach out to more customers and improve its understanding of their needs.

In respect of the 2020 Advertising Services Framework Agreement, the Group has identified the need for coordinated marketing and Advertising Services for the promotion of its and its clients' products on various e-commerce platforms. The Group believes that the advertising services and resources provided by Alibaba Group is an effective marketing tool and will enable the Group to reach out to more customers and boost the sales of the Group's and its clients' products. Seeing the success of the Advertising Services provided by Alibaba Group on the Group's sales for the past months, the Group intends to allocate more resources in advertising services provided by Alibaba Group going forward and considers that the entering into of the 2020 Advertising Services Framework Agreement would facilitate the administration of the purchase of Advertising Services by the Group.

The Directors, whereby the independent non-executive Directors' opinion will be subject to the advice of the independent financial adviser, consider that the transactions under the 2020 CCT Agreements will be conducted in the ordinary and usual course of business of the Group, and that the terms of the 2020 CCT Agreements are on normal commercial terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

The Company

The Company was incorporated in Bermuda and the Shares are listed on the Main Board of the Stock Exchange. The Company is an investment holding company and the Group is committed to providing Internet technology, service tools and platforms to industry partners, with the aim of providing accessible and affordable medical and healthcare services to the public so as to make good health achievable at the fingertips. The principal activities of the Group comprise pharmaceutical self-operated business, operation of pharmaceutical e-commerce platform and provision of consumer healthcare services, and provision of internet-based medical services and intelligent medicine services.

Alibaba Health (Beijing)

Alibaba Health (Beijing) is a limited liability company established in the PRC. It is an indirect wholly-owned subsidiary of the Company that primarily engages in the provision of technical services.

Alibaba Holding and Alibaba Group

Alibaba Holding is a company incorporated in the Cayman Islands and its American depositary shares are listed on the New York Stock Exchange (stock code: BABA). Alibaba Group's mission is to make it easy to do business anywhere. Alibaba Group's businesses are comprised of core commerce, cloud computing, digital media and entertainment and innovation initiatives.

Taobao Holding

Taobao Holding is a limited liability company incorporated in the Cayman Islands and a wholly-owned Subsidiary of Alibaba Holding. Taobao Holding is the indirect holding company of certain PRC Subsidiaries of Alibaba Holding relating to Taobao Marketplace and Tmall.

LISTING RULES IMPLICATIONS

Perfect Advance is a substantial shareholder and a connected person of the Company. Alibaba Holding is the ultimate shareholder of Perfect Advance. As Alibaba Holding directly or indirectly Controls or is the ultimate shareholder of each of the members of Taobao Group, the AGH Relevant Entities and Alibaba Group, each of the members of Taobao Group, the AGH Relevant Entities and Alibaba Group is a connected person of the Company.

Since one or more of the applicable percentage ratios in respect of each of the annual cap under each of the 2020 CCT Agreements is higher than 5%, the transactions contemplated under each of 2020 CCT Agreements are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company has established an Independent Board Committee comprising all the independent non-executive Directors to advise the Independent Shareholders in connection with the entering into of the 2020 CCT Agreements. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders on this matter.

As Mr. WU Yongming, Mr. WANG Lei and Ms. ZHANG Yu are employees of Alibaba Holding or its Subsidiaries, each of these Directors is deemed or may be perceived to have a material interest in the transactions under the 2020 CCT Agreements. Accordingly, they abstained from voting on the resolutions in connection with the continuing connected transactions under the 2020 CCT Agreements.

THE SGM

To comply with Rule 14A.36 of the Listing Rules, the Company will convene the SGM to seek Independent Shareholders' approval for the 2020 CCT Agreements, the transactions contemplated thereunder and the annual caps. Any Shareholder with a material interest in the 2020 CCT Agreements and the transactions contemplated thereunder and his/her/its associates shall abstain from voting on the resolutions approving the same. To the best of knowledge, belief and information of the Directors, having made all reasonable enquiries, Perfect Advance and Ali JK, respectively holds a total of 3,103,816,661 Shares and 3,457,511,207 Shares, representing approximately 26.54% and 29.56% of the issued share capital of the Company. Each of Perfect Advance and Ali JK and their associates, shall abstain from voting in relation to the ordinary resolutions to be put forward at the SGM for the purpose of approving the 2020 CCT Agreements and the transactions contemplated thereunder.

Apart from the above, none of the Shareholders has a material interest in the 2020 CCT Agreements and the transactions contemplated thereunder, and therefore no other Shareholder is required to abstain from voting on the proposed resolutions approving the same.

A circular containing, *inter alia*, further details of the 2020 CCT Agreements and the transactions contemplated thereunder, the letter from the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, together with the notice of SGM, is expected to be despatched to the Shareholders in accordance with the Listing Rules.

DEFINITIONS

“2020 Advertising Services Framework Agreement”	the agreement dated January 30, 2019 entered into between the Company and Alibaba Holding in relation to the provision of the Advertising Services
“2020 CCT Agreements”	the 2020 Outsourced Services Framework Agreement, the 2020 Platform Services Framework Agreement and the 2020 Advertising Services Framework Agreement
“2020 Outsourced Services Framework Agreement”	the agreement dated January 30, 2019 entered into between Alibaba Health (Beijing) and Taobao Holding in relation to the provision of the Merchant Services
“2020 Platform Services Framework Agreement”	the agreement dated January 30, 2019 entered into between the Company and Alibaba Holding in relation to the provision of the Platform Services
“Advertising Services Annual Cap”	the annual cap for the services fees payable by the Group for the year ending March 31, 2020 under the 2020 Advertising Services Framework Agreement
“Advertising Services”	the advertising services to be provided by Alibaba Group to the Group under the 2020 Advertising Services Framework Agreement
“Advertising Services Framework Agreement”	the agreement dated February 14, 2018 entered into between the Company and Alimama
“AGH Contracting Parties”	Alibaba.com China and Taobao China
“AGH Platforms”	the platforms operated by the AGH Relevant Entities from time to time, including but not limited to Taobao, Tmall, Tmall Global, Rural Taobao, Lazada, LinkedMall, DingTalk and AliExpress

“AGH Relevant Entities”	AGH Contracting Parties and its affiliates including Alibaba Technology, Hangzhou Alibaba Advertising, Alibaba Software, Taobao Network, Taobao Software, Ecart Malaysia, Lazada Singapore, Lazada Ltd., Lazada Philippines, Ecart Indonesia, Recess, Taobao China, Alibaba Singapore, Alibaba Communication Technology, DingTalk Technology, DingTalk China and the Tmall Entities, collectively
“Alibaba.com China”	Alibaba.com China Limited (阿里巴巴網絡中國有限公司), a company incorporated in Hong Kong and an indirect wholly-owned Subsidiary of Alibaba Holding
“Alibaba Communication Technology”	Zhejiang Alibaba Communication Technology Co., Ltd. (浙江阿里巴巴通信技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding
“Alibaba Group”	the group of companies comprising Alibaba Holding and its Subsidiaries, for the purpose of this announcement, excluding the Group
“Alibaba Group Platforms”	the online platforms for brands and retailers operated by Alibaba Group, including but not limited to Taobao.com, Tmall.com, Etao.com and Juhuasuan.com
“Alibaba Health (Beijing)”	Alibaba Health Information Technology (Beijing) Co., Ltd.* (阿里健康信息技術(北京)有限公司), a company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Alibaba Health (HK)”	Alibaba Health (Hong Kong) Technology Company Limited (阿里健康(香港)科技有限公司), an indirect wholly-owned Subsidiary of the Company
“Alibaba Health Technology (China)”	Alibaba Health Technology (China) Co., Ltd.* (阿里健康科技(中國)有限公司), a company established in the PRC and an indirect wholly-owned Subsidiary of the Company
“Alibaba Holding”	Alibaba Group Holding Limited, a company incorporated in the Cayman Islands, the ultimate controlling shareholder of the Company, and the American depositary shares of which are listed on the New York Stock Exchange
“Alibaba Singapore”	Alibaba.com Singapore E-Commerce Private Limited, a company incorporated in Singapore and an indirect wholly-owned Subsidiary of Alibaba Holding

“Alibaba Software”	Alibaba (China) Software Co., Ltd.* (阿里巴巴(中國)軟件有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding
“Alibaba Technology”	Alibaba (China) Technology Co., Ltd.* (阿里巴巴(中國)網絡技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding
“AliExpress”	a third party online transaction platform for brands and retailers operated by Alibaba Group under the domain name aliexpress.com (or such other URLs as may be used by AliExpress, including but not limited to URLs used for the Internet on personal computers or mobile devices, as amended from time to time based on the business needs of AliExpress
“Ali JK”	Ali JK Nutritional Products Holding Limited, a company incorporated in the British Virgin Islands and a wholly-owned Subsidiary of Alibaba Holding
“Alimama”	Hangzhou Alimama Software Services Co., Ltd.* (杭州阿里媽媽軟件服務有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding
“associate”	has the meaning given to it under the Listing Rules
“Board”	the board of directors of the Company
“CCT Agreements”	the Renewed Services Agreement and the Services Amendment Agreement, the Renewed Services Framework Agreement and the Advertising Services Framework Agreement
“Company”	Alibaba Health Information Technology Limited (阿里健康信息技術有限公司), a company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00241)
“connected person”	has the meaning given to it under the Listing Rules

“Control”	the power or authority, whether exercised or not, to direct the business, management and policies of a person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, which power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty per cent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such person or power to control the composition of a majority of the board of directors (or similar governing body) of such person and the term “Controlled” shall be construed accordingly
“DingTalk”	a proprietary enterprise communication and collaboration platform, provides a unified interface for communications in different forms (including text messages, photo, voice, video and e-mail), workflow management and collaboration among team members and enterprises of various sizes
“DingTalk China”	DingTalk (China) Information Technology Co., Ltd. (釘釘(中國)信息技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding
“DingTalk Technology”	DingTalk Technology Co., Ltd. (釘釘科技有限公司), a company established in the PRC with limited liability and ultimately Controlled by Alibaba Holding
“Director(s)”	member(s) of the Board
“Ecart Indonesia”	PT Ecart Webportal Indonesia, a company incorporated in Indonesia and an indirect non-wholly-owned Subsidiary of Alibaba Holding
“Ecart Malaysia”	Ecart Services Malaysia Sdn. Bhd., a company incorporated in Malaysia with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding
“Effective Date”	the effective date of the respective 2020 CCT Agreements, being April 1, 2019 or the date of the approval of the 2020 CCT Agreements and continuing connected transactions contemplated thereunder by the Independent Shareholders at the SGM (whichever is later)
“GMV”	gross merchandise volume
“Group”	the Company and each of its Subsidiaries from time to time

“Hangzhou Alibaba Advertising”	Hangzhou Alibaba Advertising Co., Ltd.* (杭州阿里巴巴廣告有限公司), a company established in the PRC with limited liability and ultimately Controlled by Alibaba Holding
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising Mr. YAN Xuan, Mr. LUO Tong and Mr. WONG King On, Samuel, being the independent non-executive Directors, established to advise the Independent Shareholders on the 2020 CCT Agreements
“Independent Shareholders”	the Shareholders of the Company, other than (i) Alibaba Holding and its associates, including Perfect Advance and Ali JK; and (ii) those who are required to abstain from voting at the SGM to be convened to approve the 2020 CCT Agreements
“Lazada”	a leading e-commerce platform across Southeast Asia with local language websites and mobile apps in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam
“Lazada Ltd.”	Lazada Ltd., a company established in Thailand with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding
“Lazada Philippines”	Lazada E-Services Philippines Inc., a company incorporated in the Philippines and an indirect non-wholly-owned Subsidiary of Alibaba Holding
“Lazada Singapore”	Lazada Singapore Pte. Ltd., a company established in Singapore with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding
“LinkedMall”	LinkedMall is a platform to provide service solutions such as commodity selection, payment transaction, interest exchange, commission settlement and technical support for enterprises. Its customers cover many industries such as banks, aviation, hotels and operators
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Merchant”	a legal entity which conducts sale of products or provision of services on Tmall

“Merchant Services”	the services to be provided by the Group to Taobao Group under the 2020 Outsourced Services Framework Agreement
“Outsourced Services Annual Cap”	the annual cap for the service fees payable to the Group for the year ending March 31, 2020 under the 2020 Outsourced Services Framework Agreement
“Perfect Advance”	Perfect Advance Holding Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned Subsidiary of Alibaba Holding
“Platform Services”	the services to be provided by the AGH Relevant Entities to the Group under the 2020 Platform Services Framework Agreement
“Platform Services Annual Cap”	the annual cap for the service fees payable by the Group for the year ending March 31, 2020 under the 2020 Platform Services Framework Agreement
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Recess”	Recess Company Limited, a company incorporated in Vietnam with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding
“Relevant Categories”	(a) in respect of the Tmall Supermarket, certain product categories or services offered on Tmall Supermarket, namely over-the-counter drugs, medical devices, family planning products, adult products, contact lenses and solutions, refined Chinese medicines such as Chinese medicinal drinks, prescription drugs (if available), traditional nutritional products, food supplements and dietary nutritional supplements, and (b) in respect of the Tmall.com, certain product categories or services offered on Tmall.com, namely over-the-counter drugs, refined Chinese medicines such as Chinese medicinal drinks, prescription drugs (if available), traditional nutritional products and dietary nutritional supplements, in each case of (a) and (b), for the avoidance of doubt, excludes all categories of products or services sold on or through Tmall Global, (c) in respect of Tmall Global, certain products categories or services offered on Tmall Global namely over-the-counter drugs, medical devices, family planning products, adult products, contact lenses and solutions, prescription drugs, medical and health services, offered on Tmall Global, which for the avoidance of doubt, excludes all categories of products or services sold on or through Tmall Supermarket

“Renewed Services Framework Agreement”	the agreement dated February 14, 2018 entered into between the Company and the AGH Contracting Parties
“Renewed Services Agreement”	the agreement dated February 14, 2018 entered into between Alibaba Health Technology (China) and the Tmall Entities
“RMB”	Renminbi, the lawful currency of the PRC
“Rural Taobao”	Alibaba Group’s program to pioneer a two-way distribution infrastructure to connect commerce between cities and rural areas in the PRC
“Services Amendment Agreement”	the agreement dated May 28, 2018 entered into between Alibaba Health Technology (China) and the Tmall Entities
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“SGM”	the special general meeting of the Company to be convened for the Independent Shareholders to consider and vote on each of the 2020 CCT Agreements
“Shareholder(s)”	holder(s) of the Share(s)
“Shares”	ordinary shares in the issued capital of the Company with a nominal value of HK\$0.01
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subsidiary”	includes, in relation to any person: (i) any company or business entity of which that person owns or Controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or business entity; (ii) any company or business entity of which that person owns or controls (either directly or through one or more other subsidiaries, by contract or otherwise) not more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or business entity but effectively controls (either directly or through one or more other Subsidiaries) the management or the direction of business operations of such company or business entity; and (iii) any company or business entity which at any time has its accounts consolidated with those of that person or which, under Hong Kong law or any other applicable law, regulations or the Hong Kong Financial Reporting Standards or such other generally accepted accounting principles or standards as may be applicable to that person from time to time, should have its accounts consolidated with those of that person
“Taobao China”	Taobao China Holding Limited, a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Alibaba Holding
“Taobao Group”	Taobao Holding and its Subsidiaries
“Taobao Holding”	Taobao Holding Limited, a limited liability company incorporated in the Cayman Islands and a wholly-owned Subsidiary of Alibaba Holding
“Taobao Marketplace”	a retail marketplace and China’s largest mobile commerce destination
“Taobao Network”	Zhejiang Taobao Network Co., Ltd.* (浙江淘寶網絡有限公司), a company established in the PRC with limited liability and ultimately Controlled by Alibaba Holding
“Taobao Software”	Taobao (China) Software Co., Ltd.* (淘寶(中國)軟件有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding

“Tmall”	a third party online platform for brands and retailers operated by Alibaba Group under the domain name Tmall.com (or such other URLs as may be used by Tmall, including but not limited to URLs used for the Internet on personal computers or mobile devices, as amended from time to time based on the business needs of Tmall)
“Tmall Entities”	Tmall Technology and Tmall Network, collectively
“Tmall Global”	a third party online transaction platform for brands and retailers operated by Alibaba Group under the domain name Tmall.hk (or such other URLs as may be used by Tmall Global, including but not limited to URLs used for the Internet on personal computers or mobile devices, as amended from time to time based on the business needs of Tmall Global)
“Tmall Network”	Zhejiang Tmall Network Co., Ltd.* (浙江天貓網絡有限公司), a company established in the PRC with limited liability and ultimately Controlled by Alibaba Holding
“Tmall Pharmaceutical and Healthcare e-Commerce Business”	the pharmaceutical and healthcare products and services e-commerce business of Tmall, Tmall Supermarket and Tmall Global
“Tmall Supermarket”	a supermarket category operated by Tmall for fresh produce, food products and fast moving consumer goods
“Tmall Technology”	Zhejiang Tmall Technology Co., Ltd.* (浙江天貓技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding
“%”	per cent

* *English name for identification purpose only.*

For and on behalf of the Board
Alibaba Health Information Technology Limited
SHEN Difan
Chief Executive Officer and Executive Director

Hong Kong, January 30, 2019

As at the date of this announcement, the Board comprises eight Directors, of whom (i) two are executive Directors, namely, Mr. SHEN Difan and Mr. WANG Qiang; (ii) three are non-executive Directors, namely Mr. WU Yongming, Mr. WANG Lei and Ms. ZHANG Yu; and (iii) three are independent non-executive Directors, namely Mr. YAN Xuan, Mr. LUO Tong and Mr. WONG King On, Samuel.