SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. As it is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in our Shares.

There are risks associated with any investment. Some of the particular risks in investing in our Shares are set forth in the section entitled "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in our Shares.

OVERVIEW

We are the leading B2B e-commerce company in China. According to iResearch, we were the largest online B2B company in China in 2006 based on the number of registered users and had a majority of the B2B e-commerce market share in China by revenue. We operate two marketplaces — our international marketplace and our China marketplace. Our international marketplace (www.alibaba.com), which is in English, focuses on global importers and exporters and our China marketplace (www.alibaba.com.cn), which is in Chinese, focuses on suppliers and buyers trading domestically in China. According to Alexa.com, our combined international and China marketplaces were the most-visited websites in the world in two "Business" categories — "E-Commerce" and "International Business and Trade" — as measured by user traffic during the three months ended June 30, 2007.

Our online B2B marketplaces provide an efficient, trusted platform to facilitate e-commerce between business sellers, whom we refer to as "suppliers", and wholesale buyers, whom we refer to as "buyers". Suppliers and buyers come to our marketplaces to establish their presence on the Internet, identify potential trading partners and interact with each other to conduct business online. Suppliers, and in certain cases buyers, use our marketplaces to host their company profiles and catalogs in standardized formats, which we refer to as "storefronts", and post product and service listings and trade leads, which we refer to as "listings". Users can view storefronts and listings in over 30 industry categories and nearly 5,000 product categories by keyword searching or browsing through our online industry directory. For many suppliers wishing to market products and services through online channels, their storefronts or listings on our marketplaces are their only presence on the Internet. As of June 30, 2007, suppliers had established over 2.4 million storefronts on our marketplaces. In the first half of 2007, our users posted a monthly average of 2.9 million new listings on our marketplaces.

Through active listings, inquiry exchanges, instant messaging, discussion forums and other easy-to-use community features provided by us, suppliers and buyers have formed large, interactive online communities on our marketplaces. For example, during the month ended June 30, 2007, there were over 540,000 peak simultaneous online users of TradeManager, our instant messaging tool for trade communications. Users have formed many communities based on common business interests, which further facilitate interaction among them and enhance their community experience. Currently, our international and China marketplaces collectively host over 200 online forums and have over 4.2 million registered forum users.

In order to enhance the breadth and depth of our marketplaces, we offer basic features and services to all registered users at no charge. We earn our revenue from suppliers who purchase services from us, primarily membership packages that provide priority placement of supplier storefronts and listings in the industry directory and search results on our marketplaces. We refer to suppliers who subscribe for our membership packages as our "paying members". We generate additional revenue by offering value-added services to our paying members, including purchases of additional keywords to improve rankings in search results on our marketplaces and premium placements on our web pages to increase exposure to potential buyers. We strive to balance these free and fee-based service offerings to ensure that we continue to grow our community of users and sustain our revenue growth.

We have experienced significant growth in our user base and revenue. Over the past three years, the number of our registered users increased from 6.0 million as of December 31, 2004 to 11.0 million as of December 31, 2005 and to 19.8 million as of December 31, 2006, and the number of our paying members grew from over 77,000 as of December 31, 2004 to over 141,000 as of December 31, 2005 and to over 219,000 as of December 31, 2006. During the same period, our revenue increased from RMB359.4 million in 2004 to RMB738.3 million in 2005 and to RMB1,363.9 million in 2006. As of June 30, 2007, we had 24.6 million registered users and over 255,000 paying members. Our revenue in the six months ended June 30, 2007 was RMB957.7 million.

Our headquarters are located in Hangzhou, China.

The information contained at our websites, www.alibaba.com, www.alibaba.com.cn and www.alibaba.co.jp, is not a part of this prospectus.

INDUSTRY OVERVIEW

Small and medium enterprises, or SMEs, have been one of the key driving forces for China's economic growth. According to the PRC Statistics Bureau, in 2004, SMEs and other private sector companies in China contributed approximately 58% of China's GDP and 48% of China's tax revenue and employed over 75% of the available workforce in urban areas. According to the PRC National Development and Reform Commission, there were over 42 million SMEs and other private sector companies in China as of October 31, 2006.

The Internet has become a powerful medium for content, communication and commerce in China and globally, and the number of Internet users in China has grown rapidly in recent years. According to China Internet Network Information Center, or CNNIC, the number of Internet users in China grew from 59.1 million in 2002 to 137.0 million in 2006, representing a compound annual growth rate of 23.4%. During the same period, the Internet penetration rate in China increased from 4.6% to 10.5%. We expect the growth in China's Internet market to be further fueled by the growth in broadband access. According to CNNIC, the number of broadband users in China grew at a compound annual growth rate of 92.5% between 2002 and 2006, reaching approximately 66% of the Internet users in 2006. Broadband access offers Internet users significantly faster access speed and the convenience of having an "always-on" network connection, which facilitate greater usage of the Internet for e-commerce activities.

An increasing number of SMEs subscribe to B2B online marketplaces or other e-commerce platforms operated by third parties. According to iResearch, the number of SMEs that use third-party B2B platforms has increased from 1.0 million in 2002 to 8.8 million in 2006. The growing usage of the Internet for e-commerce activities among SMEs in China has led to, and is expected to further drive, significant increases in their online marketing budgets. Forms of online marketing activities include Internet banner and other online graphic advertisements, product and storefront listings on online marketplaces and paid search. According to a recent survey conducted by iResearch, online marketing budgets as a percentage of the total marketing budgets of SMEs in China have increased from 2.1% in 2002 to 10.8% in 2006, and are projected to further increase to 20.4% by 2012. In addition, iResearch's survey indicates that the majority of these online marketing budgets is expected to be spent on online B2B platforms, such as online B2B marketplaces, operated by third-party service providers.

OUR STRENGTHS

We believe the following competitive strengths contribute to our success and distinguish us from our competitors:

- the leading online B2B marketplaces with powerful network effect;
- premier global B2B e-commerce brand;
- exclusive focus on the needs of SMEs in China and globally;
- strong community experience;
- extensive sales force and comprehensive customer service;
- continuous technology innovation to improve user experience;
- seasoned management team and distinct corporate culture; and
- strong relationship with Alibaba Group.

OUR STRATEGIES

Our mission is "讓天下沒有難做的生意" (which in English means "to make it easy to do business anywhere"). To accomplish this mission, we aim to make our marketplaces the most effective marketplaces for SMEs in the world. Specifically, we plan to:

- increase the size of our marketplaces by expanding our user base and active listings;
- enhance community experience to further improve user loyalty and activity;
- further monetize our user base;
- selectively expand into international markets;
- extend users' experience from "Meet at Alibaba" to "Work at Alibaba"; and
- expand our business through selective acquisitions, investments, licensing arrangements or partnerships.

SUMMARY HISTORICAL FINANCIAL INFORMATION

The following summary historical combined income statement data for the years ended December 31, 2004, 2005 and 2006 and the six months ended June 30, 2007 and the summary historical combined balance sheet data as of December 31, 2004, 2005 and 2006 and June 30, 2007 set forth below have been derived from the Accountants' Report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, and included in Appendix I to this prospectus. You should read the summary historical financial information below in conjunction with our combined financial statements included in Appendix I — "Accountants' Report", which have been prepared in accordance with International Financial Reporting Standards, or IFRS.

Our summary combined statement of operations for the six months ended June 30, 2006 has been derived from our unaudited combined financial statements included elsewhere in Appendix I — "Accountants' Report" to this Prospectus. We have prepared the unaudited combined financial statements on the same basis as our audited combined financial statements. The unaudited financial information includes all adjustments, consisting only of normal and recurring adjustments, that we consider necessary for a fair presentation of our financial position and operating results for the period presented.

We have incurred, and expect to continue incurring, significant share-based compensation expenses. See footnote (1) below for a breakdown of our share-based compensation expenses and "Directors and Senior Management" starting on page 177.

Summary Historical Combined Income Statement Data

	Year ended December 31,			Six months ended June 30,	
	2004	2005	2006	2006	2007
				(unaudited)	
	(in thousands of RMB)				
Revenue					
International marketplace	254,765	527,227	991,869	431,481	695,398
China marketplace	104,670	211,070	371,993	162,156	260,965
Others	—	—	—	—	1,353
Total	359,435	738,297	1,363,862	593,637	957,716
Cost of revenue(1)	(62,569)	(126,509)	(237,625)	(109,131)	(122,717)
Gross profit	296,866	611,788	1,126,237	484,506	834,999
Sales and marketing expenses(1)(2)	(194,773)	(393,950)	(610,198)	(299,034)	(307,428)
Product development expenses(1)(2)	(19,151)	(35,678)	(105,486)	(47,256)	(58,278)
General and administrative expenses(1)(2)	(57,639)	(101,082)	(159,969)	(59,820)	(88,432)
Other operating (loss) income, net	(426)	14,465	17,645	800	1,190
Profit from operations	24,877	95,543	268,229	79,196	382,051
Interest income	3,591	7,876	23,159	10,340	17,699
Profit before income taxes	28,468	103,419	291,388	89,536	399,750
Income tax credits (charges)	45,393	(32,965)	(71,450)	(28,253)	(104,543)
Profit for the year/period attributable to equity owners	73,861	70,454	219,938	61,283	295,207

Notes:

(1) Includes share-based compensation expenses, which are allocated as follows:

	Year ended December 31,						Six months ended June 30,			
	2004		2005		2006		2006		2007	
	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue
							(unaudited)			
	(in thousands of RMB, except percentages)									
Cost of revenue	1,936	0.5%	8,766	1.2%	23,335	1.7%	13,258	2.2%	6,207	0.7%
Sales and marketing expenses	5,259	1.5	26,920	3.6	50,068	3.7	21,975	3.7	21,517	2.2
Product development expenses	1,382	0.4	5,126	0.7	16,344	1.2	7,727	1.3	6,582	0.7
General and administrative expenses	2,838	0.8	8,079	1.1	24,157	1.8	10,442	1.8	20,183	2.1
Total share-based compensation expenses	11,415	3.2%	48,891	6.6%	113,904	8.4%	53,402	9.0%	54,489	5.7%

(2) Includes expenses of Alibaba Group not related to the B2B business as follows:

	Year ended December 31,						Six months ended June 30,			
	2004		2005		2006		2006		2007	
	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue
							(unaudited)			
	(in thousands of RMB, except percentages)									
Sales and marketing expenses	—	—	35,959	4.9%	83,186	6.1%	58,661	9.9%	—	—
Product development expenses	—	—	1,414	0.2	6,748	0.5	3,705	0.6	—	—
General and administrative expenses	9,594	2.7%	29,972	4.0	47,573	3.5	18,818	3.2	—	—
Total	9,594	2.7%	67,345	9.1%	137,507	10.1%	81,184	13.7%	—	—

Summary Historical Combined Balance Sheet Data

	As of December 31,			As of June 30,
	2004	2005	2006	2007
	(in thousands of RMB)			
Non-current assets	99,828	218,837	330,167	367,658
Current assets	527,852	1,260,434	1,714,514	1,994,735
Total assets	627,680	1,479,271	2,044,681	2,362,393
Current liabilities				
Deferred revenue and customer advances	374,606	749,204	1,216,818	1,465,739
Others	119,232	492,777	645,149	798,393
Total current liabilities	493,838	1,241,981	1,861,967	2,264,132
Non-current liabilities				
Deferred revenue	14,046	35,509	37,146	58,519
Total liabilities	507,884	1,277,490	1,899,113	2,322,651
Total equity	119,796	201,781	145,568	39,742
Total liabilities and equity	627,680	1,479,271	2,044,681	2,362,393

SUMMARY HISTORICAL OPERATING INFORMATION

The following table sets forth the number of our registered users and paying members as of the dates indicated:

	As of December 31,			As of June 30,	
	2004	2005	2006	2006	2007
International marketplace					
Registered users	1,165,911	1,949,741	3,115,153	2,457,807	3,621,623
Gold Supplier members	6,435	12,192	18,682	15,516	22,018
International TrustPass members	5,015	7,791	10,843	9,730	10,959
China marketplace					
Registered users	4,840,641	9,019,214	16,649,073	12,963,774	20,933,290
China TrustPass members	66,472	121,631	189,573	158,073	222,576

PROFIT FORECAST FOR THE YEAR ENDING DECEMBER 31, 2007

All statistics in this table are based on the assumption that no options or RSUs are granted under the Share Option Scheme or the RSU Scheme, respectively.

Forecast consolidated profit attributable to equity owners of the Company for the year ending December 31, 2007(1)	Not less than RMB622.0 million
Unaudited pro forma forecast earnings per Share(2)	Not less than RMB0.12

Notes:

(1) The bases and assumptions on which the above profit forecast has been prepared are set out in Appendix III to this prospectus.

(2) The calculation of the pro forma forecast earnings per Share is based on the forecast consolidated profit attributable to equity owners of our Company for the year ending December 31, 2007, assuming that the Global Offering was completed on January 1, 2007 and a total of 5,052,356,500 Shares had been issued and outstanding during the entire year.

OFFER STATISTICS

All statistics in this table are based on the assumptions that no options are granted under the Share Option Scheme and no RSUs are granted under the RSU Scheme.

	Based on an Offer Price of HK$12.00 per Share	Based on an Offer Price of HK$13.50 per Share
Market capitalization(1)	HK$60,628 million	HK$68,207 million
Prospective price/earnings multiple on a pro forma basis(2)(4)	94.5 times	106.3 times
Pro forma adjusted net tangible asset value per Share(3)(4) . . .	HK$0.53	HK$0.59

Notes:

(1) The calculation of market capitalization is based on 5,052,356,500 Shares expected to be issued and outstanding following the Global Offering but takes no account of the options which may be granted under the Share Option Scheme or RSUs which may be granted under the RSU Scheme.

(2) The calculation of the prospective price/earnings multiple on a pro forma basis is based on the pro forma forecast earnings per Share and the respective Offer Prices of HK$12.00 per Share and HK$13.50 per Share.

(3) The pro forma adjusted net tangible asset value per Share is arrived at after the adjustments referred to in the section entitled "Financial Information — Unaudited Pro Forma Adjusted Net Tangible Assets" on page 127 of this prospectus and on the basis of 5,052,356,500 Shares in issue and the respective Offer Prices of HK$12.00 per Share and HK$13.50 per Share.

(4) The translation of Renminbi amounts into Hong Kong dollars has been made at the rate of RMB0.9693 to HK$1.00. No representation is made that the Renminbi amounts have been, could have been or could be converted to Hong Kong dollars, or vice versa, at that rate, or at any rate or at all.

DIVIDEND AND DIVIDEND POLICY

In 2004 and 2006, we declared dividends of RMB33.1 million and RMB392.5 million, respectively. We did not declare or pay any dividends in 2005. See note 13 to our combined financial information included in Appendix I — "Accountants' Report".

We currently have no intention of paying any dividends after the completion of the Global Offering. However, the determination to pay dividends will be made at the discretion of our board of directors and will be based on our profits, cash flows, financial condition, capital requirements and other conditions that our board of directors deems relevant. The payment of dividends may be limited by legal restrictions and agreements that we may enter into in the future.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering ranging from approximately HK$2,620 million (assuming an Offer Price of HK$12.00 per Share, being the lower end of the estimated Offer Price range) to HK$2,952 million (assuming an Offer Price of HK$13.50 per Share, being the higher end of the estimated Offer Price range), after deducting the underwriting commissions (excluding any incentive fees that may be paid to the Joint Bookrunners) and estimated expenses payable by us in relation to the Global Offering.

Assuming we receive the estimated net proceeds as described above, we may allocate:

- approximately 60% of net proceeds to us (approximately HK$1,572 million to HK$1,771 million) for strategic acquisitions and business development initiatives including (as of the date of this prospectus, we have not allocated the estimated net proceeds among the following):
  - the acquisition of companies and businesses which offer complementary products and services, increased user or paying member base, expanded market coverage or other strategic, operational or financial benefit (as of the date of this prospectus, we have not identified any acquisition targets);
  - the development or acquisition of technologies that will further enhance our technology platform; and
  - alliance initiatives to enhance our brand and expand our strategic relationships;
- approximately 20% of net proceeds to us (approximately HK$524 million to HK$591 million) to grow our existing business both in China and internationally;
- approximately 10% of net proceeds to us (approximately HK$262 million to HK$295 million) to purchase computer equipment and development of new technologies; and
- the remaining net proceeds of approximately 10% (approximately HK$262 million to HK$295 million) to fund working capital and other general corporate purposes.

We estimate the net proceeds of the Global Offering to the Selling Shareholder ranging from approximately HK$7,278 million (assuming an Offer Price of HK$12.00 per Share) to HK$8,201 million (assuming an Offer Price of HK$13.50 per Share), after deducting the underwriting commissions (excluding any incentive fees that may be paid to the Joint Bookrunners) and estimated expenses payable by the Selling Shareholder in relation to the Global Offering and assuming the Over-Allotment Option is not exercised. In the event that the Over-Allotment Option is exercised in full, the Selling Shareholder will receive additional net proceeds ranging from approximately HK$1,330 million (assuming an Offer Price of HK$12.00 per Share) to HK$1,496 million (assuming an Offer Price of HK$13.50 per Share). We will not receive any of the net proceeds of the Global Offering from the sale of the Shares by the Selling Shareholder.

RISK FACTORS

There are certain risks relating to an investment in our Shares. These can be categorized into: (i) risks related to our business and industry; (ii) risks related to our corporate structure; (iii) risks related to China; and (iv) risks related to the Global Offering. A detailed discussion of the risk factors is set forth in the section entitled “Risk Factors”.

Risks Related to Our Business and Industry

- We derive the majority of our revenue from Chinese exporters, and factors that adversely affect Chinese exporters or the Chinese export market could have a material adverse effect on our business, financial condition, results of operations and prospects.

- A slowdown in the Chinese economy could significantly reduce domestic trade in China, which would reduce demand for our services and products.

- We may not be able to maintain our historical growth rates or profit margins, and our operating results may fluctuate significantly. If our results fall below market expectations, the trading price of our Shares may decline significantly.

- Our marketplaces will become less attractive to our registered users and our revenue and profit would decrease materially if we are unable to maintain a critical mass of suppliers and buyers in our marketplaces.

- Our continued growth depends on our ability to maintain our reputation as a trusted medium for suppliers and buyers to meet, communicate and facilitate business transactions.

- Loss of our right to use the "Alibaba" brand names, or unauthorized use of the "Alibaba" brand names by third parties as well as expenses incurred in protecting the value of the "Alibaba" brand names and maintaining and enhancing brand recognition of our company, may significantly reduce our revenue and profitability.

- We do not own most of the trademarks for the "Alibaba" brand names and rely on licensing arrangements with Alibaba Group for the use of these brand names. Moreover, upon the occurrence of a "change in control" event, we may be obligated to transfer back to Alibaba Group certain trademarks and domain names assigned to Alibaba Hangzhou by Alibaba Group or make substantial payments to Alibaba Group.

- We have experienced turnover among our paying members in the past. Our business, financial condition and results of operations could be materially and adversely affected if we are unable to replace non-renewing paying members with new paying members.

- Pursuing our growth strategies could strain our management, operational and other resources, which could materially and adversely affect our business and prospects.

- The expansion of our international operations poses complex foreign currency, management, legal, tax and economic risks.

- Our business is subject to intense competition, which may reduce demand for our services and products.

- We depend on the continued growth of the Internet, e-commerce and online marketing industries.

- Our corporate culture has contributed to our success, and we cannot assure you that we will be able to maintain this culture as we continue to grow.

- We depend on key personnel, and our business may be severely disrupted if we lose their services and our reputation may be adversely affected if they become the subject of negative publicity.

- If we are unable to attract, motivate and retain employees, our growth may suffer.

- Our business and brand image may be harmed by fraud or intellectual property right infringement committed by our users and substandard or potentially controversial products and services provided by suppliers, and we may be subject to vicarious product liability claims for defective products sold by our users.

- We may encounter difficulties in protecting our intellectual property rights.

- We have been in the past, and may in the future, be exposed to infringement or misappropriation claims by third parties that, if determined adversely against us, could cause us to pay significant damages.

- Our operations could be disrupted by unexpected network interruptions caused by system failures and natural disasters as well as unauthorized tampering with or security breaches of our system.

- The successful operation of our business depends on the performance and reliability of the Internet infrastructure, and interruptions to Internet access could materially and adversely affect our business, financial condition and results of operations.

- Rapid technological change or industry developments may have a material adverse effect on our business, financial condition, results of operations and prospects.

- We may need additional capital and we may not be able to obtain it, which could adversely affect our liquidity and financial position.

- We may undertake investments, acquisitions, licensing arrangements and partnerships which may not be successful, and may have a material adverse effect on our ability to manage our business.

- Evaluating our business and prospects may be difficult because of the limited experience with our company being operated as a stand-alone entity.

- We may be named as a co-defendant in claims against Alibaba Group or Yahoo!, which may harm our business and reputation or cause negative publicity that could impact the trading price of our Shares.

Risks Related to Our Corporate Structure

- Our corporate actions are substantially controlled by our parent company, and the interests of our parent company and its shareholders may not be aligned with the interests of our other shareholders.

- Failure by Alibaba Group to meet its obligations under certain arrangements entered into with us in connection with our Reorganization could have a material adverse effect on our business and prospects.

- If the PRC government determines that our contractual arrangements with Alibaba Hangzhou do not comply with applicable PRC laws, rules and regulations, or if there are changes in applicable laws, rules and regulations or their interpretation or implementation, our business could be materially and adversely affected.

- Our contractual arrangements with Alibaba Hangzhou and its shareholders may not be as effective in providing control over these entities as direct ownership.

- The interests of the shareholders of Alibaba Hangzhou may conflict with our interests.

- Contractual or other arrangements among our affiliates may be subject to scrutiny by the PRC tax authorities, and a finding that we or our subsidiaries or affiliates owe additional taxes could substantially reduce our profitability and the value of your investment.

- We rely to a significant extent on dividends and other distributions on equity paid by our principal operating subsidiaries to fund cash and financing requirements, and limitations on the ability of our principal operating subsidiaries to pay dividends to us could have a material adverse effect on our ability to conduct our business.

Risks Related to China

- Changes in PRC economic, political and social conditions, as well as government policies, could have a material adverse effect on our business, financial condition, results of operations and prospects.

- Uncertainties with respect to the PRC legal system could have a material adverse effect on us.

- Regulation of the Internet and e-commerce industry by the PRC government may significantly disrupt our business and subject us to liability for information listed on our China marketplace website.

- The discontinuation of any of the preferential tax treatments or the financial incentives currently available to our subsidiaries in the PRC or any change to their tax status could reduce our profitability.

- The implementation of the PRC Enterprise Income Tax Law may significantly increase our income tax expenses and materially decrease our profitability or otherwise adversely affect the value of your investment.

- Fluctuation in the exchange rates of the Renminbi may have a material adverse effect on your investment.

- Governmental control over currency conversion may affect the value of your investment and limit our ability to utilize our cash effectively.

- PRC regulations relating to the establishment of offshore special purpose companies by PRC residents may subject our PRC resident shareholders or our PRC subsidiaries to liabilities or penalties, limit our ability to inject capital into our PRC subsidiaries or limit the ability of our PRC subsidiaries to distribute profits to us.

- Failure to comply with PRC regulations in respect of the registration of our PRC citizen employees' share options and restricted share units may subject such employees or us to fines and legal or administrative sanctions.

- You may experience difficulty in effecting service of legal process, enforcing foreign judgments or bringing original actions in China based on foreign laws against us and our directors and senior management.

- Adverse public health developments in the future may severely disrupt our business and operations.

Risks Related to the Global Offering

- There has been no prior public market for our Shares and an active trading market for our Shares may not develop.

- The trading price of our Shares may be volatile, which could result in substantial losses to you.

- The sale or availability for sale of substantial amounts of our Shares could adversely affect their trading price.

- As the initial public offering price is substantially higher than the pro forma net tangible book value per Share, you will incur immediate and substantial dilution. In addition, you will experience further dilution to the extent that our Shares are issued upon the exercise of share options or pursuant to our RSU Scheme.

- We strongly caution you not to place any reliance on any information contained in press articles or other media regarding us and the Global Offering.

STRUCTURE CONTRACTS

Current PRC laws and regulations limit foreign investment in businesses providing value-added telecommunications services (including the provision of Internet information services) in China. See "Supervision and Regulation" starting on page 168. As a foreign-invested enterprise, our wholly-owned subsidiary, Alibaba China, does not have a license to provide Internet information services in China. Accordingly, we operate the website for our China marketplace through Alibaba Hangzhou, a PRC limited liability company owned by Jack Ma (80%), our lead founder and chairman, and Simon Xie (20%), one of our founders and directors. Our PRC legal counsel, Fangda Partners, has confirmed that no approval or license is required under PRC laws for Messrs. Ma and Xie to hold their equity interests in Alibaba Hangzhou. See "Our History and Reorganization — Structure Contracts" starting on page 66.