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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)**

**(1) REVISION OF ANNUAL CAP FOR  
CONTINUING CONNECTED TRANSACTIONS  
AND  
(2) RENEWAL OF EXISTING CONTINUING CONNECTED  
TRANSACTIONS**

**REVISION OF ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the announcement of the Company dated March 31, 2020 in relation to the existing continuing connected transactions contemplated under the 2020 Entertainment Works Cooperation Framework Agreement.

Based on the information currently available to the Board, the Board anticipates that the Original Annual Cap will not be sufficient to meet the business needs. Accordingly, the Board proposed to revise the Original Annual Cap from RMB55 million to RMB90 million.

**RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the Announcements relating to the existing continuing connected transactions contemplated under the Existing Agreements.

As the Existing Agreements will expire on March 31, 2023, the Company (or its consolidated entity) entered into the Framework Agreements on March 28, 2023 to renew the existing continuing connected transactions under the Existing Agreements.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement,

- (1) Alibaba Holding is the ultimate shareholder of Ali CV, which is a controlling shareholder and a connected person of the Company holding approximately 50.0007% of the issued share capital of the Company;
- (2) Ant Group is indirectly held by Alibaba Holding as to more than 30% of its equity interest and Alipay is a wholly-owned subsidiary of Ant Group;
- (3) Youku Information is a consolidated entity of Alibaba Holding;
- (4) Youku Technology is an indirect wholly-owned subsidiary of Alibaba Holding;
- (5) Hangzhou Cainiao is an indirect non-wholly-owned subsidiary of Alibaba Holding.

Therefore, each of them is an associate of Ali CV and thus a connected person of the Company. The transactions contemplated under the 2020 Entertainment Works Cooperation Framework Agreement, the EBC Cost Reimbursement Framework Agreement and each of the Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54(1) of the Listing Rules, if the Company proposes to revise the annual cap for continuing connected transactions, the Company have to re-comply with provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

Pursuant to Rule 14A.54(2) of the Listing Rules, if the Company proposes to renew continuing connected transactions, the Company will have to re-comply with provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

As one or more applicable percentage ratios calculated with reference to (i) the Revised Annual Cap for the transactions contemplated under the 2020 Entertainment Works Cooperation Framework Agreement and (ii) the highest annual cap for the transactions contemplated under: (a) each of the Framework Agreements; and (b) the EBC Cost Reimbursement Framework Agreement are more than 0.1% but less than 5%, those transactions are subject to the reporting and announcement requirements, but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **REVISION OF ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the announcement of the Company dated March 31, 2020 in relation to the existing continuing connected transactions contemplated under the 2020 Entertainment Works Cooperation Framework Agreement.

Based on the information currently available to the Board, the Board anticipates that the existing annual cap in respect of the total fees payable by Alibaba Group to the Group in respect of the transactions contemplated under the 2020 Entertainment Works Cooperation Framework Agreement for the financial year ending March 31, 2023 (the “Original Annual Cap”) will not be sufficient to meet the business needs. Accordingly, the Board proposed to revise the Original Annual Cap from RMB55 million to RMB90 million (the “Revised Annual Cap”).

Save for the revision of the Original Annual Cap, the pricing policy and other terms of the 2020 Entertainment Works Cooperation Framework Agreement remain unchanged. Details of the terms of the 2020 Entertainment Works Cooperation Framework Agreement are set out in the announcement of the Company dated March 31, 2020.

The Revised Annual Cap is determined after taking into account (i) the unaudited historical transaction amount of approximately RMB46.2 million for the ten months ended January 31, 2023 (representing approximately 84% of the Original Annual Cap); and (ii) an increase in demand for products pursuant to the 2020 Entertainment Works Cooperation Framework Agreement as a result of activities recently launched by relevant member(s) of Alibaba Group. As at the date of this announcement, the Original Annual Cap has not been exceeded.

The Directors (including the independent non-executive Directors) consider that the transactions contemplated under the 2020 Entertainment Works Cooperation Framework Agreement (including the Revised Annual Cap) are on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the Announcements relating to the existing continuing connected transactions contemplated under the Existing Agreements.

As the Existing Agreements will expire on March 31, 2023, the Company (or its consolidated entity) entered into the Framework Agreements on March 28, 2023 to renew the existing continuing connected transactions under the Existing Agreements. Details are set out below:

**2023 ENTERTAINMENT WORKS COOPERATION FRAMEWORK AGREEMENT**

**Date** : March 28, 2023

**Parties** : (1) Shouquanbao  
(2) Youku Technology

**Term** : April 1, 2023 and ending on March 31, 2026

**Subject matter and pricing basis**

The Relevant Group Members and the Relevant Youku Technology Members may cooperate with respect to the Entertainment Works in the following aspects (the “Entertainment Works Cooperation”):

(1) Grant or Transfer of the Rights

The Relevant Group Members or the Relevant Youku Technology Members may grant or transfer the Rights and the right to sub-grant or sub-transfer the Rights to each other (or their respective partners).

- (i) For the Rights of developing derivative commodities to be used by the parties to the 2023 Entertainment Works Cooperation Framework Agreement

License fees shall be determined based on one of the pricing bases: (a) the basic license fees; or (b) sharing of the sales income; or (c) the combination of the basic license fees and sharing of the sales income, where:

- “basic license fees” shall be the fixed amount of license fees to be determined after arm’s length negotiations between the parties with reference to, among others, the popularity and notability of the Entertainment Works, type(s) of derivative commodities to be developed and the estimated sales volume; and
- “sharing of sales income” shall be: (a) a percentage (ranging from 4% to 80%) of the total income derived from the sales of derivative commodities; or (b) a fixed amount per item derived from the sales of derivative commodities, either of which is determined after arm’s length negotiations between the parties with reference to, among others, the popularity and notability of the Entertainment Works and scope of licensing; or (c) a percentage (ranging from 10% to 70%) of the net income derived from the sales of derivative commodities.

- (ii) For the Rights of developing derivative commodities to be sub-granted or sub-transferred by the parties to third parties

License fees shall be determined based on one of the pricing bases: (a) the basic license fees; (b) sharing of sales income; (c) the combination of the basic license fees and sharing of sales income as set out in paragraph (i) above, or (d) a percentage (ranging from 20% to 80%) of the license fees receivable by the grantee or transferee from such third party after deducting actual costs incurred for the purpose of the cooperation with those third parties. Such percentage shall be determined after arm's length negotiations between the parties with reference to, among others, the popularity and notability of the Entertainment Works, scope of licensing and labour costs of the grantee or transferee.

- (iii) For the Rights of marketing and spatial decoration

License fees shall be a fixed amount to be determined after arm's length negotiations between the parties with reference to, among others, the prevailing market rates, the fees charged by the grantee or transferee to independent third parties for similar cooperation, and the popularity and notability of the Entertainment Works.

## (2) Advertising Design Services and Marketing Services

The Relevant Group Members or the Relevant Youku Technology Members may engage each other to provide advertising design services or marketing services and may outsource any part of the work to any third parties.

- (i) In the case when the Relevant Group Members or the Relevant Youku Technology Members (as the case may be) cooperate, whether directly or indirectly, with independent third parties due to the provision of the design or marketing services provided by the other, fees shall be determined based on a percentage (ranging from 10% to 80%) of the income payable by such independent third parties, with reference to, among others, the importance to facilitate the cooperation with the independent third parties.
- (ii) In other cases, fees shall be determined based on one of the pricing bases: (a) the actual costs incurred for providing the relevant services plus a mark-up (ranging from 5% to 200%), to be determined after arm's length negotiations between the parties with reference to, among others, the profit margin for similar services, the required delivery time and overall cooperation scale; or (b) the prevailing market rates of such services, subject to discounts or incentives, which are typically offered to independent third parties (if any) under the same conditions.

(3) Product Design Services and Production Services

The Relevant Group Members or the Relevant Youku Technology Members may engage each other to provide product design services or produce any derivative commodities and any other products.

Fees shall be determined based on the actual production costs plus a mark-up (ranging from 5% to 200%) to be determined with reference to, among others, the gross profit margin for producing products of specific specification, order size, the production time required, delivery arrangements and cost of labour and materials.

(4) Purchase of Products and Consignment Services

(i) The Relevant Group Members or the Relevant Youku Technology Members may purchase derivative commodities and any other products in connection with the Entertainment Works from each other. The purchase prices for those products shall be determined after arm's length negotiations between the parties with reference to among others, their face value, or the prevailing market rates, and the purchase volume.

(ii) The Relevant Group Members and the Relevant Youku Technology Members may sell the consigned derivative commodities and any other products in connection with the Entertainment Works for each other. The fees for the consignment services shall be determined based on a percentage (ranging from 5% to 80%) of the actual income generated from the sales of consigned products as a result of the consignment services, with reference to, among others, the term of cooperation, resources involved and transaction amount of the consigned products.

(5) Embedded Advertising Services

The Relevant Group Members or the Relevant Youku Technology Members may provide or facilitate each other with the placement of advertising of their brands, products or any other items in the Entertainment Works (the "Embedded Advertising Services"). The fees for the Embedded Advertising Services shall be determined based on the fee proposals offered by the Relevant Group Members or the Relevant Youku Technology Members (as the case may be) to independent third parties and any other factors including, among others, term of cooperation and the fees typically charged for comparable services for similar Entertainment Works.

(6) Agency Services

The Relevant Youku Technology Members or the Relevant Group Members may procure third parties to enter into any agreement(s) with each other with respect to any businesses, including the grant of the Right(s) and the provision of the Embedded Advertising Services. The fees for the agency services shall be determined based on: (a) a fixed fee; or (b) a percentage (ranging from 10% to 80%), of the total fees payable by those third parties to the Relevant Group Members or the Relevant Youku Technology Members (as the case may be) pursuant to such agreement(s), to be determined after arm's length negotiations between the parties with reference to, among others, the service quality, products' popularity and third parties' brand influence.

(7) Live Event Management Services

The Relevant Youku Technology Members or the Relevant Group Members may provide services in relation to the Live Event Management Projects to each other.

- (i) In the case when the Relevant Group Members or the Relevant Youku Technology Members (as the case may be) outsource all or part of the Live Event Management Project(s) to each other, the fees shall be determined based on a percentage (ranging from 5% to 95%) of the total actual income of the Live Event Management Project(s), with reference to, among others, the proportion of the actual expenses incurred for the outsourced works to the total expenses of the Live Event Management Project(s), the scale of the Live Event Management Project(s), time and resources required.
- (ii) In the case when the Relevant Group Members or the Relevant Youku Technology Members (as the case may be) provide any services pertaining to the execution of any live events, including organization, production, management, marketing, design, choreographic, recording and related services in relation to the Live Event Management Project(s) to each other (or their business partners), the fees shall be calculated on the basis of the actual costs for the provision of the services in relation to the Live Event Management Projects plus a mark-up (ranging from 1% to 30%), to be determined after arm's length negotiations between the parties with reference to, among others, the difficulty and complexity of the Live Event Management Project(s), work scope, number of suppliers, working hours and service quality.

(8) Ticketing Services

The Relevant Youku Technology Members or the Relevant Group Members may engage each other to provide the Ticketing Services for the Live Event Management Projects. The fees for the Ticketing Services shall be determined based on the pricing policy made available in public (which is applicable to connected persons or non-connected persons), subject to better terms which are typically offered to independent third parties (if any) under the same conditions.

(9) Investment Cooperation

The Relevant Group Members and the Relevant Youku Technology Members may jointly invest in any of the Live Event Management Projects. The investment income shall be determined based on the percentage of the Relevant Youku Technology Members' and the Relevant Group Members' investment in, or the actual costs incurred for, the Live Event Management Project(s).

(10) Business Entrustment Services

The Relevant Group Members or the Relevant Youku Technology Members may entrust each other to operate any part of the businesses, including sales of derivatives commodities and business development (the “Entrust Businesses”). The fees for the Business Entrustment Services shall be determined based on one of the pricing bases: (i) a percentage (ranging 10% to 50%), of the total income generated from the Entrust Businesses, to be reasonably determined with reference to, among others, the popularity of the Entrust Businesses, the service term, resources required, sales generated from the Entrust Businesses, agency fees and labour costs; (ii) a percentage (ranging from 10% to 80%), of the net income generated from the Entrust Businesses, to be reasonably determined with reference to, among others, the popularity of the Entrust Businesses, the service term, resources required, sales generated from the Entrust Businesses, agency fees and labour costs (in the case sales of derivative commodities, the net income shall be determined after deducting the procurement and logistics costs); or (iii) the actual costs incurred for the provision of the business entrustment services plus a mark-up (ranging from 10% to 60%) to be determined after arm's length negotiations between the parties with reference to, among others, profit margin for offering similar services in the market, delivery time, the scale of the cooperation, agency fees and labour costs.



(11) Technical and other related services

The Relevant Youku Technology Members or the Relevant Group Members may carry out business(es) on the e-commerce platform(s) operated by each other and provide technical and other related services to each other. The fees for the provision of technical and other related services shall be determined based on the pricing policy published on their respective e-commerce platform(s), subject to any better terms which are typically offered to independent third parties (if any) under the same conditions.

**Reasons and Benefits for the Renewal**

Youku Technology operates Youku Platform, which has a large user base that was built through its variety shows and drama series. By leveraging Youku Technology’s IP resources, the Group can expand the scope of its IP-based operations. By leveraging the Group’s strength in the field of derivative commodities, the cooperation between the Group and Youku Technology under the 2023 Entertainment Works Cooperation Framework Agreement could create an upstream-to-downstream synergy for derivative commodities and IPs, promoting a win-win situation for both parties.

**2023 ADVERTISING SERVICES AND IP COMMERCIALIZATION COOPERATION FRAMEWORK AGREEMENT**

**Date** : March 28, 2023

**Parties** : (1) Shanghai Alibaba Pictures  
(2) Youku Technology

**Term** : April 1, 2023 and ending on March 31, 2024 (which, upon expiration of such term, is automatically renewed for a successive period of one year subject to compliance with the requirements of the Listing Rules)

**Subject matter and pricing basis**

The Relevant Group Members may (1) provide the Advertising Services to the Relevant Youku Technology Members; (2) authorize the Relevant Youku Technology Members to use IP rights of the Relevant Group Members’ (or their partners’) audiovisual works for IP investment and commercialization (the “IP Commercialization Cooperation”).

- (i) The fees in respect of the Advertising Services payable by the Relevant Youku Technology Members to the Group shall be based on a percentage of at least 70% of the total advertising fees paid by the Relevant Youku Technology Members' customers.
- (ii) The fees in respect of the IP Commercialization Cooperation payable by the Relevant Youku Technology Members to the Group shall be determined based on a percentage of at least 70% of the total income generated from the IP Commercialization Cooperation, to be determined with reference to, among others, commercial value of the audiovisual works, which in turn is determined with reference to, among others, the popularity, notability and quality of those audiovisual works.

In the case where the Relevant Youku Technology Members have engaged channel agent(s) for the above services/cooperation, such percentage is fixed at 70%; where they have not engaged any channel agent, such percentage is fixed at 90%.

### **Payment terms**

The fees in respect of the IP Commercialization Cooperation and the Advertising Services shall be settled within two months upon confirmation of the monthly bill (or such other period which the parties may agree in the definitive agreements).

### **Reasons and Benefits for the Renewal**

Youku Technology operates Youku Platform, which has a large base of customers including well-known brands and benefits from having advertising sales teams with extensive experience in the cultural and entertainment industry. In light of the overlapping client bases between Youku Platform and the Group's platforms and channels (such as the online ticketing platform "Tao Piao Piao"), the transactions contemplated under the 2023 Advertising Services and IP Commercialization Cooperation Framework Agreement could maximize the use of, and the commercial value of, the Group's platforms and channels with less resources from the Group.

### **2023 COOPERATION FRAMEWORK AGREEMENT**

**Date** : March 28, 2023

**Parties** : (1) Beijing Fanni  
(2) Youku Information

**Term** : April 1, 2023 and ending on March 31, 2026

## **Subject matter and pricing basis**

The Relevant Group Members and the Relevant Youku Information Members may cooperate in the following aspects:

### **(1) Production Services**

The Relevant Youku Information Members, the parties to the 2023 Cooperation Framework Agreement and/or any other investors of the programmes, movies and/or dramas may engage the Relevant Group Members to produce the programmes, movies and/or dramas (the “Production Services”) and the production fees are determined based on (i) relevant labour costs, to be determined with reference to, among others, the number and capabilities of the crew and the prevailing market rates corresponding to their professional capabilities; and (ii) a mark-up (ranging from 5% to 25%) of the production costs, to be determined with reference to, among others, the expected and/or actual quality rating of the programmes, movies and/or dramas (as the case may be) to be determined by the Scoring System and/or any other criteria, which the parties may agree.

### **(2) Programmes-related Commercial Development Services**

The Relevant Youku Information Members may entrust the Relevant Group Members to introduce customers for placement of advertisements, or commercial development, in relation to any programmes to be broadcasted on Youku Platform (collectively, the “Programmes-related Commercial Development Services”). Fees in respect of the Programmes-related Commercial Development Services are determined based on a percentage (ranging from 10% to 50%), of the total income to be generated from the Programmes-related Commercial Development Services, to be determined with reference to, among others, (i) in the case of placement of advertisements, difficulty in procuring the placement and market influence of the programmes; and (ii) in the case of commercial development, the number of customers, the estimated transaction amount, the impact of the commercial development on the quality, production costs and quality rating of the programmes, the implementation costs and comparable prices from any third party.

## **Reasons and Benefits for the Renewal**

Youku Information is experienced in providing business solutions and its affiliate operates Youku Platform, which has a large user base in the PRC. Cooperation with the Relevant Youku Information Members will allow the Group to better integrate its high quality content with the Youku Platform, such that the content could be made available to more users, therefore strengthening the Group’s market competitiveness in content production as well as facilitating the Group’s business growth.

**2023 PAYMENT SERVICES FRAMEWORK AGREEMENT**

**Date** : March 28, 2023

**Parties** : (1) the Company  
(2) Alipay

**Term** : April 1, 2023 and ending on March 31, 2026

**Subject matter and pricing basis**

The Group may request the Payment Services, comprising TPP Platform Payment Services, Alibaba Group Domestic Platforms Payment Services and other payment services, from Alipay from time to time in accordance with the terms and conditions of the 2023 Payment Services Framework Agreement.

The service fees payable by the Group to Alipay for the TPP Platform Payment Services shall be calculated based on the actual usage of those services by the Group and the standard service fee rate of Alipay with certain discount, which shall not be more than 1% of the transaction amount (tax inclusive) and shall be determined upon arm’s length negotiations by the relevant parties and would be on normal commercial terms.

The service fees payable by the Group to Alipay for the Alibaba Group Domestic Platforms Payment Services shall be calculated based on the relevant standard service fee rate of Alipay to its independent customers on respective Alibaba Group Domestic Platforms, which is adjusted and published by Alipay on the official website of Alipay and/or the relevant Alibaba Group Domestic Platforms from time to time.

The service fees payable by the Group to Alipay for the other payment services contemplated under the 2023 Payment Services Framework Agreement shall be calculated based on the relevant standard service fee rate of Alipay to its independent customers, which is adjusted and published by Alipay on its official website from time to time.

**Payment terms**

For TPP Platform Payment Services, the parties shall reconcile and confirm the actual amount of service fees on a monthly basis. The Group shall pay the corresponding amount of service fees to Alipay upon receipt of the value-added tax invoices issued by Alipay.

For Alibaba Group Domestic Platforms Payment Services, the service fees shall be deducted by and paid to Alipay directly from the transaction amounts received by the Group from the third parties or paid by the Group to the third parties for the corresponding transactions conducted on the Alibaba Group Domestic Platforms.

For other payment services, the service fees shall be deducted by and paid to Alipay directly from the corresponding settlement amounts in respect of the transactions requiring such payment services.

**Reasons and Benefits for the Renewal**

Alipay is one of the largest third-party digital payment solution providers in China. Given its large user base and strong technology capabilities, the Group believes that the services provided by Alipay are conducive to the development and promotion of the Group’s online business. Security and reliability in transaction are highly valued by the Group, and Alipay has demonstrated excellence in such areas in its operating history. It is expected that the Group will continue to use Alipay’s services in the foreseeable future.

**2023 WAREHOUSING AND LOGISTICS SERVICES FRAMEWORK AGREEMENT**

- Date** : March 28, 2023
- Parties** : (1) Tianjin Duanhe  
(2) Hangzhou Cainiao
- Term** : April 1, 2023 and ending on March 31, 2026

**Subject matter and pricing basis**

The Relevant Tianjin Duanhe Members may procure the following services from the Relevant Hangzhou Cainiao Members (the “Warehousing and Logistics Services”):

- (1) Warehousing Services

The Relevant Hangzhou Cainiao Members may provide the Relevant Tianjin Duanhe Members with (a) warehousing and management services, including warehouse management, goods acceptance, checking and other daily warehouse management services; (b) order processing and sorting services, including sorting, distributing, reviewing and/or printing of orders and packaging of goods; and (c) documentation services, including receipt custody and provision of standard reports (collectively, the “Warehousing Services”).

The fees payable by the Relevant Tianjin Duanhe Members to the Relevant Hangzhou Cainiao Members for the Warehousing Services shall be calculated based on (i) the actual costs (e.g. warehouse rent, labour and equipment costs) incurred by the Relevant Hangzhou Cainiao Members for provision of relevant Warehousing Services plus a mark-up of not more than 20%, which shall be determined with reference to, among others, the prevailing profit rate of similar services available in the market, delivery time requirements and overall cooperation scale; or (ii) the corresponding prevailing market rates for specific Warehousing Services to be charged by the Relevant Hangzhou Cainiao Members.

(2) Distribution Services

The Relevant Hangzhou Cainiao Members may provide the Relevant Tianjin Duanhe Members with distribution chain management services for express delivery or transportation (the “Distribution Services”), such as waybill printing and affixing, sorting and packaging, and parcel delivery arrangement.

The fees payable by the Relevant Tianjin Duanhe Members to the Relevant Hangzhou Cainiao Members for the Distribution Services shall be calculated based on (i) the actual costs (e.g. labour and administrative costs) incurred by the Relevant Hangzhou Cainiao Members for provision of relevant Distribution Services plus a mark-up ranging from 2% to 20%, which shall be determined with reference to, among others, the weight of the goods and the travel distance; or (ii) the corresponding prevailing market rates for specific Distribution Services to be charged by the Relevant Hangzhou Cainiao Members.

(3) Packaging Services

The Relevant Hangzhou Cainiao Members may provide the Relevant Tianjin Duanhe Members with goods packaging services (the “Packaging Services”) with specified materials including paper boxes, tapes, self-adhesive bags, plastic bags, labels and other consumable materials.

The fees payable by the Relevant Tianjin Duanhe Members to the Relevant Hangzhou Cainiao Members for the Packaging Services shall be calculated based on (i) the actual costs (e.g. cost of consumable materials and relevant labour cost) incurred by the Relevant Hangzhou Cainiao Members for provision of relevant Packaging Services plus a mark-up ranging from 2% to 20%, which shall be determined with reference to, among others, the type and quantity of consumed materials; or (ii) the corresponding prevailing market rates for specific Packaging Services to be charged by the Relevant Hangzhou Cainiao Members.

(4) System Services

The Relevant Hangzhou Cainiao Members may provide the Relevant Tianjin Duanhe Members with warehousing management system support and related services (the “System Services”), including system matching, information management and system development services.

The fees payable by the Relevant Tianjin Duanhe Members to the Relevant Hangzhou Cainiao Members for the System Services shall be calculated based on (i) the actual costs (e.g. labour and administrative costs) incurred by the Relevant Hangzhou Cainiao Members for provision of relevant System Services plus a mark-up of not more than 20%, which shall be determined with reference to, among others, the service time and complexity; or (ii) the corresponding prevailing market rates for specific System Services to be charged by the Relevant Hangzhou Cainiao Members.

(5) Training Services

The Relevant Hangzhou Cainiao Members may provide the Relevant Tianjin Duanhe Members with training on e-commerce operation process (the “Training Services”), including warehouse operation process and logistics system.

The fees payable by the Relevant Tianjin Duanhe Members to the Relevant Hangzhou Cainiao Members shall be calculated based on (i) the actual costs (e.g. labour and administrative costs) incurred by the Relevant Hangzhou Cainiao Members for provision of relevant Training Services plus a mark-up of not more than 20%, which shall be determined with reference to, among others, the duration of training, the number of participants and the complexity of the training; or (ii) the corresponding prevailing market rates for specific Training Services to be charged by the Relevant Hangzhou Cainiao Members.

(6) Customer Services

The Relevant Hangzhou Cainiao Members may provide the Relevant Tianjin Duanhe Members with customer support services (the “Customer Services”), including abnormal order processing, warehousing appointment and express in-warehousing services.

The fees payable by the Relevant Tianjin Duanhe Members to the Relevant Hangzhou Cainiao Members shall be calculated based on (i) the actual costs (e.g. labour and administrative costs) incurred by the Relevant Hangzhou Cainiao Members for provision of relevant Customer Services plus a mark-up of not more than 20%, which shall be determined with reference to, among others, time spent and complexity of the relevant Customer Services; or (ii) the corresponding prevailing market rates for specific Customer Services to be charged by the Relevant Hangzhou Cainiao Members.

(7) Value-added and other services

The Relevant Hangzhou Cainiao Members may provide the Relevant Tianjin Duanhe Members with other value-added and other services including sales/purchase return services, complimentary packaging services, bar code affixing services, repackaging services (including collective packing and unpacking), quality inspection services, loading and unloading services, order interception services, inter-warehouse transfer services, insurance services and other warehousing and logistics related services.

The fees payable by the Relevant Tianjin Duanhe Members to the Relevant Hangzhou Cainiao Members for the value-added and other services shall be calculated based on the corresponding prevailing market rates for the relevant services to be charged by the Relevant Hangzhou Cainiao Members.

If any of the Packaging Services, the System Services, the Training Services and the Customer Services is/are procured as ancillary service(s) of the Warehousing Services and/or the Distribution Services, those ancillary services may not be charged separately.

**Payment terms**

The service fees may be settled and paid by the Relevant Tianjin Duanhe Members to the Relevant Hangzhou Cainiao Members on a monthly, quarterly or yearly basis according to the parties' mutual agreement.

**Reasons and Benefits for the Renewal**

The Group has launched its pop toys business and thus requires warehousing and logistics services to meet its demand for launching pop toys offline experience store(s) and further expanding its pop toys business. Considering the experience and capability of the Relevant Hangzhou Cainiao Members in providing warehousing and logistics services for toy products, the Group believes that the Relevant Hangzhou Cainiao Members are capable of providing high-quality and stable warehousing and logistics services to meet the Group's relevant business needs.



## **EBC COST REIMBURSEMENT FRAMEWORK AGREEMENT**

### **Subject matter and pricing basis**

On September 29, 2022, the Company and Alibaba Holding entered into the EBC Cost Reimbursement Framework Agreement with an initial term ending on March 31, 2023 (which upon expiration of such initial term, is automatically renewed for a successive period of one year subject to compliance with the requirements of the Listing Rules). Pursuant to the EBC Cost Reimbursement Framework Agreement, Alibaba Holding may allocate to the Company, and the Company may allocate to Alibaba Holding, the EBC costs associated with the relevant unvested awards held by any grantees (whose employment is transferred to the Group or the AGH Entities, as the case may be) and each party may reimburse the other party the amount in respect of the relevant vested awards (the “EBC Cost Reimbursement”).

As such initial term will expire on March 31, 2023, the Board proposes to re-comply with provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions, such that the EBC Cost Reimbursement Framework Agreement will be automatically renewed on April 1, 2023 for a term of one year commencing from April 1, 2023 and ending on March 31, 2024 in accordance with the terms of such agreement.

Save for the renewed term above and the annual cap for the year ending March 31, 2024 below, the pricing policy and all other terms of the EBC Cost Reimbursement Framework Agreement remain unchanged. Details of the terms of the EBC Cost Reimbursement Framework Agreement are set out in the announcement of the Company dated September 29, 2022.

### **Reasons and Benefits for the Renewal**

Each of Alibaba Holding and the Company is committed to providing their employees with a nurturing work environment that supports personal growth and therefore allows internal transfers between the Group and the AGH Entities. As equity-based awards are vital to attract, incentivize and retain those employees, each of them has introduced, and intends to continue, the arrangement contemplated under the EBC Cost Reimbursement Framework Agreement allowing the grantees to retain their awards after the internal transfers and allocating their EBC costs to the relevant entity to which such grantee has joined.

## **DEFINITIVE AGREEMENTS AND PAYMENT TERMS**

The parties to each Framework Agreement may, subject to the relevant annual caps, from time to time enter into definitive agreements which set out the detailed terms (including payment terms and settlement method) of the transactions contemplated under each Framework Agreement, unless otherwise disclosed above. The terms of the definitive agreements will be negotiated on an arm’s length basis by the relevant parties.

## HISTORICAL TRANSACTION AMOUNTS AND ANNUAL CAPS

The historical transaction amounts and annual caps for the transactions contemplated under the Framework Agreements are set out in the table below:

	(RMB' million)					
	For the year ended March 31,		For the ten months ended January 31,	For the year ending March 31,		
	2021	2022	2023 <i>(unaudited)</i>	2024	2025	2026
(1) Total fees in respect of the Entertainment Works Cooperation payable by the Relevant Youku Technology Members to the Group	9.2	7.1	46.2	90	100	110
(2) Total fees in respect of the Entertainment Works Cooperation payable by the Group to the Relevant Youku Technology Members	15.1	6.9	25.6	45	49	53
(3) Total fees in respect of the Advertising Services and the IP Commercialization Cooperation	N/A	14.7	6.5	10	N/A	N/A
(4) Total fees in respect of the provision of Production Services and the Programmes-related Commercial Development Services	2.1	7.7 <i>(Note)</i>	6.2	12	13	14
(5) Total fees payable by the Group to Alipay in respect of the provision of the Payment Services	36.2	39.5	23.5	45	50	55
(6) Total fees payable by the Group to the Relevant Hangzhou Cainiao Members in respect of the provision of the Warehousing and Logistics Services	N/A	2.2	2.9	10	11	12
(7) Transaction amount associated with the AGH Group Awards	N/A	N/A	57.6	36.0	N/A	N/A
(8) Transaction amount associated with the Group Awards	N/A	N/A	9.1	6.0	N/A	N/A

*Note:* For the avoidance of doubt, the number is adjusted by excluding the transaction amount in respect of part of the continuing connected transactions contemplated under the 2020 Cooperation Framework Agreement which were not renewed on April 1, 2023.

## **Entertainment Works Cooperation**

Annual Caps for the total fees in respect of the Entertainment Works Cooperation payable by the Relevant Youku Technology Members to the Group are determined with reference to (i) the historical transaction amounts for the two years ended March 31, 2022 and the ten months ended January 31, 2023 and the expected transaction amounts for the two months ending March 31, 2023; (ii) the expected growth and resume of the entertainment industry in Mainland China; (iii) the expected increase in demand for the Group's derivative products and marketing services; (iv) development and business plans of the parties; and (v) certain buffer of the corresponding maximum transaction amount to accommodate future unexpected demand for the services/products.

Annual caps for the total fees in respect of the Entertainment Works Cooperation payable by the Group to the Relevant Youku Technology Members are determined with reference to: (i) the historical transaction amounts for the two years ended March 31, 2022 and the ten months ended January 31, 2023 and the expected transaction amounts for the two months ending March 31, 2023; (ii) the expected growth and resume of the entertainment industry in Mainland China; (iii) the further cooperation between the parties in respect of the licensing businesses and other businesses; (iv) scale of merchandization with respect to the Entertainment Works of similar genres; (v) development and business plans of the parties; and (vi) certain buffer of the corresponding maximum transaction amount to accommodate future unexpected demand for the services/products.

The above information is based on the assumptions that the business scale of the Entertainment Works Cooperation will grow steadily and is only estimated by the Company for the purpose of arriving at those annual caps, which is subject to change due to market conditions in the PRC and implementation of the relevant business plan of the Group and Youku Technology.

## **Advertising Services and IP Commercialization Cooperation**

Annual cap for the Advertising Services and IP Commercialization Cooperation is determined with reference to (i) the historical transaction amounts for the two years ended March 31, 2022 and the ten months ended January 31, 2023 and the expected transaction amounts for the two months ending March 31, 2023; (ii) the expected growth and resume of the entertainment industry in Mainland China; (iii) the historical usage and demand for the IP commercialization and advertisements by the Relevant Youku Technology Members and their customers; (iv) the expected demand for advertisements by the Relevant Youku Technology Members' customers on other comparable platforms; and (v) certain buffer of the corresponding maximum transaction amount to accommodate future unexpected demand for the services/cooperation. The above information is based on the assumptions that the demand for the Advertising Services and IP Commercialization Cooperation will grow steadily and is only estimated by the Company for the purpose of arriving at those annual caps, which is subject to change due to market conditions in the PRC and implementation of the relevant business plan of the Group and Youku Technology.

## **Production Services and Programmes-related Commercial Development Services**

Annual caps for the provision of Production Services and the Programmes-related Commercial Development Services are determined with reference to (i) the historical transaction amounts for the two years ended March 31, 2022 and the ten months ended January 31, 2023 and the expected transaction amounts for the two months ending March 31, 2023; (ii) the expected growth and resume of the entertainment industry in Mainland China; (iii) an expected increase in the genre and number of programmes; (iv) production budget and the production crew; and (v) certain buffer of the corresponding maximum transaction amount to accommodate future unexpected demand for the services. The above information is based on the assumptions that the demand for the services contemplated under the 2023 Cooperation Framework Agreement will grow steadily and is only estimated by the Company for the purpose of arriving at those annual caps, which is subject to change due to market conditions in the PRC and implementation of the relevant business plan of the Group and Youku Information.

## **Payment Services**

Annual caps for the Payment Services are determined with reference to (i) the historical transaction amounts for the two years ended March 31, 2022 and the ten months ended January 31, 2023 and the expected transaction amounts for the two months ending March 31, 2023; (ii) the expected usage and demand for the Payment Services during the term of the 2023 Payment Services Framework Agreement, which is estimated based on historical usage, current business needs of the Group and an anticipated increase in the transaction volume; and (iii) the applicable service fee rate currently published by Alipay and a certain percentage of buffer for potential increment in the rates chargeable by Alipay. The above information is based on the assumptions that the demand for the Payment Services contemplated under the 2023 Payment Services Framework Agreement will grow steadily and is only estimated by the Company for the purpose of arriving at those annual caps, which is subject to change due to market conditions in the PRC and implementation of the relevant business plan of the Group and Alipay.

## **Warehousing and Logistics Services**

Annual caps for the Warehousing and Logistics Services are determined with reference to (i) the historical transaction amounts for the two years ended March 31, 2022 and the ten months ended January 31, 2023 and the expected transaction amounts for the two months ending March 31, 2023; (ii) the estimated annual demand for the Warehousing and Logistics Services of the Relevant Tianjin Duanhe Members during the term of the 2023 Warehousing and Logistics Services Framework Agreement; (iii) the potential growth of the relevant businesses of the Relevant Tianjin Duanhe Members that require the warehousing and logistics services; and (iv) a certain buffer provided for potential increased cooperation between the parties. The above information is based on the assumptions that the demand for the Warehousing and Logistics Services contemplated under the 2023 Warehousing and Logistics Services Framework Agreement will grow steadily and is only estimated by the Company for the purpose of arriving at those annual caps, which is subject to change due to market conditions in the PRC and implementation of the relevant business plan of the Group and Hangzhou Cainiao.

## **EBC Cost Reimbursement**

Annual cap for the transaction amount associated with the AGH Group Awards is determined with reference to (i) the historical transaction amount associated with the AGH Group Awards for the ten months ended January 31, 2023; (ii) the number of grantees transferred and expected to be transferred from the AGH Entities to the Group; and (iii) the total number and the fair market value of the relevant AGH Group Awards.

Annual cap for the transaction amount associated with the Group is determined with reference to (i) the historical transaction amount associated with the Group Awards for the ten months ended January 31, 2023; (ii) the number of grantees transferred and expected to be transferred from the Group to the AGH Entities; and (iii) the total number and the fair market value of the relevant Group Awards. The above information is based on the assumptions that there is no material increase in the number of grantees to be transferred from the Group or the AGH Entities (as the case may be).

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement,

- (1) Alibaba Holding is the ultimate shareholder of Ali CV, which is a controlling shareholder and a connected person of the Company holding approximately 50.0007% of the issued share capital of the Company;
- (2) Ant Group is indirectly held by Alibaba Holding as to more than 30% of its equity interest and Alipay is a wholly-owned subsidiary of Ant Group;
- (3) Youku Information is a consolidated entity of Alibaba Holding;
- (4) Youku Technology is an indirect wholly-owned subsidiary of Alibaba Holding;
- (5) Hangzhou Cainiao is an indirect non-wholly-owned subsidiary of Alibaba Holding.

Therefore, each of them is an associate of Ali CV and thus a connected person of the Company. The transactions contemplated under the 2020 Entertainment Works Cooperation Framework Agreement, the EBC Cost Reimbursement Framework Agreement and each of the Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54(1) of the Listing Rules, if the Company proposes to revise the annual cap for continuing connected transactions, the Company have to re-comply with provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

Pursuant to Rule 14A.54(2) of the Listing Rules, if the Company proposes to renew continuing connected transactions, the Company will have to re-comply with provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

As one or more applicable percentage ratios calculated with reference to (i) the Revised Annual Cap for the transactions contemplated under the 2020 Entertainment Works Cooperation Framework Agreement and (ii) the highest annual cap for the transactions contemplated under: (a) each of the Framework Agreements; and (b) the EBC Cost Reimbursement Framework Agreement are more than 0.1% but less than 5%, those transactions are subject to the reporting and announcement requirements, but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **INFORMATION ABOUT THE PARTIES**

### **The Company, Beijing Fanni, Shanghai Alibaba Pictures, Shouquanbao and Tianjin Duanhe**

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 focuses on developing the full business potential of integration and innovative applications of the Internet and traditional film and television industries. The core business of the Company includes three major segments: content, technology and IP merchandising and commercialization. These segments encompass (i) investment in and production and distribution of entertainment content, such as film and drama series, both domestically and internationally; (ii) digitalization in the entertainment sector, including platform ticketing, digital intelligence business and other technology products; and (iii) centered around content IP, provision of professional services such as IP development and operation, and production and distribution of IP derivatives, respectively.

Beijing Fanni, being a limited liability company established under the laws of the PRC and a consolidated entity of the Company, is principally engaged in the production of programmes.

Shanghai Alibaba Pictures, being a limited liability company established under the laws of the PRC and a consolidated entity of the Company, is principally engaged in investment in, and production of, movies.

Shouquanbao, being a limited liability company established under the laws of the PRC and a consolidated entity of the Company, is principally engaged in provision of advertising services, sales of entertainment related merchandise and derivative commodities and operations of the Alifish Platform.

Tianjin Duanhe, being a limited liability company established under the laws of the PRC and a consolidated entity of the Company, is principally engaged in the design, production and sales of cultural and entertainment goods and products.

### **Alibaba Holding, Ant Group, Alipay, Hangzhou Cainiao, Youku Information and Youku Technology**

Alibaba Holding is a company incorporated in the Cayman Islands with its American depositary shares, each representing eight ordinary shares, listed on the New York Stock Exchange (stock symbol: BABA), and its ordinary shares listed on the Main Board of the Stock Exchange (stock code: 9988). Alibaba's mission is to "make it easy to do business anywhere". Alibaba aims to build the future infrastructure of commerce and envisions that its customers will meet, work and live at Alibaba, and that it will be a good company that will last for 102 years. Its businesses are comprised of China commerce, International commerce, Local consumer services, Cainiao logistics services, Cloud services, Digital media and entertainment, and Innovation initiatives and others.

Alipay, being a limited liability company established in the PRC and a wholly-owned subsidiary of Ant Group, is principally engaged in providing payment processing service. Alipay is one of the leading players in the online and offline payment markets in the PRC.

Ant Group and together with its ecosystem partners is engaged in businesses that provide inclusive, convenient digital life and digital financial services to consumers and small and medium-sized enterprises, and introduce new technologies and products to support the digital transformation and industrial collaboration worldwide. As at the date of this announcement, Hangzhou Junhan and Hangzhou Junao hold approximately 31.04% and 22.42% (together approximately 53.46%) of Ant Group's total issued shares, respectively. Hangzhou Yunbo is the executive partner and general partner of, and controls, Hangzhou Junhan and Hangzhou Junao. Mr. Jack Ma holds a 34% equity interest in Hangzhou Yunbo and each of Mr. Eric Jing, Mr. Simon Hu and Ms. Fang Jiang holds a 22% equity interest in Hangzhou Yunbo. The remaining 46.54% issued shares in Ant Group is held as to 32.65% by Hangzhou Alibaba Network, an indirect wholly-owned subsidiary of Alibaba Holding, and as to 13.89% by other minority shareholders, each of which holds less than 3% issued shares in Ant Group.

Pursuant to certain agreements entered into in January 2023, there will be changes to the voting structure of Ant Group's major shareholders upon completion of such agreements, and as a result, no direct or indirect shareholder of Ant Group, alone or jointly with other parties, will have control over Ant Group. As at the date of this announcement, completion of such agreements has not taken place and is subject to approval of or filing with relevant government authorities.

Hangzhou Cainiao, a limited liability company established under the laws of the PRC and an indirect non-wholly-owned subsidiary of Alibaba Holding, is primarily engaged in the operation of Cainiao Network, a logistics data platform and global fulfillment network that primarily leverages the capacity and capabilities of logistics partners.

Youku Information, being a limited liability company established under the laws of the PRC and a consolidated entity of Alibaba Holding, is principally engaged in the business of providing online videos in the PRC on Youku Platform.

Youku Technology is one of the leading online video platforms in Mainland China and serves as one of Alibaba Group's key businesses in the digital media and entertainment segment. Youku Platform could be watched on computers, televisions and mobile phones and comprises various types of content, including licensed content, jointly-produced content, self-produced content, user-generated content, professional-generated content and live content.

## **GENERAL**

As each of Mr. Fan Luyuan, Mr. Meng Jun and Mr. Liu Zheng is an employee of Alibaba Holding or its subsidiaries, and Mr. Li Jie is currently taking up a management role in a subsidiary of Alibaba Holding, they are deemed or may be perceived to have a material interest in the transactions contemplated under the 2020 Entertainment Works Cooperation Framework Agreement, the EBC Cost Reimbursement Framework Agreement and the Framework Agreements. Accordingly, they have abstained from voting on the resolutions passed by the Board to approve the Revised Annual Cap under the 2020 Entertainment Works Cooperation Framework Agreement and the transactions contemplated under the Framework Agreements and the EBC Cost Reimbursement Framework Agreement (including the annual cap(s) related thereto). Other than those Directors, no other Directors have a material interest in those agreements and the transactions contemplated thereunder or are required to abstain from voting on the resolutions of the Board approving the same.

In light of the foregoing, the Directors (including the independent non-executive Directors) consider that (a) the transactions contemplated under the Framework Agreements (including the annual cap(s) related thereto) are on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (b) although the transactions contemplated under the EBC Cost Reimbursement Framework Agreement are not in the ordinary course of business of the Group, the transactions thereunder (including the annual cap related thereto) have been negotiated on arm's length basis, on normal commercial terms, and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.



## DEFINITIONS

In this announcement, save as the context otherwise requires, the defined terms shall have the following meanings:

<b>“2020 Cooperation Framework Agreement”</b>	the framework agreement dated September 2, 2020 entered into between the Company and Youku Information
<b>“2020 Entertainment Works Cooperation Framework Agreement”</b>	the framework agreement dated March 31, 2020 entered into between Shouquanbao and Alibaba Holding (as amended by the supplemental agreement dated December 10, 2021)
<b>“2020 Payment Services Framework Agreement”</b>	the framework agreement dated March 26, 2020 entered into between the Company and Alipay
<b>“2021 Advertising Services and IP Commercialization Cooperation Framework Agreement”</b>	the framework agreement dated March 26, 2021 entered into between Shanghai Alibaba Pictures and 上海全土豆文化傳播有限公司 (Shanghai Quan Tudou Cultural Communication Co., Ltd.*) (as amended by the supplemental agreement dated August 6, 2021)
<b>“2021 Warehousing and Logistics Services Framework Agreement”</b>	the framework agreement dated June 17, 2021 entered into between Tianjin Duanhe and Hangzhou Cainiao
<b>“2023 Advertising Services and IP Commercialization Cooperation Framework Agreement”</b>	the framework agreement dated March 28, 2023 entered into between Shanghai Alibaba Pictures and Youku Technology relating to the Advertising Services and the IP Commercialization Cooperation
<b>“2023 Cooperation Framework Agreement”</b>	the framework agreement dated March 28, 2023 entered into between Beijing Fanni and Youku Information relating to the Production Services and the Programmes-related Commercial Development Services
<b>“2023 Entertainment Works Cooperation Framework Agreement”</b>	the framework agreement dated March 28, 2023 entered into between Shouquanbao and Youku Technology relating to the Entertainment Works Cooperation

<b>“2023 Payment Services Framework Agreement”</b>	the framework agreement dated March 28, 2023 entered into between the Company and Alipay relating to the Payment Services
<b>“2023 Warehousing and Logistics Services Framework Agreement”</b>	the framework agreement dated March 28, 2023 entered into between Tianjin Duanhe and Hangzhou Cainiao relating to the Warehousing and Logistics Services
<b>“Advertising Services”</b>	the advertising services provided by the Relevant Group Members to the Relevant Youku Technology Members for placing advertisements (excluding those relating to movies) on the platforms and channels operated by the Relevant Group Members
<b>“AGH Entities”</b>	Alibaba Holding, its subsidiaries and affiliates (other than the Group) (each, an <b>“AGH Entity”</b> )
<b>“AGH Group Awards”</b>	restricted share units, options or any other equity incentive awards of AGH Entities pursuant to their respective equity incentive plans and/or any other EBC plans
<b>“Ali CV”</b>	Ali CV Investment Holding Limited, a company incorporated in the Cayman Islands and the controlling shareholder of the Company and an indirect wholly-owned subsidiary of Alibaba Holding
<b>“Alibaba Group”</b>	Alibaba Holding and its subsidiaries
<b>“Alibaba Group Domestic Platforms”</b>	online platforms operated by Alibaba Group in the PRC under the domain names including but not limited to taobao.com and Tmall.com for third party users, such as brands and retailers
<b>“Alibaba Group Domestic Platforms Payment Services”</b>	the payment services to be provided by Alipay to the Group in accordance with the terms of the 2023 Payment Services Framework Agreement for the transactions conducted between the Group and third parties on the Alibaba Group Domestic Platforms
<b>“Alibaba Holding”</b>	Alibaba Group Holding Limited (阿里巴巴集團控股有限公司), a company incorporated in the Cayman Islands, with its American depositary shares (each representing eight ordinary shares) listed on the New York Stock Exchange (stock symbol: BABA) and its ordinary shares listed on the Main Board of the Stock Exchange (stock code: 9988)

<b>“Alifish Platform”</b>	an IP trading platform of Alibaba Group, whose exclusive operation rights were granted to Shouquanbao on January 15, 2021 for a term of three years
<b>“Alipay”</b>	支付寶(中國)網絡技術有限公司 (Alipay.com Co., Ltd.*), a company established in the PRC with limited liability and a wholly-owned subsidiary of Ant Group
<b>“Announcements”</b>	the announcements of the Company dated (i) March 31, 2020, March 26, 2020, September 2, 2020, March 26, 2021 and June 17, 2021 in relation to the transactions contemplated under the Existing Agreements; and (ii) September 29, 2022 in relation to the EBC Cost Reimbursement Framework Agreement
<b>“Ant Group”</b>	Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), a joint stock company established in the PRC with limited liability and an associate of Alibaba Holding
<b>“associate”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Beijing Fanni”</b>	Beijing Fanni Fanni Culture Media Co., Ltd* (北京蕃尼蕃尼文化傳媒有限公司), a company established in the PRC with limited liability and a consolidated entity of the Company
<b>“Board”</b>	board of Directors
<b>“Business Entrustment Services”</b>	services relating to the Entrust Businesses
<b>“Company”</b>	Alibaba Pictures Group Limited (阿里巴巴影業集團有限公司), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1060)
<b>“connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“controlling shareholder”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Customer Services”</b>	has the meaning ascribed to it under the section headed “2023 Warehousing and Logistics Services Framework Agreement – Subject matter and pricing basis – (6) Customer Services” in this announcement

<b>“Director(s)”</b>	the director(s) of the Company
<b>“Distribution Services”</b>	has the meaning ascribed to it under the section headed “2023 Warehousing and Logistics Services Framework Agreement – Subject matter and pricing basis – (2) Distribution Services” in this announcement
<b>“EBC”</b>	equity-based compensation
<b>“EBC Cost Reimbursement”</b>	has the meaning ascribed to it under the section headed “EBC Cost Reimbursement Framework Agreement – Subject matter and pricing basis” in this announcement
<b>“EBC Cost Reimbursement Framework Agreement”</b>	the framework agreement dated September 29, 2022 entered into between the Company and Alibaba Holding relating to the EBC Cost Reimbursement
<b>“Embedded Advertising Services”</b>	has the meaning ascribed to it under the section headed “2023 Entertainment Works Cooperation Framework Agreement – Subject matter and pricing basis – (5) Embedded Advertising Services” in this announcement
<b>“Entertainment Works”</b>	any work, including dramas, programmes, games, competition, live events, digital humans and any derivative commodities associated with those works
<b>“Entertainment Works Cooperation”</b>	has the meaning ascribed to it under the section headed “2023 Entertainment Works Cooperation Framework Agreement – Subject matter and pricing basis” in this announcement
<b>“Entrust Businesses”</b>	has the meaning ascribed to it under the section headed “2023 Entertainment Works Cooperation Framework Agreement – Subject matter and pricing basis – (10) Business Entrustment Services” in this announcement
<b>“Existing Agreements”</b>	the 2020 Entertainment Works Cooperation Framework Agreement, the 2021 Advertising Services and IP Commercialization Cooperation Framework Agreement, the 2020 Cooperation Framework Agreement, the 2020 Payment Services Framework Agreement and the 2021 Warehousing and Logistics Services Framework Agreement

<b>“Framework Agreements”</b>	the 2023 Entertainment Works Cooperation Framework Agreement, the 2023 Advertising Services and IP Commercialization Cooperation Framework Agreement, the 2023 Cooperation Framework Agreement, the 2023 Payment Services Framework Agreement and the 2023 Warehousing and Logistics Services Framework Agreement
<b>“Group”</b>	the Company and its subsidiaries (each, a <b>“Group Entity”</b> )
<b>“Group Awards”</b>	awarded shares, options or any other equity incentive awards of the Group pursuant to its share award scheme(s), share option scheme(s) and any other EBC plans
<b>“Hangzhou Alibaba Network”</b>	杭州阿里巴巴網絡科技有限公司 (Hangzhou Alibaba Network Technology Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Alibaba Holding
<b>“Hangzhou Cainiao”</b>	Hangzhou Cainiao Supply Chain Management Co., Ltd* (杭州菜鳥供應鏈管理有限公司), a company established in the PRC with limited liability and an indirect non-wholly-owned subsidiary of Alibaba Holding
<b>“Hangzhou Junao”</b>	杭州君澳股權投資合夥企業(有限合夥) (Hangzhou Junao Equity Investment Partnership (Limited Partnership)*), a limited liability partnership established in the PRC
<b>“Hangzhou Junhan”</b>	杭州君瀚股權投資合夥企業(有限合夥) (Hangzhou Junhan Equity Investment Partnership (Limited Partnership)*), a limited liability partnership established in the PRC
<b>“Hangzhou Yunbo”</b>	杭州雲鉞投資諮詢有限公司(Hangzhou Yunbo Investment Consulting Co., Ltd.*), a company established in the PRC with limited liability
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“independent third party(ies)”</b>	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not connected with the Company

<b>“IP”</b>	intellectual property
<b>“IP Commercialization Cooperation”</b>	has the meaning ascribed to it under the section headed “2023 Advertising Services and IP Commercialization Cooperation Framework Agreement – Subject matter and pricing basis” in this announcement
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“Live Event Management Project(s)”</b>	any live events, including but not limited to the marketing activities, live shows, performance and exhibitions
<b>“Original Annual Cap”</b>	has the meaning ascribed to it under the section headed “Revision of the Original Annual Cap under the 2020 Entertainment Works Cooperation Agreement” in this announcement
<b>“Packaging Services”</b>	has the meaning ascribed to it under the section headed “2023 Warehousing and Logistics Services Framework Agreement – Subject matter and pricing basis – (3) Packaging Services” in this announcement
<b>“Payment Services”</b>	the payment services provided by Alipay including TPP Platform Payment Services, Alibaba Group Domestic Platforms Payment Services and other payment services provided from time to time to the Group
<b>“percentage ratio(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“PRC” or “China” or “Mainland China”</b>	the People’s Republic of China
<b>“Production Services”</b>	has the meaning ascribed to it under the section headed “2023 Cooperation Framework Agreement – Subject matter and pricing basis – (1) Production Services” in this announcement
<b>“Programmes-related Commercial Development Services”</b>	has the meaning ascribed to it under the section headed “2023 Cooperation Framework Agreement – Subject matter and pricing basis – (2) Programmes-related Commercial Development Services” in this announcement

<b>“Revised Annual Cap”</b>	has the meaning ascribed to it under the section headed “Revision of the Original Annual Cap under the 2020 Entertainment Works Cooperation Agreement” in this announcement
<b>“Relevant Group Members”</b>	the Company’s consolidated entity signing the relevant Framework Agreement and/or any of its affiliates
<b>“Relevant Hangzhou Cainiao Members”</b>	Hangzhou Cainiao and/or any of its affiliates
<b>“Relevant Tianjin Duanhe Members”</b>	Tianjin Duanhe and/or any of its affiliates
<b>“Relevant Youku Information Members”</b>	Youku Information and/or any of its affiliates
<b>“Relevant Youku Technology Members”</b>	Youku Technology and/or any of its affiliates
<b>“Rights”</b>	the rights of developing derivative commodities, marketing and spatial decoration with respect to the Entertainment Works
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC
<b>“Scoring System”</b>	the scoring system set up by the Relevant Youku Information Member to assess the quality of programmes, dramas and movies
<b>“Shanghai Alibaba Pictures”</b>	上海阿里巴巴影業有限公司 (Shanghai Alibaba Pictures Co., Ltd.*), a company established in the PRC with limited liability and a consolidated entity of the Company
<b>“Share(s)”</b>	ordinary share(s) of HK\$0.25 each in the share capital of the Company
<b>“Shareholder(s)”</b>	holder(s) of the Share(s)
<b>“Shouquanbao”</b>	阿里巴巴授權寶(天津)文化傳播有限公司 (Alibaba Shouquanbao (Tianjin) Culture Communication Co., Ltd.*), a company established in the PRC with limited liability and a consolidated entity of the Company

<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“subsidiary(ies)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“System Services”</b>	has the meaning ascribed to it under the section headed “2023 Warehousing and Logistics Services Framework Agreement – Subject matter and pricing basis – (4) System Services” in this announcement
<b>“Tianjin Duanhe”</b>	Tianjin Duanhe Technology Co., Ltd.* (天津端盒拿趣科技有限公司), a company established in the PRC with limited liability and a consolidated entity of the Company
<b>“Ticketing Services”</b>	ticketing services, including, among others, issue and sales of tickets for the Live Event Management Projects
<b>“TPP Platform Payment Services”</b>	the payment services provided by Alipay for the vendors and customers of the online ticketing platform “Tao Piao Piao”
<b>“Training Services”</b>	has the meaning ascribed to it under the section headed “2023 Warehousing and Logistics Services Framework Agreement – Subject matter and pricing basis – (5) Training Services” in this announcement
<b>“Warehousing and Logistics Services”</b>	has the meaning ascribed to it under the section headed “2023 Warehousing and Logistics Services Framework Agreement – Subject matter and pricing basis” in this announcement
<b>“Warehousing Services”</b>	has the meaning ascribed to it under the section headed “2023 Warehousing and Logistics Services Framework Agreement – Subject matter and pricing basis – (1) Warehousing Services” in this announcement
<b>“Youku Information”</b>	優酷信息技術(北京)有限公司 (Youku Information Technology (Beijing) Co., Ltd*), a company established in the PRC with limited liability and a consolidated entity of Alibaba Holding
<b>“Youku Technology”</b>	北京優酷科技有限公司 (Beijing Youku Technology Co., Ltd.*), a company established in the PRC with limited liability and indirect wholly-owned subsidiary of Alibaba Holding



**“Youku Platform”** one of the leading online video platforms in Mainland China operated by the relevant Youku Technology Member

**“%”** per cent

By order of the Board  
**Alibaba Pictures Group Limited**  
**Fan Luyuan**  
*Chairman & Chief Executive Officer*

Hong Kong, March 28, 2023

As at the date of this announcement, the Board is comprised of Mr. Fan Luyuan, Mr. Li Jie and Mr. Meng Jun as the executive Directors, Mr. Liu Zheng as the non-executive Director and Ms. Song Lixin, Mr. Tong Xiaomeng and Mr. Johnny Chen as the independent non-executive Directors.

\* *For identification purposes only*