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ALIBABA HEALTH INFORMATION TECHNOLOGY LIMITED

阿里健康信息技術有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00241)

**CONTINUING CONNECTED TRANSACTIONS —
(1) RENEWAL OF EXISTING CCT AGREEMENTS AND
(2) ENTERING INTO OF 2025–2027 EBA SETTLEMENT
FRAMEWORK AGREEMENT**

Reference is made to the announcement of the Company dated March 31, 2023 in respect of, among others, the 2024 Outsourced Services Framework Agreement, the 2024 Software Services Framework Agreement, the 2024 Platform Services Framework Agreement, the 2024 Logistics Services Framework Agreement, the 2024 Cloud Computing Services Framework Agreement, the 2024 Shared Services Agreement and the 2024 Payment Services Framework Agreement.

Each of the Existing CCT Agreements will expire on March 31, 2024, and the transactions under the Existing CCT Agreements will continue. Therefore, on March 28, 2024, the Company entered into the Renewed CCT Agreements, each of which has a term commencing from April 1, 2024 and ending on March 31, 2027 (other than the 2025 Cloud Computing Services Framework Agreement and the 2025 Payment Services Framework Agreement, which shall commence from April 1, 2024 and end on March 31, 2025).

On the same date, the Company and Alibaba Holding entered into the 2025–2027 EBA Settlement Framework Agreement for a term commencing from April 1, 2024 and ending on March 31, 2027, pursuant to which: (i) in respect of the AGH Awards held by any grantees whose employment is transferred from Alibaba Holding to a Group Entity, the Company shall reimburse Alibaba Holding the amounts in respect of the relevant AGH Awards; and (ii) in respect of the Group Awards held by any grantees (whose employment is transferred from a Group Entity to Alibaba Holding), Alibaba Holding shall reimburse the Company the amounts in respect of the relevant Group Awards.

As at the date of this announcement, Alibaba Holding is the ultimate controlling shareholder of the Company, and its wholly-owned Subsidiaries, Taobao Holding, Ali JK, Perfect Advance and Alibaba Investment, are shareholders of the Company. As Alibaba Holding directly or indirectly Controls or is the ultimate shareholder of each of the members of the AGH Relevant Entities, Alibaba.com Group, Taobao China and Alibaba Cloud, each relevant member is an associate of Alibaba Holding and hence a connected person of the Company. Further, as Ant Group is indirectly held by Alibaba Holding as to more than 30% of its equity interest and both Alipay China and Alipay Singapore are wholly-owned Subsidiaries of Ant Group, each of Ant Group, Alipay China and Alipay Singapore is an associate of Alibaba Holding and thus a connected person of the Company. Moreover, as Hangzhou Cainiao is an indirect non-wholly-owned Subsidiary of Alibaba Holding, each of the members of Cainiao Group is also a connected person of the Company. Therefore the transactions contemplated under each of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement constitute continuing connected transactions of the Company in accordance with the Listing Rules.

Since each of the applicable percentage ratios calculated with reference to the respective annual caps under each of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement is less than 5%, the transactions contemplated thereunder are subject to reporting, annual review, and announcement requirements, but are exempt from the circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated March 31, 2023 in respect of, among others, the 2024 Outsourced Services Framework Agreement, the 2024 Software Services Framework Agreement, the 2024 Platform Services Framework Agreement, the 2024 Logistics Services Framework Agreement, the 2024 Cloud Computing Services Framework Agreement, the 2024 Shared Services Agreement and the 2024 Payment Services Framework Agreement.

Each of the Existing CCT Agreements will expire on March 31, 2024, and the transactions under the Existing CCT Agreements will continue. Therefore, on March 28, 2024, the Company entered into the Renewed CCT Agreements, each of which has a term commencing from April 1, 2024 and ending on March 31, 2027 (other than the 2025 Cloud Computing Services Framework Agreement and the 2025 Payment Services Framework Agreement, which shall commence from April 1, 2024 and end on March 31, 2025).

On the same date, the Company and Alibaba Holding entered in to the 2025–2027 EBA Settlement Framework Agreement for a term commencing from April 1, 2024 and ending on March 31, 2027.

The principal terms of each of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement, together with information on these agreements that is required to be disclosed under the Listing Rules, are set out below:

THE 2025–2027 OUTSOURCED SERVICES AGREEMENT

Date

March 28, 2024

Parties

- (1) Alibaba Health Subsidiaries
- (2) Tmall Entities

Term

The 2025–2027 Outsourced Services Agreement shall have a term of three (3) years from April 1, 2024 to March 31, 2027, unless otherwise terminated in accordance with its terms.

Services to be provided

Pursuant to the terms of the 2025–2027 Outsourced Services Agreement, the Alibaba Health Subsidiaries will procure the Company to provide the Tmall Entities with the following outsourced and value-added services (i.e. the “**Outsourced Services**”) to the Outsourced Tmall Merchants under the Outsourced Services Categories:

- (i) merchants’ business development, including researching, analyzing, gathering and tracking domestic and foreign health market trends and policy updates;
- (ii) merchants’ customer services, including providing helpline support for merchants in the process of admission to the Tmall Platforms and general operational questions; optimizing the commodity search function; assisting merchants in analyzing consumer behaviour data, updating merchants on any latest business information and rules, marketing activities planning, business risks, as well as collecting feedback and suggestions from merchants to improve overall services to merchants;
- (iii) marketing event planning for merchants, including planning and organizing marketing events for merchants, organizing merchants to participate in events, designing and building event webpage interfaces, planning customer discount programs and conducting consumer data analysis;
- (iv) technical support, including providing technical support on product and store information display, transaction completion processes, use of payment tools and consumer service tools; and

- (v) assistance to the Tmall Entities with merchants' admissions, merchants' business operations, merchants' management and product quality control functions, including assisting with formulating rules that govern merchants' operation, reviewing documents required for merchants' admission and formulating and implementing quality control rules and conducting regular inspections.

The Tmall Entities will continue to have primary responsibility for all work and business decisions pertaining to Outsourced Tmall Merchants' admissions, Outsourced Tmall Merchants' business operations and product quality control functions, including signing and reviewing contracts with Outsourced Tmall Merchants, reviewing product information and images displayed by the Outsourced Tmall Merchants and providing technology infrastructure, and the Alibaba Health Subsidiaries will procure the Company to assist with the execution of business decisions made by the Tmall Entities.

Service fees, pricing terms and payment terms

The Tmall Entities shall, subject to special operational and management arrangements as may be agreed by the Tmall Entities and the Company (including but not limited to merchant recruitment, marketing activities, risk management, operational and product customization), pay the Company service fees amounting to 21.5% of the real-time deducted software service fees paid by the Outsourced Tmall Merchants from Tmall to the Tmall Entities in respect of the value of completed sales of products or services under the Outsourced Services Categories. The service fees shall be paid in cash on a monthly basis. The service fees were determined with reference to, among other things, the operating costs expected to be incurred by the Company in providing the services including staff costs, forecast marketing and promotional activities and technical support expenses. The terms of the 2025–2027 Outsourced Services Agreement are fair, on normal commercial terms which are determined on arm's length basis and are no more favourable to the Tmall Entities than those offered to independent third parties.

Reasons and Benefits for the Renewal

In respect of the 2025–2027 Outsourced Services Agreement, the Outsourced Services remain within the existing skill set of the Group as it has been developing its own pharmaceutical e-commerce, internet healthcare and intelligent medicine businesses. The service fees to be received under the 2025–2027 Outsourced Services Agreement will continue to be one of the steady growing sources of revenue for the Company. Together with the rapid growth of the Company's pharmaceutical direct sales business, and given the potential of such innovative new businesses of intelligent healthcare and health management services, the Outsourced Services provided under the 2025–2027 Outsourced Services Agreement serve as another revenue source of the Group.

THE 2025–2027 SOFTWARE SERVICES FRAMEWORK AGREEMENT

Date

March 28, 2024

Parties

- (1) The Company (for itself and on behalf of its Subsidiaries and associates)
- (2) Taobao China (for itself and on behalf of its Subsidiaries and associates)

Term

The 2025–2027 Software Services Framework Agreement shall have a term of three (3) years from April 1, 2024 to March 31, 2027, unless otherwise terminated in accordance with its terms.

Services to be provided

Pursuant to the 2025–2027 Software Services Framework Agreement, the Group shall provide Taobao China Companies with medical and healthcare-related e-commerce platform operational and maintenance related software services (i.e. the “**Software Services**”) for merchants selling products and/or offering services under the Software Services Categories on the Tmall Platforms through channels and mini-programs operated by Taobao China Companies. The Software Services involve, among others, the merchants admission system, the product quality control system and the merchants operational and maintenance services system, which perform various functions including but not limited to tracking market trends and updating merchants on material policy updates, merchants business operation and management such as reviewing the product information and images displayed by merchants, reviewing the documents required for merchants’ admission, formulating and implementing quality control rules, customer services for merchants including providing helpline support and assisting merchants in optimizing search for their products, collating and analysing consumer behaviour data, and other ancillary support services.

Service fees, pricing terms and payment terms

Taobao China Companies shall pay the Group service fees in accordance with the software service fee rate of the transaction amount for the services and/or products sold under the Software Service Categories as amended and published from time to time on the Tmall Platforms or the supplemental agreements entered into with such merchants and; underlying standard agreements as amended from time to time or otherwise agreed by the parties, which currently amount to 1% to 10% of the technical service fees paid by the merchants selling products and/or offering services under the Software Services Categories on the Tmall Platforms to Taobao China Companies in respect of the value of completed sales of products and/or services under the Software Services Categories

generated on the Tmall Platforms. The service fees will be automatically deducted from the fees received from the relevant merchants after the relevant customer confirms the receipt of the products and/or services purchased under the Software Services Categories. The service fees were determined based on arm's length negotiation with Taobao China Companies with reference to, among other things, the operating costs expected to be incurred by the Group in providing the Software Services, including staff costs and technical support expenses. The terms of the 2025–2027 Software Services Framework Agreement are fair, on normal commercial terms which are determined on arm's length basis and are no more favourable to Taobao China Companies than those offered to independent third parties.

Reasons and Benefits for the Renewal

The Group has been developing its own pharmaceutical e-commerce, internet healthcare and intelligent medicine businesses throughout the years and therefore, the Group is able to leverage on its expertise and capabilities on e-commerce platform maintenance related software and other ancillary support and services to provide efficient and reliable software solutions to merchants on the Tmall Platforms. The cooperation between the Group and Taobao China Companies under the 2025–2027 Software Services Framework Agreement not only allows the Group to generate revenue and to better optimize its resources as Alibaba Group's healthcare flagship platform, but also provides marketing opportunities for the Group to expand its product portfolio and broaden its customer base. This enables the Group to capture further market share in view of the rapid growth of the Company's pharmaceutical direct sales business.

THE 2025–2027 PLATFORM SERVICES FRAMEWORK AGREEMENT

Date

March 28, 2024

Parties

- (1) The Company (for itself and on behalf of its Subsidiaries)
- (2) Taobao China (for itself and on behalf of its Subsidiaries and associates)

Term

The 2025–2027 Platform Services Framework Agreement shall have a term of three (3) years from April 1, 2024 to March 31, 2027, unless otherwise terminated in accordance with its terms.

Services to be provided

Pursuant to the 2025–2027 Platform Services Framework Agreement, Taobao China has agreed that the AGH Relevant Entities will provide to the Group the Platform Services based on the actual business needs of the Group, including but not limited to Internet information related software technical services, bonus points system related software technical services, Internet information services, secondary domain name services, promotion platform related software and technical support services, product information display and release services, channel promotion services, other related platform services and other similar or related services provided by the AGH Relevant Entities from time to time. These services relate to the Group’s use of various AGH Platforms to sell healthcare related products and services to consumers and businesses.

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

Service fees, pricing terms and payment terms

The service fees shall be calculated in accordance with the underlying agreements and the standard terms and conditions (as applicable) as amended and published on the respective online platforms operated by the respective AGH Relevant Entities from time to time. As at the date of this announcement, the service fees include without limitation the following major components:

- (i) an upfront guarantee deposit designated by the respective AGH Relevant Entities (different amount of guarantee deposit is applicable to different AGH Platforms or different categories of products or services) (if applicable);
- (ii) a standard annual fee designated by the respective AGH Relevant Entities as amended and published on the Tmall Platforms from time to time (different amount of annual fee is applicable to different categories of products or services) (if applicable), currently being RMB30,000 per Tmall storefront/Tmall Global storefront for the year ending December 31, 2023; and
- (iii) real-time deducted technical service fees calculated as a percentage of the value of sales of products or services sold by the Group of the applicable categories on the AGH Platforms as amended and published from time to time. Currently, the products and services sold by the Group at the relevant storefronts on the AGH Platforms are primarily categorized into over-the-counter drugs, prescription drugs, medical devices and nutritional supplements categories, which are subject to a fee rate ranging from 1% to 10%.

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

The AGH Relevant Entities will ensure that the terms in respect of the Platform Services provided to the Group are fair, on normal commercial terms which are determined on arm's length basis and are no less favourable than the general terms available to other independent third parties. As the standard terms and conditions are amended and published on the respective online platforms operated by the AGH Relevant Entities from time to time, the Company will regularly check that the rates that it is charged is consistent with such published rates.

As the technical service fees or other fees to be charged for the sale of products and services on the AGH Platforms are subject to change by the AGH Relevant Entities and are beyond the Group's control, the Company will seek the Board's approval in the event that there is any material change to the terms of the service fees, including any material increase in the fee rate applicable to the products and services sold by the Group, as amended from time to time, and recompile with the disclosure requirements under the Listing Rules as and when appropriate.

The guarantee deposit shall be payable upon admission to the relevant AGH Platforms. The designated annual fees shall be settled at the beginning of each calendar year and the technical service fees will be settled or deducted immediately after the sale of the relevant products or services. The settlement of the payment handling and international delivery fees and the platform service fees shall be set off against funds received by the AGH Relevant Entities from customers in respect of the transactions conducted on the relevant AGH Platforms.

Reasons and Benefits for the Renewal

The Company believes that by marketing and selling products or services on online sales platforms operated by the AGH Relevant Entities, it will be able to reach out to more customers and improve its understanding of their needs in order to facilitate product circulation along the pharmaceutical and healthcare products retail chain to offer quality products and services at competitive prices.

THE 2025–2027 LOGISTICS SERVICES FRAMEWORK AGREEMENT

Date

March 28, 2024

Parties

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

Term

The 2025–2027 Logistics Services Framework Agreement shall have a term of three (3) years from April 1, 2024 to March 31, 2027, unless otherwise terminated in accordance with its terms.

Services to be provided

Pursuant to the 2025–2027 Logistics Services Framework Agreement, Hangzhou Cainiao has agreed that Cainiao Group will provide the Group with the Logistics Services, including but not limited to warehouse operation and storage services, domestic and international delivery services, customs registration and clearance services, standard and special packaging services, storage and delivery supply chain management services and related system software services and other value-added and logistics-related services provided by Cainiao Group from time to time. Cainiao Group shall provide the Logistics Services to the Group in accordance with the underlying agreements and the standard terms and conditions (as applicable) as amended and published on the respective online platforms operated by Cainiao Group from time to time.

Service fees, pricing terms and payment terms

The service fees shall be calculated and settled in accordance with the underlying agreements and the standard terms and conditions (as applicable) as amended and published on the respective online platforms operated by Cainiao Group from time to time. As at the date of this announcement, the service fees include without limitation the following major components:

- (i) storage fees, which are calculated based on the size of the Group's goods being stored in Cainiao Group's warehouses and are payable monthly. The current applicable storage fees are approximately RMB3 to RMB10 per cubic meter for each applicable day;
- (ii) basic service fees/order processing fees, including delivery fees, which are calculated based on the delivery route, size or weight (whichever results in the higher rate) of the Group's goods being delivered by Cainiao Group, and are payable against each delivery order. The current applicable delivery fees per parcel for domestic and overseas delivery range from approximately RMB2.5 to RMB80 for the first kilogram and approximately RMB2 to RMB50 for each additional kilogram;
- (iii) value-added service fees, depending on the type of value-added services provided, which are calculated based on the quantity of goods requiring the respective value-added services and are currently payable against each delivery order; and

- (iv) disbursement and other incidental costs arising from the Logistics Services, such as tax paid on behalf of the Group by Cainiao Group, which shall be calculated based on the actual amount of disbursement incurred and are currently collected by Cainiao Group against each delivery order.

The service fees (other than the storage fees, which are settled monthly, and the order processing fees, which are settled after each parcel is despatched from the warehouse) are currently settled immediately against the completion of each delivery order.

Hangzhou Cainiao has undertaken to ensure that the terms in respect of the Logistics Services provided to the Group are fair, on normal commercial terms which are determined on arm's length basis and are no less favourable than the terms available to other independent third parties in accordance with the respective standard agreements which are applicable to these customers.

Reasons and Benefits for the Renewal

The Company has been selling pharmaceutical and healthcare products online and requires efficient and reliable logistics services to enable its products to be safely and promptly delivered to its customers. By capitalizing on the logistics data platform and global fulfilment network of Cainiao Group, efficient and reliable domestic and international one-stop-shop logistics services can be provided to its customers for fulfilling their different logistic needs. The Group's pharmaceutical direct sales business has been expanding quickly which leads to an increase in demand for logistics services. By entering into the 2025–2027 Logistics Services Framework Agreement, the Group aims to meet such increasing demand by maintaining stable logistics services for enhancing customers' shopping experience.

THE 2025 CLOUD COMPUTING SERVICES FRAMEWORK AGREEMENT

Date

March 28, 2024

Parties

- (1) Alibaba Health (China) (for itself and on behalf of its Subsidiaries and affiliates)
- (2) Alibaba Cloud (for itself and on behalf of its Subsidiaries and affiliates)

Term

The 2025 Cloud Computing Services Framework Agreement shall have a term of one (1) year from April 1, 2024 to March 31, 2025, unless otherwise terminated in accordance with its terms.

Services to be provided

Pursuant to the 2025 Cloud Computing Services Framework Agreement, Alibaba Cloud has agreed to provide the Group and its affiliates with various cloud computing services and other related services (i.e. the “**Cloud Computing Services**”), according to the needs of the Group and its affiliates.

Service fees, pricing terms and payment terms

The service fees for the Cloud Computing Services shall be calculated and settled in accordance with the standard terms and conditions on the website of Alibaba Cloud as amended by Alibaba Cloud from time to time. For example, the fees for ECS, RDS, OSS, SLB, CDN, OCS, OTS, ODPS, Analytic DB, NAT and voice services shall be calculated based on the actual usage or bandwidth of those services and the relevant per unit Discounted Published Rates or fixed rate (as the case may be) for such services. Such fees will be deducted from the Company’s account based on the actual usage on an hourly or daily basis. The fees for ECS, RDS, Analytic DB, EIP, EDAS, and NAS may be charged on a monthly or yearly basis according to the relevant per unit Discounted Published Rates for such services. The fees for ODPS shall be charged according to the relevant per unit Discounted Published Rates for such services, and if calculated with reference to amount of storage, shall be settled on an hourly basis, or if calculated with reference to computation and downloaded data, shall be settled after completion of each task. Other services including but not limited to video conferencing and SMS text messaging are charged based on a package price with the relevant per unit Discounted Published Rates.

Alibaba Cloud has undertaken to ensure that the service fees and the pricing terms under the 2025 Cloud Computing Services Framework Agreement are fair, on normal commercial terms which are determined on arm’s length basis and are no less favourable than the general terms available to other independent third parties.

Reasons and Benefits for the Renewal

Taking pride in its leadership in the “Internet + Healthcare” industry, the Group places user value as its priority at all times. It actively utilizes the capabilities and service experiences accumulated in the fields of Internet and other technological innovations over the years to empower the strategy of “cloud-based pharmacy”, “cloud-based hospital” and “cloud-based infrastructure”, striving to deliver quality and efficient healthcare services to more users. The Group’s businesses, in particular its product tracking platforms and its intelligent medicine and personal health management services, as well as medical and healthcare big data and artificial intelligence initiatives, leverage on strong calculation and data processing capability by using cloud computing technologies to process ever increasing quantities of big data that can concurrently support hundreds of thousands of users, with sound compatibility, accessibility and security. The Company believes that these businesses will continue to generate a significant amount of traffic and data and will require the maintenance of stable and sophisticated systems that can cater for real-time access to the Group’s customers.

Accordingly, the Group needs technology input on cloud computing and other data processing solutions for processing such big data and for maintaining its systems. Alibaba Cloud is also China's leading provider of public cloud services by revenue in 2020, including Platform as a Service, or PaaS, and IaaS services. Factors such as security and reliability in the handling of healthcare data are also highly valued by the Group, and Alibaba Cloud has demonstrated excellence in such areas in its operating history. By entering into the 2025 Cloud Computing Services Framework Agreement, the Group believes that it will be able to utilize the Cloud Computing Services provided by Alibaba Cloud to ensure smooth operation of its systems and the stability of its various Internet healthcare solutions.

THE 2025–2027 SHARED SERVICES AGREEMENT

Date

March 28, 2024

Parties

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

Term

The 2025–2027 Shared Services Agreement shall have a term of three (3) years from April 1, 2024 to March 31, 2027, unless otherwise terminated in accordance with its terms.

Services to be provided, service fees, pricing terms and payment terms

Pursuant to the 2025–2027 Shared Services Agreement, Alibaba.com has agreed to procure the relevant Alibaba Service Providers to provide certain Shared Services (i.e. service items (i) to (viii) listed below) to the Group, and the Company has agreed that the relevant Alibaba Health Service Providers shall provide certain Shared Services (i.e. service items (v) and (ix) listed below) to Alibaba.com Group. The Shared Services, together with the respective bases of fee calculations, are detailed as follows:

Description of the Shared Services

- (i) Office premises sharing and support services and dining coupon services

Basis for fee calculation

Service fees for sharing of office premises to be calculated on a Prevailing Market Price Basis; and service fees for office support services to be calculated on a Cost-plus Basis

Service fees for dining coupon services to be calculated at cost

| Description of the Shared Services | Basis for fee calculation |
|---|--|
| (ii) Customer service support services | Service fees to be calculated on a Cost-plus Basis |
| (iii) Operational support services, office system operational and maintenance services, Internet information and information related services | Service fees to be calculated on a Cost-plus Basis |
| (iv) Legal, finance, administrative, and product safety related support services | Service fees to be calculated at cost |
| (v) Human resources and personnel transfer related arrangements and reimbursements | Service fees to be calculated at cost |
| (vi) Business intelligence (BI) support services | Service fees to be calculated on a Cost-plus Basis |
| (vii) Purchase support services | Service fees to be calculated based on standard pricing guidelines of the respective party that are applicable to all of such party's customers (including the Group and independent third parties) |
| (viii) Software development and technology services | Service fees to be calculated on a Cost-plus Basis |
| (ix) Supply and/or purchase of products ancillary to the 2025–2027 Shared Services Agreement and/or other related support services | Service fees and/or price of products to be calculated based on standard pricing guidelines of the respective party that are applicable to all of such party's customers (including Alibaba Group and independent third parties) |

where:

“**Prevailing Market Price Basis**” means the fees for the relevant Shared Services shall be determined by the prevailing market price for such services. It is expected that the parties will refer to prevailing rental rates for comparable premises to determine the fees for sharing of office premises.

“**Cost-plus Basis**” means the fees for the relevant Shared Services shall be calculated by multiplying the actual costs for the provision of such services by a margin, which shall be determined by one of the four largest international professional accounting firms as designated by Alibaba.com or the Company (as the case may be), with reference to the applicable tax laws and regulations, comparable transactional information, and in accordance with the principles of arm’s length transactions.

The service fees payable by the Group and/or Alibaba.com Group pursuant to the 2025–2027 Shared Services Agreement shall be billed and settled in cash on a quarterly basis. The terms of the 2025–2027 Shared Services Agreement are fair, on normal commercial terms which are determined on arm’s length basis and are no less favourable than the general terms available to other independent third parties.

Reasons and Benefits for the Renewal

Since some of the Alibaba.com Group’s businesses are complementary to the Group’s pharmaceutical e-commerce, intelligent medicine and product tracking platforms businesses, the 2025–2027 Shared Services Agreement can help enhance utilization and economies of scale of Alibaba.com Group’s operational support resources and, on the other hand, reduce the management and administrative costs of the Group in procuring similar services from a wide range of other providers. As the Group will also provide certain Shared Services to Alibaba.com Group, the Company believes that the 2025–2027 Shared Services Agreement will allow the Company to better leverage on the mature infrastructure and coverage already built by Alibaba.com Group and promote better cooperation between Alibaba.com Group and the Company. In addition, the fees payable for the majority types of the Shared Services are determined based on prevailing market prices or on a cost-plus basis, in which any margin shall be decided annually by internationally recognized professional parties based on applicable tax laws and comparable transactional information. Furthermore, the Company will from time to time review the terms of the services contemplated under the 2025–2027 Shared Services Agreement against the terms and services offered by third party providers and re-assess the commercial desirability of such arrangements.

THE 2025 PAYMENT SERVICES FRAMEWORK AGREEMENT

Date

March 28, 2024

Parties

- (1) The Company (for itself and on behalf of its Subsidiaries)
- (2) Alipay China (for itself and on behalf of its Subsidiaries and affiliates)
- (3) Alipay Singapore (for itself and on behalf of its Subsidiaries and affiliates)

Term

The 2025 Payment Services Framework Agreement shall have a term of one (1) year from April 1, 2024 to March 31, 2025, unless otherwise terminated in accordance its terms.

Services to be provided, service fees, pricing terms and payment terms

Alipay China Companies and Alipay Singapore Companies shall provide payment, settlement and other related services (i.e. the “**Payment Services**”) on the Alibaba Group Platforms to the Group, and the Group shall pay to Alipay China Companies and Alipay Singapore Companies the service fees which shall be calculated in accordance with the standard terms and conditions of Alipay China Companies and Alipay Singapore Companies as amended and published from time to time and published on the websites of the Alipay China Companies and the Alipay Singapore Companies or on the Alibaba Group Platforms or otherwise agreed by the parties. Currently, the service fees are determined based on the volume and the relevant cost of the transactions completed.

Each of the currently applicable service fee rates is not more than 0.6% of the completed transaction amounts. The service fees shall be deducted from the completed transaction amounts immediately upon completion of such transactions. The Group may also be subject to an annual settlement fee, the amount of which will depend on the frequency of settlement (if applicable).

Alipay China and Alipay Singapore have undertaken to ensure that the service fees charged are fair, on normal commercial terms which are determined on arm’s length basis and are no less favourable than the terms available to other independent third parties. The rate of service fees may be adjusted with reference to market conditions and the co-operation between the parties.

Reasons and Benefits for the Renewal

The Company's mission is to build an online community where it will connect participants in the PRC healthcare market. As part of its business, the Company has been marketing and selling products or services online as an online merchant, including on its own websites and on other platforms including those of Alibaba Group and Ant Group and its Subsidiaries. As part of such online business, the Group requires efficient and reliable payment services. Alipay China Companies and Alipay Singapore Companies are one of the leading third-party digital payment solution providers in China, with large user base and strong technology capabilities. Factors such as security and reliability in online transaction are highly valued by the Group, and Alipay China Companies and Alipay Singapore Companies have demonstrated excellence in such areas in its operating history. By entering into the 2025 Payment Services Framework Agreement, the Group will be able to utilize the Payment Services to enable safe and prompt real-time payment for its online transactions.

THE 2025–2027 EBA SETTLEMENT FRAMEWORK AGREEMENT

Date

March 28, 2024

Parties

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

Term

The 2025–2027 EBA Settlement Framework Agreement shall have a term of three (3) years from April 1, 2024 to March 31, 2027, unless otherwise terminated in accordance with its terms.

Arrangements under the 2025–2027 EBA Settlement Framework Agreement

Pursuant to the 2025–2027 EBA Settlement Framework Agreement: (i) in respect of the AGH Awards held by any grantees whose employment is transferred from Alibaba Holding to a Group Entity, the Company shall reimburse Alibaba Holding the amounts in respect of the relevant AGH Awards; and (ii) in respect of the Group Awards held by any grantees (whose employment is transferred from a Group Entity to Alibaba Holding), Alibaba Holding shall reimburse the Company the amounts in respect of the relevant Group Awards.

Payment and settlement terms

The Company and Alibaba Holding may, subject to the relevant annual caps, from time to time enter into specific agreement(s) to set out the detailed terms (including payment and settlement terms) of the transactions contemplated under the 2025–2027 EBA Settlement Framework Agreement. The terms of the specific agreement(s) will be negotiated on an arm’s length basis between the parties. The EBA expenses that either party may allocate and/or settle to the other party under the 2025–2027 EBA Settlement Framework Agreement shall be determined with reference to, among other things: (i) number of the relevant awards (whether vested or unvested); (ii) number of the relevant grantees; (iii) the period in which the employment is transferred; and (iv) the fair market value of the relevant awards as at the grant date or the transfer date, to be reasonably determined by the parties.

Reasons and Benefits for Entering into the 2025–2027 EBA Settlement Framework Agreement

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 Alibaba Holding. As equity-based awards are vital to attract, incentivize and retain those employees, each of them intends to introduce the arrangement contemplated under the 2025–2027 EBA Settlement Framework Agreement allowing the grantees to retain their awards after the internal transfers and allocating their EBA expenses to the relevant entity to which such grantee has joined, with an aim to achieve an equitable re-charging of costs of transferring employees between the Group and Alibaba Holding.

HISTORICAL AMOUNTS AND THE PROPOSED ANNUAL CAPS

The historical transaction amounts for the year ended March 31, 2023, the existing annual caps for the year ending March 31, 2024, the approximate unaudited transaction amounts for the eleven months ended February 29, 2024 based on the unaudited management accounts and the proposed annual caps for the year ending March 31, 2025, March 31, 2026 and March 31, 2027 (as applicable) relating to each of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement are set out below:

| | Approximate historical amounts for the year ended March 31, 2023 (RMB'000) | Existing annual caps for the year ending March 31, 2024 (RMB'000) | Approximate unaudited transaction amounts for the eleven months ended February 29, 2024 based on unaudited management accounts (RMB'000) | Proposed annual caps for the year ending March 31, 2025 (RMB'000) | Proposed annual caps for the year ending March 31, 2026 (RMB'000) | Proposed annual caps for the year ending March 31, 2027 (RMB'000) |
|---|---|---|--|---|---|---|
| 2025–2027 Outsourced Services Agreement | 105,900 | 200,000 | 98,501 | 215,000 | 230,000 | 245,000 |
| 2025–2027 Software Services Framework Agreement | 100,200 | 140,000 | 95,199 | 150,000 | 160,000 | 170,000 |
| 2025–2027 Platform Services Framework Agreement | 267,000 | 600,000 | 287,762 | 630,000 | 670,000 | 710,000 |
| 2025–2027 Logistics Services Framework Agreement | 225,200 | 420,000 | 155,253 | 320,000 | 350,000 | 380,000 |
| 2025 Cloud Computing Services Framework Agreement | 107,000 | 160,000 | 104,260 | 170,000 | N/A | N/A |
| 2025–2027 Shared Services Agreement (in relation to the Shared Services provided to the Group) | 246,700 ⁽¹⁾ | 549,500 ⁽¹⁾ | 264,932 ⁽¹⁾ | 540,000 | 560,000 | 580,000 |
| 2025–2027 Shared Services Agreement (in relation to the Shared Services provided to Alibaba.com Group) | Nil ⁽¹⁾ | 162,000 ⁽¹⁾ | 18,222 ⁽¹⁾ | 20,000 | 20,000 | 20,000 |
| 2025 Payment Services Framework Agreement | 78,800 | 137,000 | 65,203 | 137,000 | N/A | N/A |
| 2025–2027 EBA Settlement Framework Agreement (in relation to the transaction amount associated with the AGH Awards) | N/A ⁽²⁾ | N/A ⁽²⁾ | N/A ⁽²⁾ | 35,000 | 35,000 | 35,000 |
| 2025–2027 EBA Settlement Framework Agreement (in relation to the transaction amount associated with the Group Awards) | N/A ⁽²⁾ | N/A ⁽²⁾ | N/A ⁽²⁾ | 35,000 | 35,000 | 35,000 |

Notes:

- (1) The transaction amounts of (i) approximate historical amounts for the year ended March 31, 2023; (ii) existing annual caps for the year ending March 31, 2024; and (iii) approximate unaudited transaction amounts for the eleven months ended February 29, 2024 based on unaudited management accounts under the 2024 Shared Services Agreement include the transaction amounts in respect of the continuing connected transactions contemplated under the 2025–2027 EBA Settlement Framework Agreement.
- (2) The transaction amounts in respect of the continuing connected transactions contemplated under the 2025–2027 EBA Settlement Framework Agreement were included under the 2024 Shared Services Agreement or the then applicable shared service agreement.

BASIS FOR DETERMINING THE PROPOSED ANNUAL CAPS

The proposed annual cap amounts under the 2025–2027 Outsourced Services Agreement were determined with reference to (i) the historical transaction amount of service fees received by the Group under the 2024 Outsourced Services Framework Agreement; (ii) the Company’s projections for the Outsourced Services Categories for each of the three financial years ending March 31, 2027 based on the expected growth of the corresponding business and the overall healthcare market in the PRC; and (iii) the Company’s marketing plans in relation to enhancing the services that the Company seeks to provide continuously for the pharmaceutical and healthcare products and services e-commerce business of Tmall.

The proposed annual cap amounts under the 2025–2027 Software Services Framework Agreement were determined with reference to (i) the historical transaction amount of the service fees received by the Group under the 2024 Software Services Framework Agreement; (ii) the projected revenue of the Tmall Platforms for the sale of products and/or services under the Software Services Categories by merchants selling under channels and mini programs operated by Taobao China Companies; (iii) the Group’s projection for the sale of products and/or services under the Software Services Categories for each of the three financial years ending March 31, 2027 based on the expected growth of the corresponding business and the overall healthcare market in the PRC; and (iv) the Group’s marketing plans for enhancing Software Services it seeks to provide to the merchants on the Tmall Platforms under the Software Services Categories.

The proposed annual cap amounts under the 2025–2027 Platform Services Framework Agreement were determined with reference to (i) the historical transaction amount incurred under the 2024 Platform Services Framework Agreement; (ii) the expected sales of pharmaceutical and healthcare products and services for each of the three financial years ending March 31, 2027; (iii) the pharmaceutical and healthcare products and services that the Group intends to feature on the AGH Platforms; and (iv) the potential of the future development of pharmaceutical and healthcare products and services business in the PRC.

The proposed annual cap amount under the 2025–2027 Logistics Services Framework Agreement was determined with reference to (i) the historical transaction amount incurred under the 2024 Logistics Services Framework Agreement; (ii) the expected sales of pharmaceutical and healthcare products for each of the three financial years ending March 31, 2027; (iii) the pharmaceutical and healthcare products that the Group intends to feature on the stores and platforms operated by Alibaba Group; and (iv) the potential of the future development of online pharmaceutical and healthcare products sales business.

The proposed annual cap amount under the 2025 Cloud Computing Services Framework Agreement was determined with reference to (i) the historical transaction amount of the service fees paid by the Group under the 2024 Cloud Computing Services Framework Agreement; (ii) the expected business growth of the Group; (iii) the estimated future demand for the cloud computing and other related services; (iv) the fees and discounts agreed by the parties under the 2025 Cloud Computing Services Framework Agreement; and (v) the applicable rates of services currently published by Alibaba Cloud on its official website.

The proposed annual cap amount under the 2025–2027 Shared Services Agreement in relation to the Shared Services provided to the Group by the relevant Alibaba Service Providers was determined with reference to (i) the expected growth of the Group’s businesses and the resulting increase in demand for the shared services; (ii) the historical transaction amount of the service fees and/or purchase price for the purchase of products and/or services under the 2024 Shared Services Agreement; (iii) the expected volume of purchases of products by the Group from Alibaba.com Group; (iv) the prevailing market rates for comparable services offered by other service providers or the estimated costs that would be incurred by the Company in hiring personnel to provide the shared services internally (as applicable); and (v) where the fees are calculated based on prevailing rates charged by the relevant Alibaba Service Providers to independent third party users, the current prevailing rates for such shared services charged by the relevant Alibaba Service Providers.

The proposed annual cap amount under the 2025–2027 Shared Services Agreement in relation to the Shared Services provided to Alibaba.com Group by the relevant Alibaba Health Service Providers was determined with reference to (i) the historical transaction amount of the service fees and/or purchase price for the sales and supply of products and/or services to Alibaba.com Group under the 2025–2027 Shared Services Agreement; (ii) the expected growth in the purchase of medical and healthcare products and related services by Alibaba.com Group from the Group; (iii) the expected growth of Alibaba Holding’s businesses and the resulting increase in demand for certain Shared Services; and (iv) the prevailing market rates for comparable services offered by other service providers in hiring personnel to provide the relevant Shared Services.

The proposed annual cap amount under the 2025 Payment Services Framework Agreement was determined with reference to (i) the historical transaction amount of the service fees paid by the Group under the 2024 Payment Services Framework Agreement; (ii) the amounts and types of products and services that the Group intends to sell online in the future; (iii) the expected growth of the Group’s online sales, taking into account the potential for future development of the online healthcare products and services and the healthcare industry related services businesses; and (iv) the expected resulting increase in demand for the payment, settlement and other related services from the Group.

The proposed annual cap amounts for the transaction amount associated with the AGH Awards under the 2025–2027 EBA Settlement Framework Agreement were determined with reference to (i) the number of grantees transferred historically and forecasted to be transferred from Alibaba Holding to the Group for each of the three financial years ending March 31, 2027; and (ii) the forecasted total number of the AGH Awards granted and/or vested (or to be vested) of the employees who may be making such transfer during the same period, and the estimated fair market value of the relevant AGH Awards of those relevant employees determined in accordance with the section headed “The 2025–2027 EBA Settlement Framework Agreement — Payment and settlement terms” in this announcement.

The proposed annual cap amounts for the transaction amount associated with the Group Awards under the 2025–2027 EBA Settlement Framework Agreement were determined with reference to (i) the number of grantees transferred historically and forecasted to be transferred from the Group to Alibaba Holding for each of the three financial years ending March 31, 2027; and (ii) the forecasted total number of the Group Awards granted and/or vested (or to be vested) of the employees who may be making such transfer during the same period, and the estimated fair market value of the relevant Group Awards of those relevant employees determined in accordance with the section headed “The 2025–2027 EBA Settlement Framework Agreement — Payment and settlement terms” in this announcement.

In light of the above, the Directors (including the independent non-executive Directors) consider that (i) the transactions under each of the Renewed CCT Agreements (including the proposed annual caps under each of the Renewed CCT Agreements) will be conducted in the ordinary and usual course of business of the Group, and that the terms of each of the Renewed CCT Agreements 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 of the Company as a whole; and (ii) although the transactions contemplated under the 2025–2027 EBA Settlement Framework Agreement are not in the ordinary course of business of the Group, the transactions contemplated thereunder 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 of the Company as a whole.

INTERNAL CONTROLS FOR THE GROUP'S CONTINUING CONNECTED TRANSACTIONS

As previously disclosed, the Company has adopted adequate internal control measures to comply with the Listing Rules requirements with respect to the supervision and monitoring of the annual caps of the transactions contemplated under the Existing CCT Agreements. The finance department of the Company has been collecting and will continue to collect information on the actual transactions conducted with the relevant parties, and the corresponding fees or payments that will be incurred under each of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement, on a bi-weekly, weekly, monthly or quarterly basis (as the case may be), and has been updating such information to the legal department and the chief financial officer of the Company, to monitor these transaction amounts.

The Company will continue to closely monitor the implementation of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement, and take prompt actions to make necessary disclosure in the event that any adjustment to an annual cap becomes foreseeable. The Company's external auditors will review the continuing connected transactions under each of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement annually to check and confirm (among others) whether the pricing terms have been adhered to and whether the relevant annual caps have been exceeded. The relevant counterparties to the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement have agreed to allow the Company and its external auditors to access the information necessary to report on the continuing connected transactions contemplated under the respective Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Alibaba Holding is the ultimate controlling shareholder of the Company, and its wholly-owned subsidiaries, Taobao Holding, Ali JK, Perfect Advance and Alibaba Investment, are shareholders of the Company. As Alibaba Holding directly or indirectly Controls or is the ultimate shareholder of each of the members of the AGH Relevant Entities, Alibaba.com Group, Taobao China and Alibaba Cloud, each relevant member is an associate of Alibaba Holding and hence a connected person of the Company. Further, as Ant Group is indirectly held by Alibaba Holding as to more than 30% of its equity interest and both Alipay China and Alipay Singapore are wholly-owned Subsidiaries of Ant Group, each of Ant Group, Alipay China and Alipay Singapore is an associate of Alibaba Holding and thus a connected person of the Company. Moreover, as Hangzhou Cainiao is an indirect non-wholly-owned Subsidiary of Alibaba Holding, each of the members of Cainiao Group is also a connected person of the Company. Therefore the transactions contemplated under each of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement constitute continuing connected transactions of the Company in accordance with the Listing Rules.

Since each of the applicable percentage ratios calculated with reference to the respective annual caps under each of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement is less than 5%, the transactions contemplated under each of the Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement are subject to reporting, annual review, and announcement requirements, but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The Renewed CCT Agreements and the 2025–2027 EBA Settlement Framework Agreement were approved by the Board. As Mr. Zhu Shunyan, Mr. Xu Haipeng and Ms. Huang Jiaojiao are employees of Alibaba Holding or its Subsidiaries, each of these Directors is deemed or may be perceived to have a material interest in the transactions. Accordingly, they abstained from voting on the resolutions passed by the Board to approve the Renewed CCT Agreements, the 2025–2027 EBA Settlement Framework Agreement, the transactions contemplated thereunder and the annual caps related thereto. Other than the aforesaid Directors, no other Directors have a material interest in the Renewed CCT Agreements, the 2025–2027 EBA Settlement Framework Agreement and the transactions contemplated thereunder or are required to abstain from voting on the resolutions of the Board approving the same.

INFORMATION ABOUT THE PARTIES

The Company and other members of the Group

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, staying true to its aspiration in making healthcare services accessible and affordable, by capitalising on its leading digital technology and operation capabilities, is committed to providing affordable, convenient, efficient and reliable medical and healthcare services to hundreds of millions of families. The principal activities of the Group comprise the sale of pharmaceutical and healthcare products and services, the provision of internet-based medical and healthcare services, and digital tracking services and other innovative services.

Hangzhou Defu is a company established in the PRC with limited liability. It is an indirect wholly-owned Subsidiary of the Company that primarily engages in the provision of e-commerce technology services.

Alibaba Health (Hainan) is a company established in the PRC with limited liability. It is an indirect wholly-owned Subsidiary of the Company that primarily engages in the provision of e-commerce software and technology services.

Jiubaoxing (Hainan) is a company established in the PRC with limited liability. It is a consolidated entity of the Company that primarily engages in the provision of e-commerce marketing services.

Hangzhou Lukang is a company established in the PRC with limited liability. It is an indirect wholly-owned Subsidiary of the Company that primarily engages in the provision of e-commerce technology services.

Alibaba Health (China) is a company established in the PRC with limited liability. It is an indirect wholly-owned Subsidiary of the Company that primarily engages in computing technology development, technology consultancy and services, and marketing and business development for the Group's business operations.

Tmall Entities

Tmall Network is a company established in the PRC with limited liability and a consolidated entity of Alibaba Holding, which is primarily involved in the operation of Tmall.

Tmall Technology is a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding, which is primarily involved in the operation of Tmall.

Tmall was launched by Alibaba Group in 2008. Tmall caters to consumers' ever-growing demand for high-quality products and premium shopping experience. A large number of international and Chinese brands and retailers have established storefronts on Tmall. Tmall is a leading third-party online and mobile commerce platform for brands and retailers in the world.

Taobao China

Taobao China is a limited company incorporated in Hong Kong and an indirect wholly-owned Subsidiary of Alibaba Holding and therefore a connected person of the Company. Taobao China is the direct holding company of certain PRC Subsidiaries of Alibaba Holding relating to Taobao Marketplace, China's leading mobile commerce destination with a large and growing social community, and Tmall, the world's leading third-party online and mobile commerce platform for brands and retailers.

Hangzhou Cainiao

Hangzhou Cainiao is established in the PRC with limited liability and an indirect non-wholly-owned Subsidiary of Alibaba Holding and therefore a connected person of the Company. It is primarily involved in the operation of Cainiao network, a logistics data platform and global fulfilment network that primarily leverages the capacity and capabilities of logistics partners. Cainiao Group offers domestic and international one-stop-shop logistics services and supply chain management solutions, fulfilling various logistics needs of merchants and consumers at scale, serving digital economy of Alibaba Group and beyond.

Alibaba Cloud

Alibaba Cloud is a company established in the PRC with limited liability and a consolidated entity of Alibaba Holding and is therefore a connected person of the Company. It offers a complete suite of cloud services to customers worldwide, including elastic computing, database, storage, network virtualization services, large-scale computing, security, management and application services, big data analytics, a machine learning platform and IoT services.

Alibaba.com

Alibaba.com is a limited company incorporated in Hong Kong and an indirect wholly-owned Subsidiary of Alibaba Holding, is principally engaged in providing back office and administrative services.

Ant Group, Alipay China and Alipay Singapore

Ant Group is a company incorporated in the PRC. Through technological innovation, Ant Group supports partners in providing inclusive, convenient digital life and digital financial services to consumers and SMEs. In addition, Ant Group has been introducing new technologies and products to support the digital transformation of industries and facilitate collaboration. Working together with global partners, Ant Group enables merchants and consumers to make and receive payments and remit around the world. As at the date of this announcement, Hangzhou Junhan Equity Investment Partnership (Limited Partnership)* (杭州君瀚股權投資合夥企業(有限合夥)) (“**Hangzhou Junhan**”) and Hangzhou Junao Equity Investment Partnership (Limited Partnership)* (杭州君澳股權投資合夥企業(有限合夥)) (“**Hangzhou Junao**”) held approximately 31% and 22% of Ant Group’s total issued shares, respectively. Hangzhou Xingtao Enterprise Management Consultancy Co., Ltd.* (杭州星滔企業管理諮詢有限公司) (“**Hangzhou Xingtao**”) was the executive partner and general partner of Hangzhou Junhan; Hangzhou Yunbo Investment Consultancy Co., Ltd.* (杭州雲鉞投資諮詢有限公司) (“**Hangzhou Yunbo**”) was the executive partner and general partner of Hangzhou Junao; and each of Hangzhou Xingtao and Hangzhou Yunbo was held by five individuals as to 20% each. The remaining issued shares in Ant Group were held as to approximately 33% by Taobao Software, an indirect wholly-owned Subsidiary of Alibaba Holding, and as to approximately 14% by other minority shareholders.

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

Alipay Singapore, being a company incorporated in Singapore and an indirect wholly-owned Subsidiary of Ant Group, is principally engaged in providing payment processing related services.

Alibaba Holding and Alibaba Group

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 (HKD Counter) and 89988 (RMB Counter)). Alibaba Group’s mission is to make it easy to do business anywhere. Alibaba Group aims to build the future infrastructure of commerce and envisions that its customers will meet, work and live at Alibaba, and that it aspires to be a good company that will last for 102 years. Alibaba Holding is a holding company of six major business groups: Taobao and Tmall Group, Alibaba International Digital Commerce Group, Cloud Intelligence Group, Local Services Group, Cainiao Smart Logistics Network Limited, and Digital Media and Entertainment Group, along with various other businesses.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

| | |
|---|--|
| “2024 Cloud Computing Services Framework Agreement” | the agreement dated March 31, 2023 entered into between Alibaba Health (China) and Alibaba Cloud |
| “2024 Logistics Services Framework Agreement” | the agreement dated March 31, 2023 entered into between the Company and Hangzhou Cainiao |
| “2024 Outsourced Services Framework Agreement” | the agreement dated March 31, 2023 entered into between the Company and Taobao Holding |
| “2024 Payment Services Framework Agreement” | the agreement dated March 31, 2023 entered into between the Company, Alipay China and Alipay Singapore |
| “2024 Platform Services Framework Agreement” | the agreement dated March 31, 2023 entered into between the Company and Taobao Holding |
| “2024 Shared Services Agreement” | the agreement dated March 31, 2023 entered into between the Company and Alibaba Holding |
| “2024 Software Services Framework Agreement” | the agreement dated March 31, 2023 entered into between the Company and Taobao Holding |
| “2025 Cloud Computing Services Framework Agreement” | the agreement dated March 28, 2024 entered into between the Alibaba Health (China) and Alibaba Cloud |
| “2025–2027 EBA Settlement Framework Agreement” | the framework agreement relating to the equity-based awards settlement dated March 28, 2024 entered into between the Company and Alibaba Holding |
| “2025–2027 Logistics Services Framework Agreement” | the agreement dated March 28, 2024 entered into between the Company and Hangzhou Cainiao |

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|---|---|
| “2025–2027 Outsourced Services Agreement” | the agreement dated March 28, 2024 entered into between the Alibaba Health Subsidiaries and the Tmall Entities |
| “2025 Payment Services Framework Agreement” | the agreement dated March 28, 2024 entered into between the Company, Alipay China and Alipay Singapore |
| “2025–2027 Platform Services Framework Agreement” | the agreement dated March 28, 2024 entered into between the Company and Taobao China |
| “2025–2027 Shared Services Agreement” | the agreement dated March 28, 2024 entered into between the Company and Alibaba.com |
| “2025–2027 Software Services Framework Agreement” | the agreement dated March 28, 2024 entered into between the Company and Taobao China |
| “AGH Awards” | restricted share units, options or any other equity incentive awards of Alibaba Holding pursuant to its equity incentive plans and/or any other EBA plans |
| “AGH Platforms” | the platforms operated by the AGH Relevant Entities from time to time, including but not limited to Tmall, Tmall Global and Kaola |
| “AGH Relevant Entities” | Alibaba Holding and its Subsidiaries and affiliates, including but not limited to Alibaba Technology, Hangzhou Alibaba Advertising, Taobao Network, Taobao China, Alibaba Communication Technology, Tmall Technology and Tmall Network and their Subsidiaries, collectively |
| “Ali JK” | Ali JK Nutritional Products Holding Limited, a limited company incorporated in the British Virgin Islands and a direct wholly-owned Subsidiary of Alibaba Holding |
| “Alibaba Cloud” | Alibaba Cloud Computing Ltd.* (阿里雲計算有限公司), a company established in the PRC with limited liability and a consolidated entity of Alibaba Holding |
| “Alibaba Communication Technology” | Zhejiang Alibaba Communication Technology Co., Ltd.* (浙江阿里巴巴通信技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |

| | |
|------------------------------------|---|
| “Alibaba Group” | the group of companies comprising Alibaba Holding and its Subsidiaries, for the purpose of this announcement, excluding the Group |
| “Alibaba Group Platforms” | the online platforms for brands and retailers operated by Alibaba Group, including but not limited to Tmall Platforms and Taobao Marketplace |
| “Alibaba Health (China)” | Alibaba Health Technology (China) Co., Ltd* (阿里健康科技(中國)有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of the Company |
| “Alibaba Health (Hainan)” | Alibaba Health Technology (Hainan) Co., Ltd.* (阿里健康科技(海南)有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of the Company |
| “Alibaba Health Service Providers” | the parties to provide the Shared Services under the 2025–2027 Shared Services Agreement, which include the Company, persons Controlled by it and persons under common Control of the Company, and any other persons designated by the Company |
| “Alibaba Health Subsidiaries” | Hangzhou Defu, Alibaba Health (Hainan), Jiubaoxing (Hainan) and Hangzhou Lukang |
| “Alibaba Holding” | Alibaba Group Holding Limited, 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 (HKD Counter) and 89988 (RMB Counter)), the ultimate controlling shareholder of the Company |
| “Alibaba Investment” | Alibaba Investment Limited, a company incorporated in the British Virgin Islands and a direct wholly-owned Subsidiary of Alibaba Holding |
| “Alibaba Service Providers” | the parties to provide the Shared Services under the 2025–2027 Shared Services Agreement, which include Alibaba.com, persons Controlled by it and persons under the common Control of Alibaba.com, and any other persons designated by Alibaba.com |

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| “Alibaba Technology” | Alibaba (China) Technology Co., Ltd.* (阿里巴巴(中國)網絡技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Alibaba.com” | Alibaba.com China Limited (阿里巴巴網絡中國有限公司), a limited company incorporated in Hong Kong and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Alibaba.com Group” | Alibaba.com, its Subsidiaries and its associates from time to time |
| “Alipay China” | Alipay.com Co., Ltd.* (支付寶(中國)網絡技術有限公司), a company established in the PRC with limited liability and a wholly-owned Subsidiary of Ant Group |
| “Alipay China Companies” | Alipay China, its Subsidiaries and its affiliates from time to time |
| “Alipay Singapore” | Alipay Singapore E-Commerce Private Limited, a company incorporated in Singapore and an indirect wholly-owned Subsidiary of Ant Group |
| “Alipay Singapore Companies” | Alipay Singapore, its Subsidiaries and its affiliates from time to time |
| “Analytic DB” | massive data real time online analytical processing service |
| “Ant Group” | Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), a joint stock company incorporated in the PRC with limited liability and an associate of Alibaba Holding |
| “associate(s)” | has the meaning given to it under the Listing Rules |
| “Board” | the board of directors of the Company |
| “Cainiao Group” | Hangzhou Cainiao and its Subsidiaries and affiliates |
| “Cloud Computing Services” | the services to be provided by Alibaba Cloud to the Group and its affiliates under the 2025 Cloud Computing Services Framework Agreement, further details of which are set out in the paragraph headed “The 2025 Cloud Computing Services Framework Agreement — Services to be provided” in this announcement |
| “CDN” | content delivery network |

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|------------------------------|---|
| “close associate(s)” | has the meaning given to it under the Listing Rules |
| “Company” | Alibaba Health Information Technology Limited, a company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00241) |
| “connected person(s)” | has the meaning given to it under the Listing Rules |
| “Control” | the power or authority, whether exercised or not, to direct the business, management and policies of a person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, which power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty per cent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such person or power to control the composition of a majority of the board of directors (or similar governing body) of such person and the terms “Controls” and “Controlled” shall be construed accordingly |
| “controlling Shareholder” | has the meaning given to it under the Listing Rules |
| “Director(s)” | member(s) of the Board |
| “Discounted Published Rates” | with respect to each of the services provided by Alibaba Cloud, the fees for such services calculated by applying a discount ranging from 0%–70% (as the case may be) to the relevant service rate published by Alibaba Cloud on its official website from time to time |
| “EBA” | equity-based awards |
| “ECS” | elastic computing service |
| “EDAS” | enterprise distributed application service |
| “EIP” | elastic internet protocol address |
| “Existing CCT Agreements” | the 2024 Outsourced Services Framework Agreement, the 2024 Software Services Framework Agreement, the 2024 Platform Services Framework Agreement, the 2024 Logistics Services Framework Agreement, the 2024 Cloud Computing Services Framework Agreement, the 2024 Shared Services Agreement and the 2024 Payment Services Framework Agreement |

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| “Group” | the Company and its Subsidiaries from time to time (each, a “ Group Entity ”) |
| “Group Awards” | options, restricted share units or any other equity incentive awards of the Group pursuant to its share award scheme and any other equity incentive plans |
| “Hangzhou Alibaba Advertising” | Hangzhou Alibaba Advertising Co., Ltd.* (杭州阿里巴巴廣告有限公司), a company established in the PRC with limited liability and a consolidated entity of Alibaba Holding |
| “Hangzhou Alibaba Network” | Hangzhou Alibaba Network Technology Co., Ltd.* (杭州阿里巴巴網絡科技有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Hangzhou Cainiao” | 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 |
| “Hangzhou Defu” | Hangzhou Defu Health Management Co., Ltd.* (杭州得賦健康管理有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of the Company |
| “Hangzhou Lukang” | Hangzhou Lukang Health Technology Co., Ltd.* (杭州鹿康健康科技有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of the Company |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | Hong Kong Special Administrative Region of the PRC |
| “Jiubaoxing (Hainan)” | Jiubaoxing Technology (Hainan) Co., Ltd.* (久寶星科技(海南)有限公司), a company established in the PRC with limited liability and a consolidated entity of the Company |
| “Kaola” | an import e-commerce platform in China |
| “Listing Rules” | The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |

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| “Logistics Services” | the services to be provided by Cainiao Group to the Group under the 2025–2027 Logistics Services Framework Agreement, further details of which are set out in the paragraph headed “The 2025–2027 Logistics Services Framework Agreement — Services to be provided” in this announcement |
| “NAS” | network attached storage documentation services |
| “NAT” | network address translation gateway |
| “OCS” | open cache service |
| “ODPS” | open data processing service |
| “OSS” | open storage service |
| “OTS” | open table service |
| “Outsourced Tmall Merchants” | the legal entities conducting sale of products or provision of services under the Outsourced Services Categories on Tmall |
| “Outsourced Services” | the services to be provided by the Company to the Tmall Entities under the 2025–2027 Outsourced Services Agreement, further details of which are set out in the paragraph headed “The 2025–2027 Outsourced Services Agreement — Services to be provided” in this announcement |
| “Outsourced Services Categories” | certain product categories or services offered on Tmall under the 2025–2027 Outsourced Services Agreement, including (i) the primary category of “Refined Chinese Medicines” (“精製中藥材”); (ii) the primary category of “Traditional Nutritional Products” (“傳統滋補營養品”); and (iii) the secondary category of “Common Dietary Nutritional Food” (“普通膳食營養食品”) under the primary category of “Health Food/Dietary Nutritional Supplements” (“保健食品/膳食營養補充食品”) as at the date of this announcement |
| “Payment Services” | the services to be provided by Alipay China Companies and Alipay Singapore Companies to the Group under the 2025 Payment Services Framework Agreement, further details of which are set out in the paragraph headed “The 2025 Payment Services Framework Agreement — Services to be provided, service fees, pricing terms and payment terms” in this announcement |

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| “Perfect Advance” | Perfect Advance Holding Limited, a limited company incorporated in the British Virgin Islands and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Platform Services” | the services to be provided by the AGH Relevant Entities to the Group under the 2025–2027 Platform Services Framework Agreement, further details of which are set out in the paragraph headed “The 2025–2027 Platform Services Framework Agreement — Services to be provided” in this announcement |
| “PRC” or “China” | the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan |
| “RDS” | relational database service |
| “Renewed CCT Agreements” | the 2025–2027 Outsourced Services Agreement, the 2025–2027 Software Services Framework Agreement, the 2025–2027 Platform Services Framework Agreement, the 2025–2027 Logistics Services Framework Agreement, the 2025 Cloud Computing Services Framework Agreement, the 2025–2027 Shared Services Agreement and the 2025 Payment Services Framework Agreement |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time |
| “Share(s)” | ordinary share(s) in the issued capital of the Company with a nominal value of HK\$0.01 each |
| “Shared Services” | the services to be provided by the relevant Alibaba Service Providers to the Group, or by the relevant Alibaba Health Service Providers to Alibaba Group, under the 2025–2027 Shared Services Agreement, further details of which are set out in the paragraph headed “The 2025–2027 Shared Services Agreement — Services to be provided, service fees, pricing terms and payment terms” in this announcement |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “SLB” | server load balancer |

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| “Software Services” | the services to be provided by the Group to Taobao China Companies under the 2025–2027 Software Services Framework Agreement, further details of which are set out in the paragraph headed “The 2025–2027 Software Services Framework Agreement — Services to be provided” in this announcement |
| “Software Services Categories” | the categories of products and services operated by the Group on the Tmall Platforms, which, as at the date of this announcement, include pharmaceutical products (including prescription drugs, over-the-counter drugs and international drugs), healthcare food (including those sold under the category of “Blue Cap Healthcare Food” (“藍帽子保健食品”)), food for special medical purpose, medical devices, healthcare products, contact lenses/contact lens solution, family planning products, adult products/sexual health products, medical and health services, physical examination/medical insurance card services and vaccine services (regardless of whether they are under the Tmall business category of “Service Categories” (“服務大類”) on Tmall) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subsidiary/(ies)” | includes, in relation to any person: (i) any company or business entity of which that person owns or Controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or business entity; (ii) any company or business entity of which that person owns or controls (either directly or through one or more other subsidiaries, by contract or otherwise) not more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or business entity but effectively controls (either directly or through one or more other Subsidiaries) the management or the direction of business operations of such company or business entity; and (iii) any company or business entity which at any time has its accounts consolidated with those of that person or which, under Hong Kong law or any other applicable law, regulations or the Hong Kong Financial Reporting Standards or such other generally accepted accounting principles or standards as may be applicable to that person from time to time, should have its accounts consolidated with those of that person |

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| “substantial shareholder(s)” | has the meaning given to it under the Listing Rules |
| “Taobao China” | Taobao China Holding Limited* (淘寶中國控股有限公司), a limited company incorporated in Hong Kong and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Taobao China Companies” | Taobao China, its Subsidiaries and associates from time to time |
| “Taobao Holding” | Taobao Holding Limited (淘寶控股有限公司), a limited company incorporated under the laws of the Cayman Islands and a direct wholly-owned Subsidiary of Alibaba Holding |
| “Taobao Marketplace” | China’s leading mobile commerce destination known as Taobao (淘寶) operated by Alibaba Holding’s affiliates with a large and growing social community |
| “Taobao Network” | Zhejiang Taobao Network Co., Ltd.* (浙江淘寶網絡有限公司), a company established in the PRC with limited liability and a consolidated entity of Alibaba Holding |
| “Taobao Software” | Taobao (China) Software Co., Ltd.* (淘寶(中國)軟件有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding |
| “Tmall” | Tmall.com, the third-party online and mobile commerce platform for brands and retailers known as Tmall (天貓) operated by Alibaba Holding’s affiliates and for the purpose of the 2025–2027 Outsourced Services Agreement, including Tmall Supermarket but excluding Tmall Global |
| “Tmall Entities” | collectively, Tmall Technology and Tmall Network |
| “Tmall Global” | the third-party import e-commerce platform known as Tmall Global (天貓國際) operated by Alibaba Holding’s affiliates |
| “Tmall Network” | Zhejiang Tmall Network Co., Ltd.* (浙江天貓網絡有限公司), a company established in the PRC with limited liability and a consolidated entity of Alibaba Holding |
| “Tmall Platforms” | Tmall and Tmall Global |

- “Tmall Supermarket” chaoshi.tmall.com, the store on Tmall known as Tmall Supermarket (天貓超市) which utilizes both marketplace and retail model to offer consumers a broad range of high-quality daily necessities
- “Tmall Technology” Zhejiang Tmall Technology Co., Ltd.* (浙江天貓技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding
- “%” per cent

* *English name for identification purposes only.*

For and on behalf of the Board
Alibaba Health Information Technology Limited
Zhu Shunyan
Chairman

Hong Kong, March 28, 2024

As at the date of this announcement, the Board comprises Mr. Zhu Shunyan, Mr. Shen Difan and Mr. Tu Yanwu as executive Directors; Ms. Huang Jiaojiao and Mr. Xu Haipeng as non-executive Directors; and Ms. Huang Yi Fei (Vanessa), Dr. Shao Rong and Ms. Wu May Yihong as independent non-executive Directors.