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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)**

**CONTINUING CONNECTED TRANSACTIONS**  
**THE MARKETING AND PROMOTION COOPERATION**  
**FRAMEWORK AGREEMENT**

**THE MARKETING AND PROMOTION COOPERATION FRAMEWORK AGREEMENT**

The Board announces that on August 9, 2024, Hangzhou TPP, an indirect non wholly-owned subsidiary of the Company, and Taobao, an indirectly wholly-owned subsidiary of Alibaba Holding, entered into the Marketing and Promotion Cooperation Framework Agreement for a term commencing from August 9, 2024 and ending on March 31, 2027. Pursuant to the Marketing and Promotion Cooperation Framework Agreement, the Relevant TPP Members and the Relevant Taobao Members may, subject to the relevant annual caps, enter into specific agreement(s) to entrust each other to provide the Promotion Services as well as to cooperate with each other in co-marketing activities.

**LISTING RULES IMPLICATIONS**

As at the date of this announcement, Taobao is an indirectly wholly-owned subsidiary of Alibaba Holding. Alibaba Holding is the ultimate shareholder of Alibaba Investment, which is a controlling shareholder and a connected person of the Company holding 16,001,087,693 Shares in aggregate, representing approximately 53.85% of the issued share capital of the Company, among which (i) 13,488,058,846 Shares are held by Ali CV, the wholly-owned subsidiary of Alibaba Investment, and (ii) 2,513,028,847 Shares are held by Alibaba Investment. Accordingly, each of Alibaba Holding and Taobao is an associate of Alibaba Investment and thus a connected person of the Company. The entering into of the Marketing and Promotion Cooperation Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios calculated with reference to the respective highest annual cap in respect of (i) the total service fees payable by the Relevant TPP Members to the Relevant Taobao Members, and (ii) the total service fees payable by the Relevant Taobao Members to the Relevant TPP Members, for the transactions contemplated under the Marketing and Promotion Cooperation Framework Agreement is more than 0.1% but less than 5%, those transactions are subject to reporting and announcement requirements, but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

The Board announces that on August 9, 2024, Hangzhou TPP, an indirect non wholly-owned subsidiary of the Company, and Taobao, an indirectly wholly-owned subsidiary of Alibaba Holding, entered into the Marketing and Promotion Cooperation Framework Agreement for a term commencing from August 9, 2024 and ending on March 31, 2027. Pursuant to the Marketing and Promotion Cooperation Framework Agreement, the Relevant TPP Members and the Relevant Taobao Members may, subject to the relevant annual caps, enter into specific agreement(s) to entrust each other to provide the Promotion Services as well as to cooperate with each other in co-marketing activities.

#### **THE MARKETING AND PROMOTION COOPERATION FRAMEWORK AGREEMENT**

The principal terms of the Marketing and Promotion Cooperation Framework Agreement are set out below:

**Date :** August 9, 2024

**Parties :**

- (1) Hangzhou TPP, an indirect non wholly-owned subsidiary of the Company
- (2) Taobao, an indirect wholly-owned subsidiary of Alibaba Holding and a connected person of the Company

**Term :** The period commencing from August 9, 2024 and ending on March 31, 2027

## **Subject matter and pricing basis**

The Relevant TPP Members and the Relevant Taobao Members may, subject to the relevant annual caps, enter into specific agreement(s) to entrust each other to provide the following services:

### ***Promotion Services***

The Relevant TPP Members or the Relevant Taobao Members (as Entrusted Party) may (i) provide promotion services to each other and/or their respective cooperative partner(s) through various types of media, platforms (including but not limited to applications such as Mini Programs, App, and Webpage) and channels (including self-owned platforms and/or channels and those of the cooperative partners) and (ii) provide relevant technical services to each other and/or their respective cooperative partner(s) by publishing promotional information on relevant pages and/or interfaces of information media, such as clients' platforms, through selected conditions or applications (collectively, the "Promotion Services").

The Promotion Services will cover, among other things, design and production of promotion materials, formulation, planning and execution of marketing and promotion strategies and provision of blockchain technology and marketing technology, which will be delivered in various forms such as online advertisements, offline advertisements and marketing activities, movie ticketing promotion and self-media promotion.

The service fees payable by the Entrusting Party to the Entrusted Party for the Promotion Services shall be determined on one of the following pricing basis:

- (a) the rates published on the rate card of relevant Entrusting Party  $\times$  certain percentage ratio or discount rate (if any) as mutually agreed by the parties; or
- (b) the pricing basis as agreed by the parties in a specific agreement.

Pursuant to the Marketing and Promotion Cooperation Framework Agreement, the parties thereto also agreed to cooperate in carrying out the following co-marketing activities so as to jointly provide users with good service experiences and to create greater user values:

- (1) one of the parties to the Marketing and Promotion Cooperation Framework Agreement will provide certain number of promotional entitlements for participating users to claim and redeem in agreed-upon manner; and
- (2) the other parties to the Marketing and Promotion Cooperation Framework Agreement will display such promotional entitlements on relevant ad spots.

## **Payment terms and specific agreements**

The Relevant Taobao Members and the Relevant TPP Members may, subject to the relevant annual caps, from time to time enter into specific agreement(s) to set out the detailed terms (including payment terms) of the transactions contemplated under the Marketing and Promotion Cooperation Framework Agreement. The terms of the specific agreement(s) will be negotiated on an arm's length basis between the parties.

## **ANNUAL CAPS AND BASIS OF DETERMINATION OF ANNUAL CAPS**

The annual caps for the total service fees payable by the Relevant Taobao Members (as Entrusting Party) to the Relevant TPP Members (as Entrusted Party) under the Marketing and Promotion Cooperation Framework Agreement for the three financial years ending March 31, 2025, 2026 and 2027 are fixed at RMB50,000,000, RMB55,000,000 and RMB60,000,000, respectively, and are determined with reference to (i) the expected business needs of the Relevant Taobao Members for the Promotion Services during the term of the Marketing and Promotion Cooperation Framework Agreement, including but not limited to an increasing demand for cooperation during various special periods in the year such as the summer season where, expectedly, there will be a huge surge of promotion and marketing activities within the entertainment industry; (ii) a reasonable buffer to cater for the increase in potential demands of the Relevant Taobao Members for such services, given the Group's strategy to further deepen its cooperation with Relevant Taobao Members in the future; and (iii) the historical transaction amount of approximately RMB2,600,000 for similar services paid by the Relevant Taobao Members to the Relevant TPP Members for the financial year ended March 31, 2024.

The annual caps for the total service fees payable by the Relevant TPP Members (as Entrusting Party) to the Relevant Taobao Members (as Entrusted Party) under the Marketing and Promotion Cooperation Framework Agreement for the three financial years ending March 31, 2025, 2026 and 2027 are fixed at RMB50,000,000, RMB55,000,000 and RMB60,000,000, respectively, and are determined with reference to (i) the expected business needs of the Relevant TPP Members for the Promotion Services during the term of the Marketing and Promotion Cooperation Framework Agreement, including but not limited to an increasing demand for cooperation during various special periods in the year such as the summer season where, expectedly, there will be a huge surge of promotion and marketing activities within the entertainment industry; and (ii) a reasonable buffer to cater for the increase in potential demands of the Relevant TPP Members for such services, given the Group's strategy to further deepen its cooperation with Relevant Taobao Members in the future.

## INTERNAL CONTROL MEASURES

In order to ensure that the terms under the Marketing and Promotion Cooperation Framework Agreement for the continuing connected transactions are fair and reasonable, and the transactions are carried out based on normal or better commercial terms, the Group has adopted the following internal control measures:

- (1) the business operation department of the Company will from time to time review the pricing, payment terms and the utilization of the relevant annual caps to ensure that (i) the services fees chargeable by the Group to the Relevant Taobao Members are no more favourable than those offered to independent third parties, and (ii) the services fees payable by the Group to the Relevant Taobao Members are no less favourable than those offered by independent third parties;
- (2) the finance department of the Company, under the overall supervision of the Company's chief finance officer and the Board, will (a) obtain evidence from the Relevant Taobao Members regarding the costs and expenses incurred by the Relevant TPP Members; (b) monitor the transaction amounts in respect of the Promotion Services and review the management accounts on a quarterly basis and as required from time to time to ensure that the actual transaction amounts with the Relevant Taobao Members under the Marketing and Promotion Cooperation Framework Agreement do not exceed the relevant annual caps; and (c) report to the listing compliance department of the Company, which will in turn report to the Board for consideration and approval, to determine whether revision of annual caps is necessary to comply with the Listing Rules if the transaction amount is expected to exceed the relevant annual caps;
- (3) the independent non-executive Directors will conduct independent annual review on the abovementioned internal control measures and the transactions contemplated under the Marketing and Promotion Cooperation Framework Agreement to ensure that those transactions are entered into through arm's length negotiations and on normal commercial terms, are fair and reasonable, in the interests of the Company and its Shareholders as a whole and are carried out pursuant to the terms of the transactions;
- (4) the Company's auditors will conduct annual review on the pricing basis and the annual caps under the Marketing and Promotion Cooperation Framework Agreement and report their findings and conclusions to the Board; and
- (5) the Board will continue to review regularly the Company's internal control systems and its effectiveness.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE MARKETING AND PROMOTION COOPERATION FRAMEWORK AGREEMENT**

Taobao and the Company have rich online and offline marketing resources and promotion platforms in the relevant business field. The Group believes that collaborating with the Relevant Taobao Members under the Marketing and Promotion Cooperation Framework Agreement will allow the Group to continue to seize new business opportunities arising out of tapping into platforms and products operated by Taobao Group and also to strengthen its capabilities in acquiring high-quality users.

Having reviewed the terms of the Marketing and Promotion Cooperation Framework Agreement, the Directors (except Mr. Fan Luyuan, Mr. Meng Jun, Mr. Tung Pen Hung and Mr. Li Jie, who are abstained from voting), including the independent non-executive Directors, are of the view that the terms of the Marketing and Promotion Cooperation Framework Agreement (and the annual caps related thereto) are fair and reasonable, the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group, and in the interest of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Taobao is an indirectly wholly-owned subsidiary of Alibaba Holding. Alibaba Holding is the ultimate shareholder of Alibaba Investment, which is a controlling shareholder and a connected person of the Company holding 16,001,087,693 Shares in aggregate, representing approximately 53.85% of the issued share capital of the Company, among which (i) 13,488,058,846 Shares are held by Ali CV, the wholly-owned subsidiary of Alibaba Investment, and (ii) 2,513,028,847 Shares are held by Alibaba Investment. Accordingly, each of Alibaba Holding and Taobao is an associate of Alibaba Investment and thus a connected person of the Company. The entering into of the Marketing and Promotion Cooperation Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios calculated with reference to the respective highest annual cap in respect of (i) the total service fees payable by the Relevant TPP Members to the Relevant Taobao Members, and (ii) the total service fees payable by the Relevant Taobao Members to the Relevant TPP Members, for the transactions contemplated under the Marketing and Promotion Cooperation Framework Agreement is more than 0.1% but less than 5%, those transactions are subject to reporting and announcement requirements, but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As each of Mr. Fan Luyuan, Mr. Meng Jun and Mr. Tung Pen Hung holds positions in 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 Marketing and Promotion Cooperation Framework Agreement. Accordingly, they have abstained from voting on the related Board resolutions. Other than those Directors, no other Directors have a material interest in the Marketing and Promotion Cooperation 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 Hangzhou TPP**

The Company was incorporated in Bermuda and the Shares are listed and traded 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 five major segments: film investment, production, promotion and distribution, film ticketing and technology platform, Damai Business, drama series production and IP merchandising and innovative initiatives.

Hangzhou TPP, a limited liability company established under the laws of the PRC and an indirect non wholly-owned subsidiary of the Company, is principally engaged in the provision of technology development and technology consulting services.

### **Alibaba Holding and Taobao**

Alibaba Holding is a company incorporated in the Cayman Islands with its American depositary shares (the “ADSS”), each representing eight ordinary shares, listed on the New York Stock Exchange (stock symbol: BABA), and its ordinary shares are listed and traded on the Main Board of the Stock Exchange (stock codes: 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 will be a good company that lasts for 102 years.

Taobao, a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of Alibaba Holding, is principally engaged in technology development and technology consulting services.

## DEFINITIONS

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

“Ali CV”	Ali CV Investment Holding Limited, a company incorporated in the Cayman Islands and a controlling shareholder of the Company, an indirect wholly-owned subsidiary of Alibaba Holding and a direct wholly-owned subsidiary of Alibaba Investment
“Alibaba Group”	Alibaba Holding and its subsidiaries
“Alibaba Holding”	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 are listed and traded on the Main Board of the Stock Exchange (stock code: 9988 (HKD counter) and 89988 (RMB counter)) and the ultimate controlling shareholder of the Company
“Alibaba Investment”	Alibaba Investment Limited, a company incorporated in the British Virgin Islands and a controlling shareholder of the Company and a direct wholly-owned subsidiary of Alibaba Holding
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	board of Directors
“Company”	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 and traded on the Main Board of the Stock Exchange (stock code: 1060)
“connected person”	has the meaning ascribed to it under the Listing Rules



“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Damai”	北京大麥文化傳媒發展有限公司(Beijing Damai Cultural Media Development Co., Ltd.*), a company established under the laws of the PRC with limited liability and a consolidated entity of the Company
“Damai Business”	the live entertainment business managed and operated by Damai
“Director(s)”	the director(s) of the Company
“Entrusted Party”	the Relevant TPP Members or the Relevant Taobao Members (as the case may be), as service providers
“Entrusting Party”	the Relevant TPP Members or the Relevant Taobao Members (as the case may be), as service receivers
“Group”	the Company and its subsidiaries
“Hangzhou TPP”	杭州淘票票科技有限公司(Hangzhou Tao Piao Piao Technology Co., Ltd.*) (formerly known as杭州淘票票影視文化有限公司(Hangzhou Tao Piao Piao Movie & TV Culture Co. Ltd.*),杭州晨熹多媒體科技有限公司(Hangzhou Aurora Multi-Media Technology Co., Ltd.*)), a company established under the laws of the PRC with limited liability and an indirect non wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Marketing and Promotion Cooperation Framework Agreement”	the marketing and promotion cooperation framework agreement dated August 9, 2024 and entered into between Hangzhou TPP and Taobao with respect to provision of the Promotion Services as well as cooperation in co-marketing activities
“Promotion Services”	has the meaning ascribed to it under the section headed “THE MARKETING AND PROMOTION COOPERATION FRAMEWORK AGREEMENT–Subject matter and pricing basis” in this announcement
“percentage ratio(s)”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region and Taiwan
“Relevant Taobao Members”	Taobao and/or any of its affiliates
“Relevant TPP Members”	Hangzhou TPP and/or any of its affiliates
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.25 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Taobao”	淘寶(中國)軟件有限公司(Taobao (China) Software Co., Ltd.*), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of Alibaba Holding

“Taobao Group” Taobao and its subsidiaries

“%” per cent

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

Hong Kong, August 9, 2024

As of the date of this announcement, the Board comprises Mr. Fan Luyuan, Mr. Li Jie and Mr. Meng Jun, being the executive Directors; Mr. Tung Pen Hung, being the non-executive Director; and Ms. Song Lixin, Mr. Tong Xiaomeng and Mr. Johnny Chen, being the independent non-executive Directors.

\* *For identification purposes only*