

**IPO FACT SHEET**
**Alibaba Group Holding Limited (9988)**
**ISSUE STATISTICS**

<b>Offer Size:</b>	HK\$94,000m
<b>Placement Tranche:</b>	500m
<b>Price:</b>	HK\$188.00
<b>Board lot:</b>	100
<b>Entry fee:</b>	HK\$18,989.45
<b>Historical PE</b>	44.0x
<b>Net tangible asset per share:</b>	HK\$19.30
<b>Market Cap (post-IPO):</b>	HK\$4,020,715m
<b>Open:</b>	15 Nov 2019
<b>Close:</b>	12.00 noon on 20 Nov 2019
<b>Trading:</b>	26 Nov 2019
<b>Sponsor:</b>	China International Capital Corporation Hong Kong Securities Limited, Credit Suisse (Hong Kong) Limited

<b>Year ended 31 Mar</b>	<b>(RMB m)</b>	<b>yoy % chg</b>
<b>Revenue</b>		
2018	250,266	58.1%
2019	376,844	50.6%
<b>Net income for the year/period</b>		
2018	61,412	49.0%
2019	80,234	30.7%

**BACKGROUND**

- The Group's mission is to make it easy to do business and they aim to build the future infrastructure of commerce.
- Their businesses are comprised of core commerce, cloud computing, digital media and entertainment, and innovation initiatives.
- In addition, Ant Financial, an unconsolidated related party, provides payment and financial services to consumers and merchants on their platforms.
- For Core commerce, they are the largest retail commerce business in the world in terms of GMV in the twelve months ended March 31, 2019, according to Analysys.
- They operate Taobao Marketplace, China's largest mobile commerce destination with a large and growing social community; Tmall, the world's largest third-party online and mobile commerce platform for brands and retailers; Lazada's, leading e-commerce platform across Southeast Asia.
- They operate Ele.me, a leading on-demand delivery and local services platform, and Koubei, a leading restaurant and local services guide platform for in-store consumption.
- For Cloud Computing, They operate Alibaba Cloud, the world's third largest, and Asia Pacific's largest, IaaS and Infrastructure Utility Services provider by revenue in 2018 in U.S. dollars, according to Gartner.
- Alibaba Cloud offers a complete suite of cloud services, 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, serving their digital economy and beyond.
- For Digital Media and Entertainment, Their two key distribution platforms are Youku, the third largest online video platform in China in terms of monthly active users in March 2019, according to QuestMobile, and UC Browser, one of the top mobile browsers in the world in terms of page views in March 2019, according to StatCounter.
- Alibaba has 960 million digital economy users in China, including 674 million China retail marketplaces annual active consumers and RMB 5,727 billion GMV transacted on their China retail marketplaces in the twelve months ended March 31, 2019.

### BUSINESS STRATEGIES

- Driving user growth and engagement.
- Empowering businesses to facilitate digital transformation and improve operational efficiency.
- Continuing to innovate.

### COMPETITIVE STRENGTHS

- Innovative culture and capabilities.
- Management team with owner mentality and proven track record.
- Trusted brands.
- Consumer insights.
- Reliable, scalable and cost-effective proprietary technology.
- Thriving digital economy with powerful network effects.

### KEY RISKS

- Any failure to maintain the trusted status of their digital economy could severely damage their reputation and brand.
- Sustained investment in their business, strategic acquisitions and investments, as well as their focus on long-term performance, and on maintaining the health of their digital economy, may negatively affect their margins and their net income.
- They may not be able to maintain or grow their revenue or their business.
- If they are unable to compete effectively, their business, financial condition and results of operations would be materially and adversely affected.
- They may not be able to maintain and improve the network effects of their digital economy, which could negatively affect their business and prospects.

### DIVIDEND POLICY

- No fixed dividend policy.

### USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation
a) Driving user growth and engagement, b) Empowering businesses to facilitate digital transformation and improve operational efficiency, c) Continuing to innovate.	93,542	100.0%
<b>Total:</b>	<b>93,542</b>	<b>100.0%</b>

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