

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 38 OF 2012 - PCJ

In Open Court

15 June 2012

Before the Hon. Justice Henderson

IN THE MATTER of Sections 15 & 86 of The Companies Law (2011 Revision)  
AND IN THE MATTER of Alibaba.com Limited

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ORDER

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UPON hearing the Petition presented herein by Alibaba.com Limited (the "Company") on March 7, 2012, as amended by the Amended Petition presented on May 2, 2012.

AND UPON reading the First Affirmation of Ms. WONG Lai Kin, Elsa, made on April 16, 2012, the Second Affirmation of Ms. WONG Lai Kin, Elsa, made on April 20, 2012, the Affirmation of Ms. Teresa KO made on April 10, 2012, the Affirmation of Ms. LO Yi Lan, Elaine, made on May 24, 2012, the Third Affirmation of Ms. WONG Lai Kin, Elsa, made on May 25, 2012, the First Affirmation of Mr. KWAIK Teh Ming, Walter, made on May 25, 2012, the First Affirmation Mr. LAU Kwong Lun made on May 25, 2012, the Affirmation of Ms. CHAN Wai Kwan made on May 25, 2012, and the Fourth Affirmation of Ms. WONG Lai Kin, Elsa, made on June 11, 2012, and the various exhibits thereto, and the other documents on the Court file.

AND UPON hearing Counsel for the Company and Counsel for the Alibaba Group (defined below).

AND UPON Alibaba Group Holding Limited ("Alibaba Group"), Alibaba Group Treasury Limited and Direct Solutions Management Limited by their letters of undertaking dated 16 April 2012 exhibited as exhibit WLK-7 to the First Affirmation of WONG Lai Kin, Elsa, affirmed 16 April 2012 submitting to be bound by the Scheme of Arrangement hereinafter sanctioned and by their Counsel undertaking to execute and do

and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by them for the purpose of giving effect to such Scheme of Arrangement.

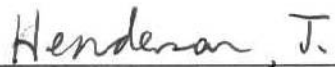
THIS COURT HEREBY SANCTIONS the Scheme of Arrangement (as contained in the Scheme Document dispatched to Scheme Shareholders on April 24, 2012) and a copy of which is annexed hereto, so as to be binding on the Company and the holders of the Scheme Shares as defined therein.

IT IS ORDERED AS FOLLOWS:

1. That the Company do deliver a copy of this Order and the attached Minute to the Registrar of Companies.
2. That the reduction of the issued share capital of the Company effected by Special Resolution of the Company passed on May 25, 2012 by which the issued share capital of the Company was reduced by the cancellation of the Scheme Shares, be confirmed, and that the attached Minute be approved.
3. Notice of the registration by the Registrar of Companies of the above order confirming the reduction of share capital and of the said Minute be published once in the Cayman Islands Gazette within 14 days.
4. There be no order as to costs.

Dated this 15th day of June 2012

Filed this 15th day of June 2012



**The Honourable Mr Justice Henderson**  
Judge of the Grand Court



THIS ORDER is filed by Appleby (Cayman) Ltd, attorneys for the Petitioner, whose address for service is Clifton House, 75 Fort Street, P.O. Box 1350 GT, George Town, Grand Cayman, Cayman Islands.  
Attorneys-at-Law for the Petitioner.

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 38 OF 2012

IN THE MATTER of Sections 15 & 86 of The Companies Law (2011 Revision)  
AND IN THE MATTER of Alibaba.com Limited

SCHEDULE TO ORDER DATED JUNE 15, 2012

MINUTE APPROVED BY THE COURT

“The issued share capital of Alibaba.com Limited (the “Company”) was by virtue of a special resolution of the Company dated May 25, 2012 (the “Special Resolution”) and with the confirmation of an order of the Grand Court of the Cayman Islands dated June 15, 2012 (the “Order”) reduced from HK\$500,600.16 divided into 5,006,001,570 shares of HK\$0.0001 each to HK\$363,902.14 divided into 3,639,021,412 shares of HK\$0.0001 each. The Special Resolution further provides that subject to and forthwith upon such reduction of issued share capital taking effect, the issued share capital of the Company be increased to its former amount of HK\$500,600.16 divided into 5,006,001,570 shares of HK\$0.0001 each by the issue of 1,366,980,158 shares of HK\$0.0001 each.

By virtue of a Scheme of Arrangement sanctioned by an order of the Grand Court of the Cayman Islands dated June 15, 2012, the Order and the Special Resolution, the issued share capital of the Company at the time of the registration of this minute is accordingly HK\$500,600.16 divided into 5,006,001,570 shares of HK\$0.0001 each.”

*Henderson, J.*



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## APPENDIX III – SCHEME OF ARRANGEMENT

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IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: FSD 38 OF 2012

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IN THE MATTER OF

ALIBABA.COM LIMITED

AND IN THE MATTER OF

SECTION 86 OF THE COMPANIES LAW (2011 REVISION) OF THE CAYMAN ISLANDS

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SCHEME OF ARRANGEMENT

between

ALIBABA.COM LIMITED

and

THE HOLDERS OF SCHEME SHARES

(as hereinafter defined)

- (A) In this Scheme of Arrangement, unless inconsistent with the subject or context, the following expressions shall have the meanings respectively set out opposite them:

<b>“Alibaba Group Treasury Limited”</b>	Alibaba Group Treasury Limited, a limited liability company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Offeror
<b>“Business Day”</b>	a day other than a Saturday, Sunday or a public holiday in Hong Kong or the Cayman Islands
<b>“Cancellation Price”</b>	the cancellation price of HK\$13.50 per Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
<b>“Cayman Islands Grand Court”</b>	the Grand Court of the Cayman Islands
<b>“Companies Law”</b>	the Companies Law (2011 Revision) of the Cayman Islands, as consolidated and revised
<b>“Company”</b>	Alibaba.com Limited, a company incorporated in the Cayman Islands with limited liability, the ordinary shares of which are currently listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1688)

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## APPENDIX III – SCHEME OF ARRANGEMENT

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<b>“Direct Solutions Management Limited”</b>	Direct Solutions Management Limited, a limited liability company incorporated in the Cayman Islands and a wholly-owned subsidiary of the Offeror
<b>“Effective Date”</b>	the date on which the Scheme, if approved and sanctioned by the Cayman Islands Grand Court, becomes effective in accordance with its terms and the Cayman Islands Companies Law, being the date on which a copy of the Order of the Cayman Islands Grand Court sanctioning the Scheme is delivered to the Registrar of Companies in the Cayman Islands for registration pursuant to section 86(3) of the Companies Law, and which is expected to be June 19, 2012 (Cayman Islands time)
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People's Republic of China
<b>“Hong Kong Takeovers Code”</b>	The Code on Takeovers and Mergers of Hong Kong
<b>“Latest Practicable Date”</b>	April 20, 2012, being the latest practicable date for ascertaining certain information contained in the Scheme Document
<b>“Offeror”</b>	Alibaba Group Holding Limited, a company incorporated in the Cayman Islands with limited liability and a substantial shareholder of the Company
<b>“Offeror Concert Parties”</b>	parties acting or presumed to be acting in concert with the Offeror under the definition of “acting in concert” under the Hong Kong Takeovers Code, which include Alibaba Group Treasury Limited, Direct Solutions Management Limited, Mr. MA Yun, Jack, Mr. TSAI Chung, Joseph, Credit Suisse Group, Deutsche Bank Group, HSBC Group, HSBC Trustee (Hong Kong) Limited, Softbank and Yahoo!
<b>“Proposal”</b>	the proposal for the privatization of the Company by the Offeror by way of the Scheme
<b>“Record Date”</b>	June 19, 2012, or such other time and date as shall have been announced to holders of Shares, being the record date for the purpose of determining the entitlements of Scheme Shareholders under the Scheme
<b>“Record Time”</b>	4:30 p.m. (Hong Kong time) on the Record Date
<b>“Register”</b>	the principal or branch register of members of the Company (as the case may be)

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## APPENDIX III – SCHEME OF ARRANGEMENT

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<b>“Scheme”</b>	a scheme of arrangement under section 86 of the Companies Law involving the cancellation of all the Scheme Shares, and the subsequent issue of an equivalent number of new Shares to the Offeror
<b>“Scheme Document”</b>	this composite document, including each of the letters, statements, appendices and notices in it
<b>“Scheme Shares”</b>	Share(s) other than those held directly or indirectly by the Offeror, Alibaba Group Treasury Limited and Direct Solutions Management Limited as at the Record Time on the Record Date
<b>“Scheme Shareholders”</b>	holder(s) of Scheme Shares as at the Record Time on the Record Date
<b>“Share(s)”</b>	ordinary share(s) of HK\$0.0001 each in the share capital of the Company

- (B) The Company was incorporated as an exempted company on September 20, 2006 in the Cayman Islands under the Companies Law.
- (C) The authorized share capital of the Company as at the Latest Practicable Date was HK\$800,000.00 divided into 8,000,000,000 Shares of HK\$0.0001 of which 5,005,071,959 shares were issued and fully paid, with the remainder being unissued.
- (D) the Offeror has proposed the privatisation of the Company by way of the Scheme.
1. The primary purpose of the Scheme is that all of the Scheme Shares should be cancelled and extinguished and that the Company should become a wholly-owned subsidiary of the Offeror (which holds 100% of the Company's Shares by itself and via its wholly-owned subsidiaries, Alibaba Group Treasury Limited and Direct Solutions Management Limited).
  2. On the Latest Practicable Date, 3,642,829,333 Shares were legally owned by the Offeror, Alibaba Group Treasury Limited and Direct Solutions Management Limited as follows:

<b>Name</b>	<b>Shareholding</b>
Offeror	2,604,574,904 Shares
Alibaba Group Treasury Limited	1,000,000,000 Shares
Direct Solutions Management Limited	38,254,429 Shares

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## APPENDIX III – SCHEME OF ARRANGEMENT

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3. On the Latest Practicable Date, an aggregate of 1,069,555,472 Shares were legally and/or beneficially owned by the Offeror Concert Parties and registered as follows:

Offer Concert Party	Registered holder of Shares	Number of Shares
Mr. MA Yun, Jack	HKSCC Nominees Limited	15,369,053
Mr. TSAI Chung, Joseph	HKSCC Nominees Limited	3,120,000
Credit Suisse Group (Note 1)	HKSCC Nominees Limited	2,254,500
Deutsche Bank Group (Note 2)	HKSCC Nominees Limited	31,165
HSEC Group (Note 3)	HKSCC Nominees Limited	8,131,866
HSEC Trustee (Hong Kong) Limited (Note 4)	HKSCC Nominees Limited	2,394,459

*Notes:*

- (1) Credit Suisse and persons controlling, controlled by or under the same control as Credit Suisse, other than persons holding the status of exempt fund manager on an ongoing basis or granted the status of exempt principal trader on an ad hoc basis in respect of the Proposal ("**Credit Suisse Group**"), are treated as being in concert with the Offeror in accordance with class 5 of the definition of "Acting in concert" in the Hong Kong Takeovers Code.
- (2) Deutsche Bank and persons controlling, controlled by or under the same control as Deutsche Bank, other than persons holding the status of exempt fund manager on an ongoing basis or granted the status of exempt principal trader on an ad hoc basis in respect of the Proposal ("**Deutsche Bank Group**"), are treated as being in concert with the Offeror in accordance with class 5 of the definition of "Acting in concert" in the Hong Kong Takeovers Codes.
- (3) HSBC and persons controlling, controlled by or under the same control as HSBC, other than persons holding the status of exempt fund manager on an ongoing basis or granted the status of exempt principal trader on an ad hoc basis in respect of the Proposal ("**HSBC Group**"), are treated as being in concert with the Offeror in accordance with class 5 of the definition of "Acting in concert" in the Hong Kong Takeovers Code.

As at the Latest Practicable Date, 8,131,866 Shares (out of which 206,615 Shares were proprietarily held and 7,925,251 Shares were under discretionary management authority) were proprietarily held by and/or under the discretionary management authority of the HSBC Group. The 8,131,866 Shares do not include 2,394,459 Shares held by HSBC Trustee (Hong Kong) Limited as the trustee in relation to the Share Award Scheme.

- (4) HSBC Trustee (Hong Kong) Limited is the trustee in relation to the Share Award Scheme and currently holds 2,394,459 Shares. The Company does not issue any Shares to satisfy the Share Awards but provides sufficient funds by way of gift to enable HSBC Trustee (Hong Kong) Limited to purchase sufficient Shares on the market to satisfy Share Awards that vest. Under the terms of the trust deed, HSBC Trustee (Hong Kong) limited is prohibited from exercising any voting rights in respect of any Shares held under the trust.
4. Each of the Offeror Concert Parties, being presumed to be acting in concert with the Offeror under the Hong Kong Takeovers Code, therefore will procure that any Shares in respect of which they are beneficially interested will not be represented or voted at the meeting convened at the direction of the Cayman Islands Grand Court for the purpose of considering and, if thought fit, approving the Scheme.
5. The Offeror, Alibaba Group Treasury Limited and Direct Solutions Management Limited have undertaken to the Cayman Islands Grand Court to be bound by the Scheme, and will execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by each of them for the purpose of giving effect to this Scheme.

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## APPENDIX III – SCHEME OF ARRANGEMENT

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### THE SCHEME

#### PART I

##### Cancellation of the Scheme Shares

1. On the Effective Date:
  - (a) the issued share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares;
  - (b) subject to and forthwith upon such reduction of capital taking effect, the share capital of the Company will be increased to its former amount by issuing to the Offeror the same number of Shares as the number of Scheme Shares cancelled and extinguished; and
  - (c) the Company shall apply the credit arising in its books of account as a result of the capital reduction referred to in paragraph 1(a) above in paying up in full at par the new Shares issued to the Offeror, credited as fully paid.

#### PART II

##### Consideration for the cancellation and extinguishment of the Scheme Shares

2. In consideration of the cancellation and extinguishment of the Scheme Shares, the Offeror shall pay or cause to be paid to each Scheme Shareholder the Cancellation Price.

#### PART III

##### General

3.
  - (a) As soon as possible and in any event not later than seven (7) Business Days after the Effective Date, the Offeror shall send or cause to be sent to Scheme Shareholders checks in respect of the sums payable to such Scheme Shareholders pursuant to Clause 2 of this Scheme.
  - (b) Unless otherwise indicated in writing to the branch share registrar of the Company in Hong Kong, being Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, all such checks shall be sent by post in pre-paid envelopes addressed to such Scheme Shareholders at their respective addresses as appearing on the Register at the Record Time or, in the case of joint holders, at the address as appearing on the Register at the Record Time of the joint holder whose name then stands first in the Register in respect of the relevant joint holding.
  - (c) Checks shall be posted at the risk of the addressee and neither the Offeror nor the Company shall be responsible for any loss or delay in the transmission of the same.
  - (d) Each check shall be payable to the order of the person to whom, in accordance with the provisions of paragraph (b) of this Clause 3, the envelope containing the same is addressed and the encashment of any such check shall be a good discharge to the Offeror for the monies represented thereby.

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## APPENDIX III – SCHEME OF ARRANGEMENT

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- (e) On or after the day being six calendar months after the posting of the check pursuant to paragraph (b) of this Clause 3, the Offeror shall have the right to cancel or countermand payment of any such check which has not been encashed or that has been returned uncashed and shall place all monies represented thereby in a deposit account of the Offeror with a licensed bank of Hong Kong selected by the Company. The Offeror shall hold such monies on trust for those entitled to it under the terms of this Scheme until the expiration of six years from the Effective Date and shall, prior to such date, make payments thereof of the sums payable pursuant to Clause 2 of this Scheme to persons who satisfy the Offeror that they are respectively entitled thereto and the checks referred to in paragraphs (b) of this Clause 3 of which they are payees have not been cashed. The Offeror shall exercise its absolute discretion in determining whether or not it is satisfied that any person is so entitled and a certificate of the Offeror to the effect that any particular person is so entitled or not so entitled, as the case may be, shall be conclusive and binding upon all persons claiming an interest in the relevant monies.
  - (f) On the expiration of six years from the Effective Date, the Offeror shall be released from any further obligation to make any payments under this Scheme.
  - (g) Paragraph (f) of this Clause 3 shall take effect subject to any prohibition or condition imposed by law.
  - (h) Upon cancellation of the Scheme Shares, the Register shall be updated to reflect such cancellation.
4. Each instrument of transfer and certificate existing at the Record Time in respect of a holding of any number of Scheme Shares shall on the Effective Date cease to be valid for any purpose as an instrument of transfer or a certificate for such Scheme Shares and every holder of such certificate shall be bound at the request of the Offeror to deliver up the same to the Offeror for the cancellation thereof.
  5. All mandates or relevant instructions to the Company in force at the Record Time relating to any of the Scheme Shares shall cease to be valid as effective mandates or instructions on the Effective Date.
  6. Subject to Clause 1, this Scheme shall become effective as soon as a copy of the order of the Cayman Islands Grand Court sanctioning this Scheme under Section 86 of the Companies Law has been registered by the Registrar of Companies in the Cayman Islands.
  7. Unless this Scheme shall have become effective on or before June 20, 2012 or such later date, if any, as the Company and the Offeror may agree, or as the Cayman Islands Grand Court, on application of the Company and/or the Offeror may allow, this Scheme shall lapse.
  8. The Company and the Offeror may consent jointly for and on behalf of all concerned to any modification of or addition to this Scheme or to any condition that the Cayman Islands Grand Court may think fit to approve or impose.
  9. All costs, charges and expenses of the advisors and counsels appointed by Offeree, including the Independent Financial Advisor, will be borne by the Offeree, all costs, charges and expenses of the advisors and counsels appointed by Offeror will be borne by the Offeror, and other costs, charges and expenses of this Scheme will be shared between the Offeror and the Offeree equally.

April 24, 2012