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)

CONNECTED TRANSACTION — LEASE AGREEMENT

THE LEASE AGREEMENT

On August 28, 2025, Alibaba Health Pharmaceutical Chain (as tenant), an indirectly wholly-owned subsidiary of the Company, entered into the Lease Agreement with Hangzhou Chuanfu (as landlord) in respect of the leasing of the Premises for a term of 30 months from the Commencement Date, whereby the Group will lease the Premises with a rented floor area of approximately 87,000 sq.m..

LISTING RULES IMPLICATIONS

As at the date of this announcement, Alibaba Holding is the ultimate controlling shareholder of the Company. Hangzhou Chuanfu is an indirect wholly-owned subsidiary of Alibaba Holding, it is therefore a connected person of the Company. Accordingly, the entering into of the Lease Agreement by Alibaba Health Pharmaceutical Chain constitutes a connected transaction of the Company under the Listing Rules. In accordance with HKFRS 16 "Leases", the Company will recognise the value of the right-of-use asset in connection with the Lease Agreement on its consolidated statement of financial position. Accordingly, the entering into of the Lease Agreement will be regarded as an acquisition of asset by the Group under Rule 14A.24(1) of the Listing Rules.

Since the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the estimated value of the right-of-use asset to be recognised by the Group under the Lease Agreement exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the Lease Agreement is subject to the reporting and announcement requirements, but exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

On August 28, 2025, Alibaba Health Pharmaceutical Chain (as tenant), an indirectly wholly-owned subsidiary of the Company, entered into the Lease Agreement with Hangzhou Chuanfu (as landlord) in respect of the leasing of the Premises for a term of 30 months from the Commencement Date, whereby the Group will lease the Premises with rented floor area of approximately 87,000 sq.m..

LEASE AGREEMENT

The principal terms of the Lease Agreement are set out below.

Date	:	August 28, 2025
Parties	:	(1) Alibaba Health Pharmaceutical Chain (as tenant) (2) Hangzhou Chuanfu (as landlord)
Premises	:	Production plant and ancillary facilities located at Alibaba Pharmaceutical Health Logistics Park, Tangjiadai Village, Tangxi Town, Linping District, Hangzhou, PRC, with an area of approximately 87,000 sq.m.
Usage of the Premises	:	As a warehouse approved by the medical products administration for storage of pharmaceutical products and medical devices and other reasonable and lawful purposes
Lease term	:	30 months commencing from September 1, 2025 up to and including February 29, 2028
Rent and property management fee	:	The total rent and property management fee payable (inclusive of tax) during the term of the Lease Agreement shall be approximately RMB13.8 million for the first six months, and shall be capped at RMB33.4 million and RMB34.8 million for the seventh to the eighteenth months and for the nineteenth to the thirtieth months, respectively.

		The total rent and property management fee was determined after arm's length negotiations between the parties, taking into account, among others, the current market rental rates for similar premises comparable in size, location and amenities, the size of the premises, specifically the total floor area available for use, the location of the premises, including distance to public transportation and business districts, and subject to periodic review by the parties.
Payment terms	:	Rent and property management fee shall be payable on a quarterly basis. Hangzhou Chuanfu shall provide Alibaba Health Pharmaceutical Chain with the relevant invoices for the period from the Commencement Date to the end of the first calendar quarter within 15 working days after the Commencement Date, and shall subsequently provide Alibaba Health Pharmaceutical Chain with the relevant invoices for the subsequent calendar quarters in advance of each calendar quarter. Alibaba Health Pharmaceutical Chain shall pay the rent and property management fee to Hangzhou Chuanfu within 15 days after Alibaba Health has confirmed the amount payable on the relevant invoices.
Option to renew	:	Upon expiration of the Lease Agreement, Alibaba Health Pharmaceutical Chain shall have the option to renew the lease for a further term on substantially the same terms by way of entering into a new lease agreement by notifying Hangzhou Chuanfu in writing at least one month prior to the expiry of the Lease Agreement.

RIGHT-OF-USE ASSET

Under HKFRS 16 "Leases", the Company is required to recognise a lease as a right-of-use asset and a lease liability. The right-of-use asset represents the Company's right to use the underlying leased asset over the lease term and the lease liability represents its corresponding obligations to make lease payments (i.e. the rent and certain other charge payments). The value of the right-of-use asset to be recognised by the Company under the Lease Agreement is expected to be approximately RMB44.6 million, which includes the present value of the aggregated lease payments to be made under the Lease Agreement during the lease term (which includes the exercise of the option to renew the lease by Alibaba Health Pharmaceutical Chain) in accordance with HKFRS 16 "Leases".

REASONS FOR AND BENEFITS OF ENTERING INTO THE LEASE AGREEMENT

Located in Hangzhou, one of the core cities of the Group's business in eastern China, the Premises has effectively served as a key warehouse facility for the Group to store its pharmaceutical and medical devices as well as various other health-related products, significantly contributing to the Group's supply chain capabilities and operational efficiency. The Group has also established local presence and developed relationships with suppliers in the area.

The terms of the Lease Agreement were determined after arm's length negotiations between Alibaba Health Pharmaceutical Chain and Hangzhou Chuanfu, with reference to the prevailing market rates, namely the rent payable by Independent Third Parties for leasing comparable properties with similar location, size, land use, conditions and attributes.

Having reviewed the terms of the Lease Agreement, the Directors (including the independent non-executive Directors) are of the view that the terms of the Lease Agreement are fair and reasonable, the transactions contemplated under the Lease Agreement are on normal commercial terms or better to the Company and that the entering into of the Lease Agreement is 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, Alibaba Holding is the ultimate controlling shareholder of the Company. Hangzhou Chuanfu is an indirect wholly-owned Subsidiary of Alibaba Holding, it is therefore a connected person of the Company. Accordingly, the entering into of the Lease Agreement by Alibaba Health Pharmaceutical Chain constitutes a connected transaction of the Company under the Listing Rules. In accordance with HKFRS 16 "Leases", the Company will recognise the value of the right-of-use asset in connection with the Lease Agreement on its consolidated statement of financial position. Accordingly, the entering into of the Lease Agreement will be regarded as an acquisition of asset by the Group under Rule 14A.24(1) of the Listing Rules.

The total rent and property management fee payable (inclusive of tax) during the term of the Lease Agreement shall be approximately RMB13.8 million for the first six months, and shall be capped at RMB33.4 million and RMB34.8 million for the seventh to the eighteenth months and for the nineteenth to the thirtieth months, respectively. The total rent and property management fee was determined after arm's length negotiations between the parties, taking into account, among others, the current market rental rates for similar premises comparable in size, location and amenities, the size of the premises, specifically the total floor area available for use, the location of the premises, including distance to public transportation and business districts, and subject to periodic review by the parties.

Since the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the estimated value of the right-of-use asset to be recognised by the Group under the Lease Agreement exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the Lease Agreement is subject to the reporting and announcement requirements, but exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As Mr. Xu Haipeng, Ms. Huang Jiaojiao and Mr. Tu Yanwu are employees of Alibaba Holding or its Subsidiaries, and Mr. Zhu Shunyan is the honorary advisor of Alibaba Group, each of these Directors is deemed or may be perceived to have a material interest in the transactions contemplated under the Lease Agreement. Accordingly, they have abstained from voting on the resolutions passed by the Board in connection with the Lease Agreement. Save as disclosed above, no other Director has a material interest in the Lease Agreement and is required to abstain from voting on the resolutions of the Board approving the Lease Agreement.

INFORMATION ON THE COMPANY, THE GROUP AND ALIBABA HEALTH PHARMACEUTICAL CHAIN

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 Group is primarily engaged in the pharmaceutical direct sales business, pharmaceutical e-commerce platform business and healthcare and digital services business.

Alibaba Health Pharmaceutical Chain is a limited liability company established in the PRC and an indirect wholly-owned Subsidiary of the Company which is primarily engaged in pharmacy business.

INFORMATION ON ALIBABA HOLDING, ALIBABA GROUP AND HANGZHOU CHUANFU

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 is a global technology company focused on e-commerce and cloud computing. It enables merchants, brands and retailers to market, sell and engage with consumers by providing digital and logistics infrastructure, efficiency tools and vast marketing reach. Alibaba Group empowers enterprises with its leading cloud infrastructure, services and work collaboration capabilities to facilitate their digital transformation and grow their businesses.

Hangzhou Chuanfu, being a company established in the PRC with limited liability, is an indirect wholly-owned Subsidiary of Alibaba Holding and its principal businesses include warehouse services, as well as the leasing, management and related consultancy services for industrial and warehouse facilities.

DEFINITIONS

"Alibaba Group"	a group of companies comprising Alibaba Holding and its Subsidiaries, but, for the purpose of this announcement, excluding the Group
"Alibaba Health Pharmaceutical Chain"	Alibaba Health Pharmaceutical Chain Co., Ltd.* (阿里健康大藥房醫藥連鎖有限公司), a company established in the PRC and an indirect wholly-owned Subsidiary of the Company
"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
"Board"	the board of Directors
"Commencement Date"	the commencement date of the lease term under the Lease Agreement, being September 1, 2025

"Company"	Alibaba Health Information Technology Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00241)
"connected person"	has the meaning ascribed to it under the Listing Rules
"Control"	the power or authority, whether exercised or not, to direct the business, management and policies of such 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 term "Controlled" shall be construed accordingly
"Director(s)"	director(s) of the Company
"Group"	the Company and its Subsidiaries from time to time
"Hangzhou Chuanfu"	Hangzhou Chuanfu Health Technology Co., Ltd.* (杭州傳賦健康科技有限公司), a company established in the PRC with limited liability and an indirect wholly-owned Subsidiary of Alibaba Holding
"HKFRS"	Hong Kong Financial Reporting Standards
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Independent Third Parties"	parties that are independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive, substantial shareholders of the Company, its Subsidiaries or any of their respective associates
"Lease Agreement"	the agreement dated August 28, 2025 entered into between Alibaba Health Pharmaceutical Chain and Hangzhou Chuanfu in relation to the leasing of the Premises
"Listing Rules"	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"PRC"	the People's Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
"Premises"	the production plant and ancillary facilities located at Alibaba Pharmaceutical Health Logistics Park, Tangjiadai Village, Tangxi Town, Linping District, Hangzhou, PRC, with an area of approximately 87,000 sq.m., which is the subject premises of the Lease Agreement
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the issued capital of the Company with a nominal value of HK$0.01 each
"Shareholder(s)"	holder(s) of the Share(s)
"sq.m."	square metres
"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 HKFRS 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
"substantial shareholder"	has the meaning ascribed to it in the Listing Rules

"%" per cent.

* *For identification purpose only*

For and on behalf of the Board
Alibaba Health Information Technology Limited
Shen Difan
Chief Executive Officer

Hong Kong, August 28, 2025

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