

xbPRIME



Initial Public Offering

HKEX

香港交易所

Hong Kong Stock Exchange

ABOUT THE COMPANY

ALL COMPANIES IN ALIBABA GROUP



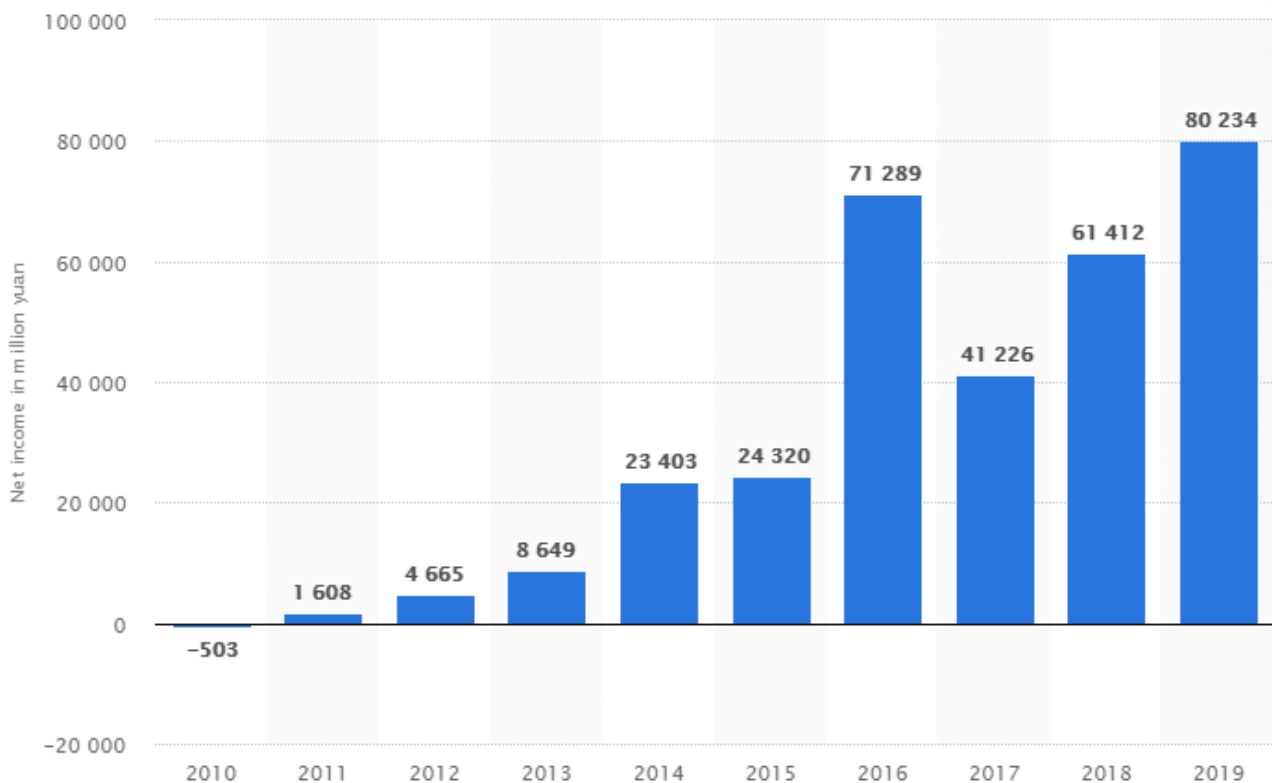
- **Alibaba Group Holding Limited** is a Chinese multinational conglomerate holding company specializing in **e-commerce, retail, Internet, and technology.**
- **Founded on 4 April 1999** in Hangzhou, Zhejiang, the company provides consumer-to-consumer (C2C), business-to-consumer (B2C), and business-to-business (B2B) sales services via web portals, as well as electronic payment services, shopping search engines and cloud computing services.
- It owns and operates a diverse array of businesses around the world in numerous sectors, and is named as **one of the world's most admired companies** by Fortune.

ABOUT THE COMPANY


- **Alibaba** is the **world's largest retailer** and **e-commerce company**, one of the **largest Internet** and **artificial intelligence** companies, one of the **biggest venture capital firms**, and **one of the biggest investment corporations** in the world.
- The company hosts the largest **B2B (Alibaba.com)**, **C2C (Taobao)**, and **B2C (Tmall)** marketplaces in the world.
- Its **online sales** and **profits surpassed all US retailers** (including **Walmart**, **Amazon**, and **eBay**) combined since **2015**.
- It has been expanding into the media industry, with revenues rising by triple percentage points year on year.
- It **also sets the record** on the **2019** edition of **China's Singles' Day**, the **world's biggest online** and offline shopping day.

Annual net income of Alibaba from 2010 to 2019

(in million yuan)



KEY PEOPLE

- **Jack Ma**, born **10 September 1964**, is a **Chinese business magnate**, investor, politician and philanthropist.
 - He is the **co-founder** and former **executive chairman** of **Alibaba Group**, a multinational technology conglomerate. Ma is a strong proponent of an open and market-driven economy.
 - A prominent business leader, Ma is seen as a **global ambassador** for **Chinese business** and as such is frequently listed as **one of the world's most powerful people & world's 20th Richest Person** by Bloomberg Billionaires Index & Forbes.
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- A photograph of Jack Ma, the co-founder and former executive chairman of Alibaba Group. He is shown from the chest up, wearing a dark suit jacket over a white shirt. He is pointing with both hands towards the left side of the frame. The background is dark and out of focus.
- He also serves as a role model for start-up businesses.
 - In 2017, he was ranked second in the annual "**World's 50 Greatest Leaders**" list by Fortune.
 - In September 2018, he announced that he would retire from Alibaba and pursue educational work, effective in one year, with Daniel Zhang succeeding him as executive chairman.
 - As of **2 February 2019**, he is **China's richest man**, with a **net worth of \$41.1 billion**, as well as one of the wealthiest people in the world and also was ranked **21st** in the world by **Forbes Magazine' World's Most Powerful People**.

COMPANY MILESTONES



1999

ALIBABA FOUNDED

Alibaba was founded in 1999 by Jack Ma and a team of 18. They began operating out of Jack Ma's apartment in Hangzhou. They established Alibaba.com, an English language global marketplace.

2000

ALIBABA RAISES \$20 MILLION FROM SOFTBANK

Alibaba raised \$20 million from Softbank, as Jack Ma signed the agreement with SoftBank CEO Masayoshi Son.



MAY 2003

TAOBAO IS FOUNDED

Domestic online shopping marketplace Taobao is founded, while the company is still being run out of Jack Ma's apartment in Hangzhou.



COMPANY MILESTONES



2004

ALIPAY IS FOUNDED, ALIBABA RAISES RECORD PRIVATE EQUITY INVESTMENT

Alibaba introduced its online payment platform, Alipay. The company also raised \$82 million from a group of top tier investors, representing the largest ever commitment from private equity to a Chinese internet company.



2005

ALIBABA SIGNS STRATEGIC PARTNERSHIP WITH YAHOO!

In addition to signing a strategic partnership with Yahoo!, Alibaba assumes control of China Yahoo!'s operations.



2007

ALIBABA COMPLETES IPO ON THE HONG KONG STOCK EXCHANGE

Alibaba raised \$1.5 billion through its Hong Kong IPO.

NOVEMBER 6, 2007

Shares in **Alibaba.com** 1688.HK nearly tripled on their trading debut on Tuesday, beating all expectations, after **China's largest e-commerce firm raised \$1.49 billion** in Hong Kong's most popular initial public offering.

The **stock** rose steadily through the day despite a see-sawing broader market and closed at **HK\$39.50** for a gain of **nearly 193 percent**, valuing **Alibaba.com** at roughly **US\$25.6 billion**.

COMPANY MILESTONES



2009

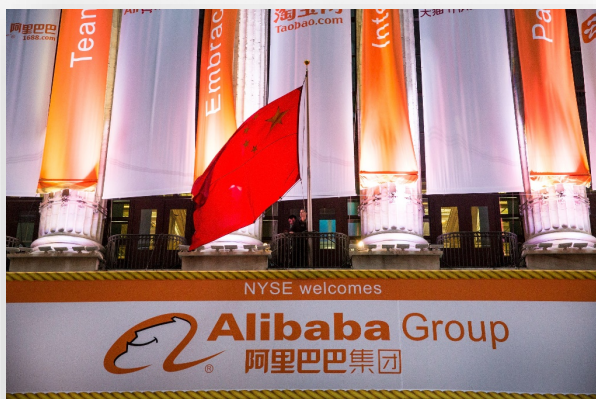
ALIBABA 10TH ANNIVERSARY, ALIBABA CLOUD

Alibaba celebrates its 10th anniversary by establishing Alibaba Cloud. The company also acquired HiChina, China's leading Internet infrastructure service provider.

2010

TAOBAO MOBILE APP LAUNCHED, ALIEXPRESS

Alibaba launched the Taobao app for mobile, making e-commerce even more convenient. They also established AliExpress, enabling exporters in China to directly transact with consumers around the world.



SEPTEMBER 2014

ALIBABA COMPLETES IPO ON NYSE

On September 19th, 2014 Alibaba made history with the largest IPO of all time. Listing on the NYSE, Alibaba raised \$25 billion, valuing the company onto the stage of global giants in the internet age.

SEPTEMBER 19, 2014

Alibaba's Shares Close Up 38% on First Day of Trading

The **Alibaba Group**, the **e-commerce giant**, closed the day at **\$93.89** a share on the **New York Stock Exchange**, up **38 percent** from its initial public offering price in a strong trading debut.

COMPANY MILESTONES



OCTOBER 2014 ALIBABA ESTABLISHES ANT FINANCIAL

Alibaba formally establishes Ant Financial Services Group that will operate Alipay, and provide a comprehensive set of other financial services



FEBRUARY 2015 ALIBABA LAUNCHES DINGTALK

Alibaba launches DingTalk, a group messaging platform, to meet the communication requirements of SME's.



2017 ALIBABA ESTABLISHES HEMA SUPERMARKETS

Alibaba launched its new Hema supermarkets which are a shining example of the "new retail" model. Hema stores are highly digitized, allowing for increased convenience for customers.

2019 ALIBABA BREAKS SINGLES DAY RECORD

Gross merchandise value (GMV), a figure that shows sales across Alibaba's various shopping platforms, surpassed last year's 213.5 billion yuan record (nearly \$30.5 billion) on Monday afternoon local time, and kept rising through the rest of the day.



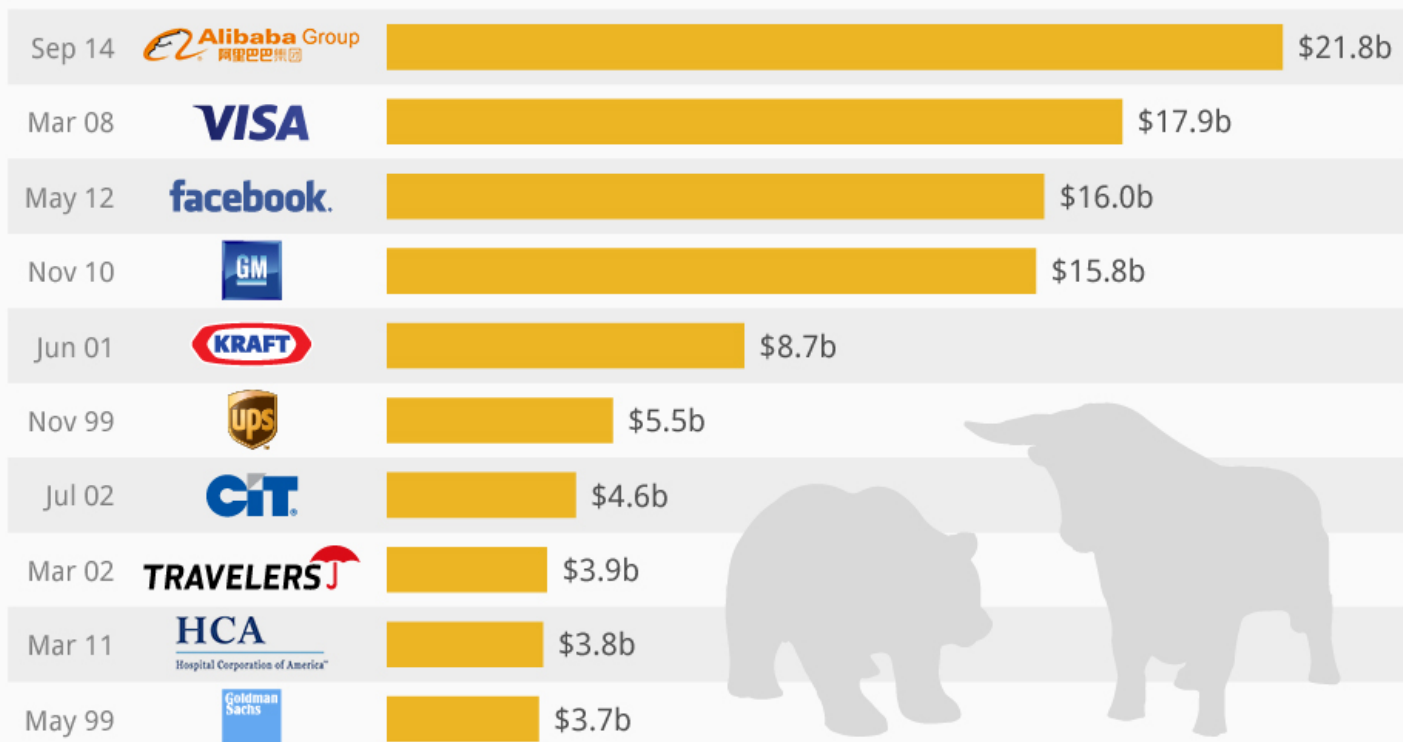
U.S. INITIAL PUBLIC OFFERING

Alibaba IPO Is Officially The Biggest Ever At \$25 Billion

- After claiming the record for the largest US-listed initial public offering, Alibaba Group can now say its record-breaking IPO was the biggest in the world.
- In raising \$25 billion, Alibaba's IPO surpassed the 2010 offering from the Agricultural Bank of China, which raised \$22.1 billion in its debut on the Hong Kong Stock Exchange.

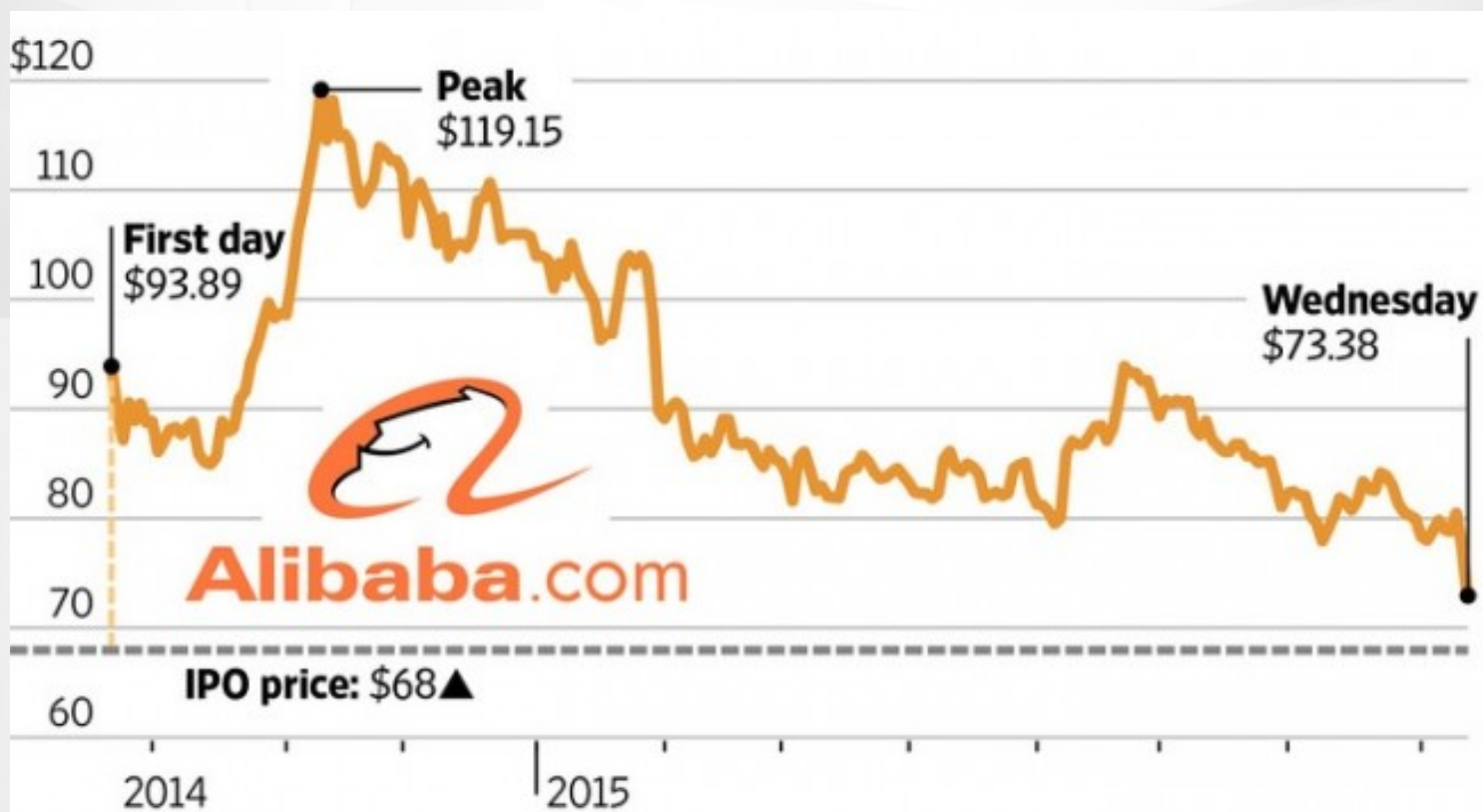
Alibaba Raises at Least \$21.8 Billion in Record IPO

Capital raised in the 10 largest U.S. IPOs*



U.S. INITIAL PUBLIC OFFERING

Alibaba Group Shares Chart - 1 Year since NYSE IPO



Source: FactSet

THE WALL STREET JOURNAL.

HONK KONG INITIAL PUBLIC OFFERING

- Alibaba Group Holding Ltd. is aiming to raise **\$10 billion** to **\$15 billion** with a new listing in Hong Kong this month (November, 2019).
- The online-retailing giant, which is already listed in New York and is **China's most valuable company by market capitalization**, plans to **launch the share sale after its Nov. 11 "Singles Day" shopping festival**, the Chinese equivalent of Black Friday.
- The U.S.-listed Chinese e-commerce giant is due to seek approval from Hong Kong's listing committee. After that, the listing process and bookbuild would then proceed during the week of Nov. 25, two people with direct knowledge of the matter said.
- A listing of **\$10 billion** or more would surpass **Uber Technologies Inc.** as the **biggest stock offering so far this year**, although it could quickly be overtaken by oil producer **Saudi Aramco's initial public offering**.



HONK KONG INITIAL PUBLIC OFFERING

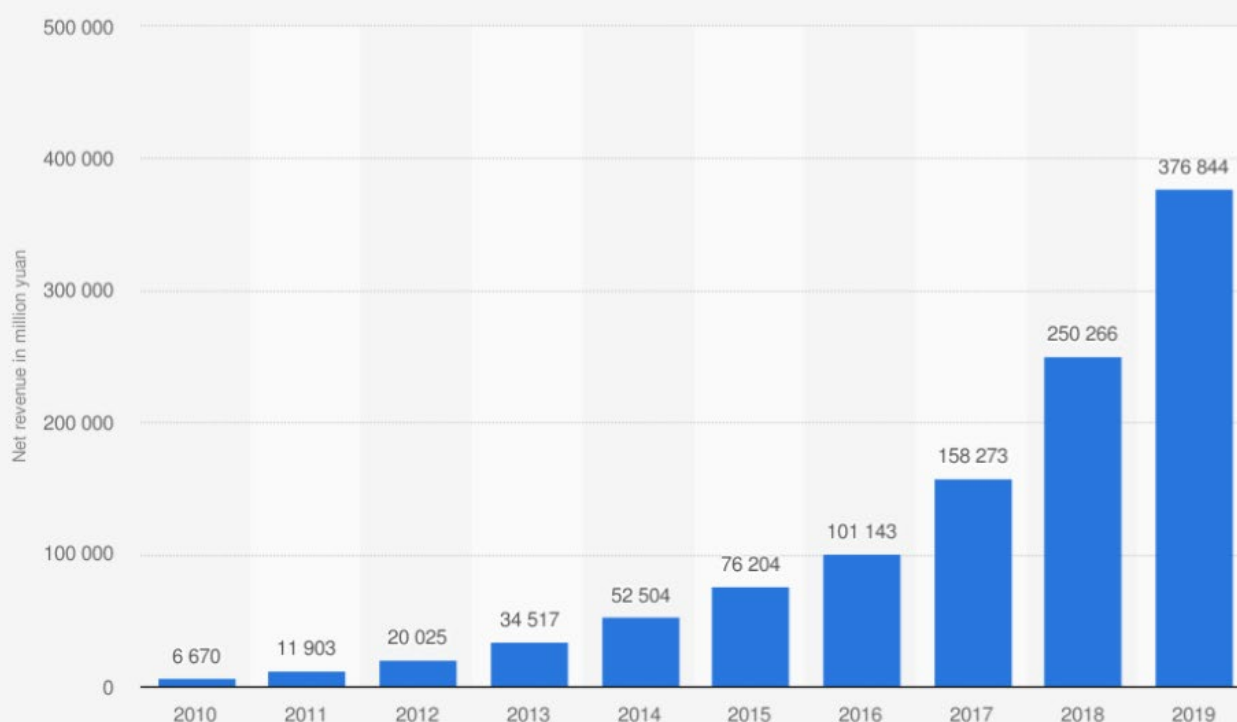


- Since **going public** in **New York**, **Alibaba's** shares have **more than doubled** in value, giving it a market capitalization of around **\$460 billion**.
- Alibaba's U.S.-listed shares have **gained 37%** in **2019**, **outperforming** the **S&P 500's 23% rise**.
- The deal is currently being led by **China International Capital Corp. (CICC)** and **Credit Suisse**. Major investment banks led by Morgan Stanley and Goldman Sachs are currently jockeying for the most senior positions behind those two.

FINANCIAL INFORMATION

- In its first earnings report since co-founder Jack Ma stepped down as executive chairman, Alibaba Group Holding Ltd. said sales **rose 40%** and **profit nearly tripled** in its latest quarter, showing that the Chinese online retailer continues to surge despite a saturated e-commerce market.
- **Quarterly sales of 119 billion yuan** (\$16.7 billion) and **net income of 70.7 billion yuan** (primarily from a one-time gain related to an equity interest in a sister company) beat estimates of analysts polled by FactSet.
- **Alibaba, with a two-thirds share of China's e-commerce market, has benefited from the growing affluence of the Chinese.** The company expects to increase its **advertising revenue**, a core of its business model, by charging for ads based on personalized recommendations to shoppers.
- Sales for its **nascent cloud-computing** business **grew 64%** to **9.3 billion yuan** in the quarter.
- **Alibaba's online-retail business in China** accounted for **64%** of its sales in the quarter ended Sept. 30.

Annual revenue of Alibaba Group from 2010 to 2019 (in million yuan)



Source
Alibaba
© Statista 2019

Additional Information:
China; 2010 to 2019; fiscal year ending March 31

PREVIOUS IPOs IN 2019

- **Lyft's stock popped** as much as **23 percent** in its **debut** on the public market **Friday**. Shares opened at **\$87.24** a piece and ultimately settled to modest gains.
- The initial public offering marks the first debut from a heavyweight class of tech companies going public in 2019.
- **Lyft** said **Thursday** that it sold 32.5 million shares — more than expected — **at \$72 apiece**. That's at the high end of the stated range, which was already boosted from an initial range of **\$62 to \$68**. That means the company raised about \$2.3 billion from the listing



Source: cnbc.com March 29th, 2019



- Pinterest began its **first day of trading** Thursday at **\$23.75, up 25%**.
- The bump pushed Pinterest's market cap above \$12 billion after it was **initially priced** at **\$19 per share**, which had valued it at **\$10 billion**.
- The stock continued to climb, **rising 28.4%** to trade at **\$24.40 per share** with a **market cap** of nearly **\$13 billion**.
- That puts **Pinterest's valuation well above** the **\$12 billion** at which it raised its latest round of funds in 2017.

Source: cnbc.com April 18th, 2019

- Levi Strauss & Co. began trading Thursday on the New York Stock Exchange **at \$22.22 a share**, after having priced its **initial public offering** at **\$17** a share the night prior.
- **Shares** of blue jeans giant **Levi Strauss & Co. surged 32 percent** in their **debut** on the **New York Stock Exchange**, giving the company a market capitalization of **\$8.7 billion** and demonstrating **strong demand** for owning a part of the jean giant.
- **Levi Strauss** on Wednesday night priced its initial public offering at **\$17**, topping original expectations of between **\$14** and **\$16** a share.

Source: cnbc.com April 18th, 2019



PREVIOUS IPOs IN 2019

- The share price of **Beyond Meat** surged **163 percent** on **Thursday** in the **company's first day** of trading on **Wall Street**, signalling surprising interest in a **new generation of companies** that are creating plant-based alternatives to meat.
- **Beyond Meat**, which makes **vegetarian burgers** and sausages, began trading at **\$25 a share** on the **Nasdaq stock exchange** and ended the day at **\$65.75**.
- The **stock's first-day pop** is **one of the biggest** in recent I.P.O. history.

Source: nytimes.com May 2nd, 2019



BEYOND MEAT®



- **Shares of Cloudflare** closed up **20%** in its first day of trading on the public market on Friday. The company opened trading at **\$18** after it priced its **IPO** at **\$15** a share on **Thursday**.
- Earlier this week, the company raised its IPO price range to between **\$12** and **\$14 per share**, up from its previous range of **\$10** to **\$12** per share.
- **Cloudflare** closed its **first trading day** with a share price of **\$18**.
- The company offered more than **35 million shares** for sale, raising **\$525 million** in the process.

Source: cnbc.com September 13th, 2019

SOURCES

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Trading on margin involves a high level of risk, including full loss of your trading funds. Before proceeding to trade, you must understand all risks involved and acknowledge your trading limits, bearing in mind the level of awareness in the financial markets, trading experience, economic capabilities and other aspects.

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