

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE: ALIBABA GROUP HOLDING
LTD. SECURITIES LITIGATION

Master File No. 1:20-CV-09568-GBD-JW

Hon. George B. Daniels

NOTICE OF (I) PENDENCY OF CLASS ACTION, CERTIFICATION OF SETTLEMENT CLASS, AND PROPOSED SETTLEMENT; (II) SETTLEMENT FAIRNESS HEARING; AND (III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by the above-captioned securities class action (the "Action") pending in the United States District Court for the Southern District of New York (the "Court") if you purchased or otherwise acquired Alibaba Group Holding Limited ("Alibaba") American Depositary Shares ("ADS"; NYSE ticker symbol: BABA) during the period November 13, 2019 through December 23, 2020, inclusive (the "Settlement Class Period").¹

NOTICE OF SETTLEMENT: Please also be advised that the Plaintiffs in the above-captioned action, on behalf of themselves and the Settlement Class (as defined in ¶25 below), have reached a proposed settlement of the Action for \$433,500,000 in cash that, if approved, will resolve all claims in the Action (the "Settlement").

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act.

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact Alibaba, any other Defendants in the Action, or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (see ¶93 below).

- Description of the Action and the Settlement Class:** This Notice relates to a proposed Settlement of claims in a pending securities class action brought by investors alleging, among other things, that defendants Alibaba, Daniel Yong Zhang ("Zhang"), Maggie Wei Wu ("Wu"), and former defendant Jack Yun Ma ("Ma") (collectively, "Defendants")² violated the federal securities laws by making false and misleading statements regarding Alibaba. A more detailed description of the Action is set forth in ¶¶11-21 below. The proposed Settlement, if approved by the Court, will settle claims of the Settlement Class, as defined in ¶25 below.
- Statement of the Settlement Class's Recovery:** Subject to Court approval, Plaintiffs, on behalf of themselves and the Settlement Class, have agreed to settle the Action in exchange for a settlement payment of \$433,500,000 in cash (the "Settlement Amount") to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the "Settlement Fund") less (a) any Taxes, (b) any Notice and Administration Costs, (c) any Litigation Expenses awarded by the Court, and (d) any attorneys' fees awarded by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Settlement Class. The proposed plan of allocation (the "Plan of Allocation") is set forth in ¶¶53-76 below.
- Estimate of Average Amount of Recovery Per ADS:** Plaintiffs' damages expert estimates approximately 683.3 million shares of Alibaba ADS purchased during the Settlement Class Period may have been affected by the conduct at issue in the Action. If all eligible Settlement Class Members elect to participate in the Settlement, the estimated average recovery would be \$0.63 per affected share of Alibaba ADS (before the deduction of any Court-approved fees, expenses, and costs as described herein). Settlement Class Members should note, however, that the foregoing is only an estimate. Some Settlement Class Members may recover more or less than this estimated amount depending on, among other factors, when and at what prices they purchased/acquired or sold their Alibaba ADS, and the total number of valid Claim Forms submitted. Distributions to Settlement Class Members will be made based on the Plan of Allocation set forth herein (*see* ¶¶53-76 below) or such other plan of allocation as may be ordered by the Court.
- Average Amount of Damages Per ADS:** The Parties do not agree on the average amount of damages per Alibaba ADS that would be recoverable if Plaintiffs were to prevail in the Action. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any members of the Settlement Class as a result of their conduct.
- Attorneys' Fees and Expenses Sought:** Plaintiffs' Counsel, which have been prosecuting the Action on a wholly contingent basis since its inception in 2020, have not received any payment of attorneys' fees for their representation of the Settlement Class and have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Court-appointed Lead Counsel, Glancy Prongay & Murray LLP, will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 30% of the

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated October 25, 2024 (the "Stipulation"), which is available at www.AlibabaClassActionSettlement.com.

² Defendants Zhang, Wu, and Ma are collectively referred to herein as the "Individual Defendants."

Settlement Fund. In addition, Lead Counsel will apply for reimbursement of Litigation Expenses paid or incurred in connection with the institution, prosecution, and resolution of the claims against the Defendants, in an amount not to exceed \$1,500,000, which may include an application for payment pursuant to the Private Securities Litigation Reform Act of 1995 (“PSLRA”) to Plaintiffs for an amount not to exceed \$85,000 (in total) related to their representation of the Settlement Class. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses. If the maximum amounts are requested and the Court approves Lead Counsel’s fee and expense application, the estimated average amount of fees and expenses, assuming claims are filed for all affected shares, will be approximately \$0.19 per affected Alibaba ADS.

6. **Identification of Attorneys’ Representatives:** Plaintiffs and the Settlement Class are represented by Kara M. Wolke, Esq. of Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067, (888) 773-9224, settlements@glancylaw.com.

7. **Reasons for the Settlement:** Plaintiffs’ principal reason for entering into the Settlement is the substantial immediate cash benefit for the Settlement Class without the risk or the delays inherent in further litigation. Moreover, the substantial cash benefit provided under the Settlement must be considered against the significant risk that a smaller recovery – or indeed no recovery at all – might be achieved after contested motions, a trial of the Action, and the likely appeals that would follow a trial. This process could be expected to last several years. Defendants, who deny all allegations of wrongdoing or liability whatsoever, are entering into the Settlement solely to eliminate the uncertainty, burden, and expense of further protracted litigation.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:	
SUBMIT A CLAIM FORM ONLINE OR POSTMARKED NO LATER THAN MARCH 26, 2025.	This is the only way to be eligible to receive a payment from the Settlement Fund. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs’ Claims (defined in ¶35 below) that you have against Defendants and the other Defendants’ Releasees (defined in ¶36 below), so it is in your interest to submit a Claim Form.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN MARCH 6, 2025.	If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you ever to be part of any other lawsuit against any of the Defendants or the other Defendants’ Releasees concerning the Released Plaintiffs’ Claims.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN MARCH 6, 2025.	If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for attorneys’ fees and reimbursement of Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation, or the fee and expense request unless you are a Settlement Class Member and do not exclude yourself from the Settlement Class.
GO TO A HEARING ON MARCH 27, 2025, AT 10:00 A.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN MARCH 6, 2025.	Filing a written objection and notice of intention to appear by March 6, 2025, allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys’ fees and reimbursement of Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection.
DO NOTHING.	If you are a member of the Settlement Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement, and you will be bound by any judgments or orders entered by the Court in the Action.

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WHY DID I GET THIS NOTICE?

8. The Court directed that this Notice be mailed to you because you or someone in your family, or an investment account for which you serve as a custodian, may have purchased or otherwise acquired Alibaba ADS during the Settlement Class Period. The Court has directed us to send you this Notice because, as a potential Settlement Class Member, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how this class action lawsuit may generally affect your legal rights. If the Court approves the Settlement, and the Plan of Allocation (or some other plan of allocation), the Claims Administrator selected by Plaintiffs and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.

9. The purpose of this Notice is to inform you of the existence of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Settlement Class if you wish to do so. It is also being sent to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and the motion by Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses (the "Settlement Hearing"). See ¶83 below for details about the Settlement Hearing, including the date and location of the hearing.

10. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

WHAT IS THIS CASE ABOUT?

11. On November 13, 2020, Plaintiff Laura Ciccarello initiated this Action by filing a Class Action Complaint for Violations of the Federal Securities Laws against defendants Alibaba, Zhang, and Wu in the Court (the "Initial Complaint") in *Ciccarello v. Alibaba Group Holding Ltd., et al.*, Case No. 1:20-cv-09568-GBD. The Initial Complaint alleged that Alibaba, Zhang, and Wu made materially false and/or misleading statements relating to the then-anticipated Initial Public Offering ("IPO") of Ant Group Co., Ltd. ("Ant Group"), in which Alibaba owned a 33% equity interest, in violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder.

12. On February 10, 2022, pursuant to the PSLRA, the Court entered an order appointing Salem Gharsalli as Lead Plaintiff in the Action, and approving his selection of Glancy Prongay & Murray LLP as Lead Counsel.

13. On April 22, 2022, Lead Plaintiff Salem Gharsalli, together with additional named plaintiffs Laura Ciccarello, Dineshchandra Makadia, and Yan Tongbiao, filed the Consolidated Amended Class Action Complaint (the "Complaint"), asserting claims under Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder during the period July 10, 2020, through December 23, 2020, and adding Alibaba founder Jack Ma as a named defendant. Among other things, the Complaint alleged that Alibaba and Ma violated the Exchange Act by misrepresenting and/or scheming to conceal certain material regulatory or political risks relating to the then-anticipated IPO of Ant Group (the "Ant Group IPO Claim"). The Complaint also alleged that Alibaba, Zhang, and Wu violated the Exchange Act by misrepresenting and failing to disclose certain material facts relating to Alibaba's alleged use of merchant exclusivity practices in violation of Chinese laws (the "Antitrust Claim"). In particular, the Complaint alleged that during a Chinese State Administration for Market Regulation ("SAMR") administrative guidance meeting on November 5, 2019, the SAMR instructed Alibaba and other e-commerce platforms that the use of exclusive partnerships and/or restricting the operations of merchants on other e-commerce platforms violated Chinese e-commerce, anti-trust, and anti-unfair competition laws, and that despite the SAMR's instructions, Alibaba thereafter continued to use unlawful merchant exclusivity practices. Finally, the Complaint alleged that Ma violated SEC Rule 10b5-1 for selling or causing to be sold Alibaba ADS owned or beneficially owned by him while in possession of material non-public information relating to the Ant Group IPO and Alibaba's alleged exclusivity practices.

14. The Complaint averred that as a result of the alleged misrepresentations and omissions relating to the Ant Group IPO and Alibaba's ongoing use of merchant exclusivity practices, the price of Alibaba ADS was artificially inflated during the alleged class period. The Complaint alleged that the suspension of the Ant Group IPO on November 3, 2020, in response to which Alibaba's ADS price fell \$25.27 per share (8.13%), constituted a materialization of the undisclosed political and regulatory risks relating to Ant Group. The Complaint also alleged that undisclosed risks relating to Alibaba's ongoing use of merchant exclusivity practices partially materialized, and/or that the truth of Alibaba's ongoing use of such practices was partially revealed, when: (i) on November 10, 2020, multiple news outlets reported that the SAMR published new draft rules aimed at anti-competitive practices by online platforms, including merchant exclusivity practices like those allegedly used by Alibaba, in response to which Alibaba's ADS price fell \$23.99 per share (8.26%) on

November 10, 2020; and (ii) after the close of trading on December 23, 2020, the SAMR announced that it launched an investigation in response to reports regarding Alibaba's alleged use of exclusivity practices, in response to which Alibaba's ADS price fell \$34.18 per share (13.34%) on December 24, 2020.

15. On July 21, 2022, Defendants filed two separate motions to dismiss the Complaint for failure to state a claim. The motions were fully briefed and oral argument on the motions was held on January 11, 2023. On March 22, 2023, the Court entered its Memorandum and Order that granted in part and denied in part Defendants' motions. The Ant Group IPO Claim and the insider trading claims against defendant Ma were dismissed in their entirety,³ but the Antitrust Claims were sustained, in part. Notably, the Court dismissed the alleged price drops on November 3, 2020 and November 10, 2020, holding that the news prompting those two price drops did not constitute corrective disclosures of fraudulently misrepresented or concealed facts.

16. On May 5, 2023, Defendants filed their Answer and Affirmative Defenses to the Complaint.

17. On October 4, 2023, in advance of filing their motion for class certification, Plaintiffs filed the sworn PSLRA certification of Wusheng Hu, in anticipation of including Mr. Hu as an additional class certification movant and proposed class representative.

18. On October 6, 2023, Plaintiffs filed their motion for class certification, which included an expert report by Dr. David Tabak, Ph.D., on the topic of market efficiency. Throughout November and December 2023, Defendants took the depositions of each of the four proposed class representatives (Mr. Gharsalli, Ms. Ciccarello, Dr. Makadia, and Mr. Hu), as well as Plaintiffs' expert, Dr. Tabak.⁴ On January 19, 2024, Defendants filed their opposition to Plaintiffs' class certification motion, together with the expert report of Dr. Glenn Hubbard, which sought to defeat class certification by demonstrating the absence of price impact associated with the alleged misrepresentations. On March 21, 2024, Plaintiffs took the deposition of Defendants' expert, Dr. Hubbard. On April 19, 2024, Plaintiffs filed their reply in support of class certification, together with the expert reply report of Dr. Tabak, which sought to rebut Dr. Hubbard's opinions.

19. Counsel for Plaintiffs and Defendants have conducted extensive fact discovery relevant to the claims and defenses in the Action. Following extensive negotiations over the parameters of discovery, Defendants ultimately produced, and Plaintiffs' Counsel reviewed, more than 1.07 million pages of documents in this Action. At the time the agreement to settle was reached, Plaintiffs were preparing for depositions of Alibaba witnesses to begin in Hong Kong in or around September 2024.

20. While the Parties believe in the merits of their respective positions, they also recognized the risks attendant to this litigation and the benefits that would accrue if they could reach an agreement to resolve the Action. Thus, the Parties agreed to participate in private mediation and selected former United States District Court Judge Layn R. Phillips to serve as the mediator. In advance of the mediation, the Parties exchanged, and provided to Judge Phillips, detailed mediation statements, including opening and reply briefs, together with exhibits that addressed issues of both liability and damages. On May 8, 2024, the Parties engaged in a full-day mediation session with Judge Phillips. The mediation ended without any agreement being reached.

21. While the mediation ended without an agreement to settle, the Parties continued to participate in settlement negotiations through the mediator's office to explore whether a settlement could be reached. Following substantial additional negotiations over the ensuing months, Judge Phillips ultimately presented a mediator's recommendation that the Action be settled for \$433,500,000. The Parties accepted the mediator's proposal.

22. Based on the investigation and mediation of the case and Plaintiffs' direct oversight of the prosecution of this matter and with the advice of their counsel, each of the Plaintiffs has agreed to settle and release the claims raised in the Action pursuant to the terms and provisions of the Stipulation, after considering, among other things, (a) the substantial financial benefit that Plaintiffs and the other members of the Settlement Class will receive under the proposed Settlement; and (b) the significant risks and costs of continued litigation and trial.

23. Defendants are entering into the Stipulation solely to eliminate the uncertainty, burden, and expense of further protracted litigation. Each of the Defendants expressly denies any wrongdoing, and the Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any of the Defendants, or any other of the Defendants' Releasees (defined in ¶36 below), with respect to any claim or allegation of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the Defendants have, or could have, asserted. Defendants expressly deny that Plaintiffs have asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, liability, wrongdoing, or damages whatsoever. Similarly, the Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any Plaintiff of any infirmity in any of the claims asserted in the Action, or an admission or concession that any of the Defendants' defenses to liability had any merit.

24. On October 28, 2024, the Court preliminarily approved the Settlement, authorized this Notice to be disseminated to potential Settlement Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

³ Regarding the Ant Group IPO Claim, the Court held that Plaintiffs, as investors in Alibaba's ADS, did not purchase the securities about which the alleged misstatements were made (*i.e.*, Ant Group securities) and, therefore, lacked standing to challenge statements relating to Ant Group. Regarding the other claims against Mr. Ma, the Court held that it lacked personal jurisdiction over him and that he did not violate insider trading rules because Plaintiffs did not plausibly allege that Mr. Ma knowingly possessed material nonpublic information regarding Alibaba's exclusivity practices when he allegedly sold Alibaba ADS.

⁴ Yan Tongbiao, who was a named plaintiff in the Complaint, did not move to be appointed as a class representative.

**HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?
WHO IS INCLUDED IN THE SETTLEMENT CLASS?**

25. If you are a member of the Settlement Class, you are subject to the Settlement, unless you timely request to be excluded. The Settlement Class consists of:

all persons and/or entities that purchased or otherwise acquired Alibaba ADS between November 13, 2019 and December 23, 2020, inclusive.

Excluded from the Settlement Class are: (a) persons who suffered no compensable losses; (b) Defendants; the present and former officers and directors of Alibaba at all relevant times; members of their Immediate Families and their legal representatives, heirs, successors, or assigns, and any entity in which any of the Defendants, or any person excluded under this subsection (b), has or had a controlling interest at any time; (c) any trust of which an Individual Defendant is the settlor or which is for the benefit of an Individual Defendant and/or member(s) of their Immediate Families; (d) present and former parents, subsidiaries, assigns, successors, and predecessors of Alibaba; and (e) Defendants' liability insurance carriers. Also excluded from the Settlement Class are any persons or entities who or which exclude themselves by submitting a request for exclusion in accordance with the requirements set forth in this Notice. See "What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?" on page 11 below.

PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A SETTLEMENT CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. IF YOU ARE A SETTLEMENT CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN SUBMITTED ONLINE OR POSTMARKED NO LATER THAN MARCH 26, 2025.

WHAT ARE PLAINTIFFS' REASONS FOR THE SETTLEMENT?

26. Plaintiffs and Lead Counsel believe that the claims asserted against Defendants have merit. They recognize, however, the expense and length of continued proceedings necessary to pursue their claims against the remaining Defendants through class certification, trial, and appeals, as well as the very substantial risks they would face in establishing liability and damages. Indeed, the Court had already narrowed the case significantly by dismissing the Ant Group IPO Claim in its entirety and dismissing the insider trading claims against Alibaba's founder, Mr. Jack Ma. With respect to the remaining Antitrust Claims, Plaintiffs and Lead Counsel recognized that Defendants had numerous factual and legal defenses that could preclude any recovery. For example, Defendants would assert that Plaintiffs could not prove that the challenged statements relating to the surviving Antitrust Claim were materially false or misleading, and that even if Plaintiffs did prevail in proving that the challenged statements were materially false or misleading, the statements were not made with the requisite state of mind to support the securities fraud claims alleged (which requires intent to defraud or recklessness). As a result, Plaintiffs faced the very real risk that a jury would conclude that statements alleged to be materially false and misleading were not; and that the Defendants did not act with the requisite culpable mental state. Even if the hurdles to establishing liability were overcome, the amount of damages that could be attributed to the allegedly false statement would be hotly contested because Defendants have strongly challenged loss causation in this case, arguing, among other things, that the alleged misrepresentations did not cause the ADS price drop on December 23, 2020, and/or that other factors caused or contributed to the price drop on that day. Plaintiffs would also have had to prevail at several other litigation stages, including class certification, summary judgment, and trial, and if they prevailed on those, they would have to further prevail on the appeals that were likely to follow, in order to recover money for the class. In short, there were very significant risks attendant to the continued prosecution of the Action and no guarantee that an amount greater than \$433,500,000 would be recovered, or that there would be any recovery at all.

27. In light of these risks, the amount of the Settlement, and the immediacy of recovery to the Settlement Class, Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Settlement Class. Plaintiffs and Lead Counsel believe that the Settlement provides a substantial benefit to the Settlement Class, namely \$433,500,000 in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller, or no recovery, after class certification, summary judgment, trial, and appeals, possibly years in the future.

28. Defendants have denied the claims asserted against them in the Action and deny having engaged in any wrongdoing or violation of law of any kind whatsoever. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

29. If there were no Settlement and Plaintiffs failed to establish any essential legal or factual element of their claims against Defendants, neither Plaintiffs nor the other Settlement Class Members would recover anything from Defendants. Also, if Defendants succeeded in proving any of their defenses, either at summary judgment, at trial, or on appeal, the Settlement Class could recover substantially less than the amount provided in the Settlement, or nothing at all.

HOW ARE SETTLEMENT CLASS MEMBERS AFFECTED BY THE ACTION AND THE SETTLEMENT?

30. As a Settlement Class Member, you are represented by Plaintiffs and Lead Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, "When And Where Will The Court Decide Whether To Approve The Settlement?," below.

31. If you are a Settlement Class Member and do not wish to remain a Settlement Class Member, you may exclude yourself from the Settlement Class by following the instructions in the section entitled, “What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?” below.

32. If you are a Settlement Class Member and you wish to object to the Settlement, the Plan of Allocation, or Lead Counsel’s application for attorneys’ fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Settlement Class, you may present your objections by following the instructions in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?” below.

33. If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the “Judgment”). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Plaintiffs’ Releasors (as defined in ¶34 below) shall be deemed to have, and by operation of law and of the final judgment shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Plaintiffs’ Claim (as defined in ¶35 below) against the Defendants and the other Defendants’ Releasees (as defined in ¶36 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs’ Claims against any of the Defendants’ Releasees.

34. “Plaintiffs’ Releasors” means (i) Named Plaintiffs, all other plaintiffs in the Action, and all other Settlement Class Members (whether or not such Settlement Class Members execute and deliver the Proof of Claim or share in the Net Settlement Fund), (ii) each of their respective heirs, executors, predecessors, successors, assigns, parents, subsidiaries, current and former officers and directors, beneficiaries, or legal representatives, in their capacities as such, and (iii) any other person or entity legally entitled to bring Released Plaintiffs’ Claims on behalf of any Settlement Class Member, in that capacity.

35. “Released Plaintiffs’ Claims” means any and all Claims, including Unknown Claims, that (i) are currently or were previously alleged or asserted in the Action, regardless of whether such Claims have been dismissed by the Court, or (ii) could have been alleged or asserted in the Action or could in the future be alleged or asserted in any federal, state, or foreign court, tribunal, forum, or proceeding that arise out of, relate to, or are based upon the allegations, acts, transactions, facts, events, matters, occurrences, representations, statements, or omissions involved, set forth, or referred to in the Action and that relate to the purchase, acquisition, holding, sale, or disposition of any Alibaba ADS. Released Plaintiffs’ Claims do not include: (i) any claims relating to the enforcement of the Settlement; or (ii) any claims of any person or entity who or which submits a request for exclusion that is accepted by the Court.

36. “Defendants’ Releasees” means (i) Alibaba, and its past, present, and future, direct or indirect, parent entities, affiliates, and subsidiaries, each and all of their respective past, present, and future directors, officers, partners, stockholders, predecessors, successors, employees, underwriters, advisors, attorneys, auditors, consultants, trustees, insurers, co-insurers, reinsurers, representatives, and assigns, in their capacities as such; (ii) the Individual Defendants and their respective Immediate Family members, in their capacities as such; (iii) any and all firms, trusts, corporations, and other entities in which any of the Defendants has a controlling interest, and, in their capacity as such, any and all officers, directors, employees, trustees, beneficiaries, settlors, attorneys, consultants, agents, or representatives of any such firm, trust, corporation, or other entity; and (iv) in their capacity as such, the legal representatives, heirs, executors, predecessors, successors, predecessors-in-interest, successors-in-interest, and assigns of any of the foregoing. For the avoidance of doubt, “affiliates” are persons or entities that directly, or indirectly through one or more intermediaries, control, are controlled by, or are under common control with Alibaba or the Individual Defendants.

37. “Unknown Claims” means any Released Plaintiffs’ Claims which any Plaintiff Releasor does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants’ Claims which any Defendant Releasor does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Named Plaintiffs and each of the Defendants shall expressly waive, and each of the other Releasors shall be deemed to have waived, and by operation of the final judgment shall have waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Named Plaintiffs, any other Settlement Class Member, Defendants, and the other Releasors may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but the Parties stipulate and agree that, upon the Effective Date of the Settlement, Named Plaintiffs and each of the Defendants shall expressly waive, and each of the other Releasors shall be deemed to have waived, and by operation of the final judgment shall have fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of fiduciary duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. Named Plaintiffs and each of the Defendants acknowledge, and each of the other Releasors shall be deemed by operation of the final judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

38. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants’ Releasors (as defined in ¶39 below) shall be deemed to have, and by operation of law and of the judgment shall have, fully, finally, and forever compromised, settled,

released, resolved, relinquished, waived, and discharged each and every Released Defendants' Claim (as defined in ¶40 below) against Named Plaintiffs and the other Plaintiffs' Releasees (as defined in ¶41 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims against any of the Plaintiffs' Releasees.

39. "Defendants' Releasers" means Defendants, on behalf of themselves, and each of their respective heirs, executors, administrators, predecessors, successors, assigns, parents, subsidiaries, affiliates, current and former officers and directors, agents, fiduciaries, beneficiaries, or legal representatives, in their capacities as such, and any other person or entity legally entitled to bring Released Defendants' Claims on behalf of any Defendant, in that capacity.

40. "Released Defendants' Claims" means any and all Claims, including Unknown Claims, whether arising under federal, state, common, or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action. Released Defendants' Claims do not include: (i) any claims relating to the enforcement of the Settlement; and (ii) any claims against any person or entity who or which submits a request for exclusion from the Class that is accepted by the Court.

41. "Plaintiffs' Releasees" means (i) Named Plaintiffs, Lead Counsel, all Settlement Class Members, any other plaintiffs in the Action and their counsel, and (ii) each of their respective Immediate Family members, and their respective partners, general partners, limited partners, principals, shareholders, joint venturers, members, officers, directors, managing directors, supervisors, employees, contractors, consultants, experts, auditors, accountants, financial advisors, insurers, trustees, trustors, agents, attorneys, predecessors, successors, assigns, heirs, executors, administrators, and any controlling person thereof; all in their capacities as such.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

42. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Settlement Class and you must timely complete and return the Claim Form with adequate supporting documentation **submitted online or postmarked no later than March 26, 2025**. A Claim Form is included with this Notice, or you may obtain one from the website maintained by the Claims Administrator for the Settlement, www.AlibabaClassActionSettlement.com, or you may request that a Claim Form be mailed to you by calling the Claims Administrator tollfree at 1-877-869-0223. Please retain all records of your ownership of, and transactions in, Alibaba ADS, as they may be needed to document your Submitted Claim. If you request exclusion from the Settlement Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

HOW MUCH WILL MY PAYMENT BE?

43. At this time, it is not possible to make any determination as to how much any individual Settlement Class Member may receive from the Settlement.

44. Pursuant to the Settlement, Alibaba has agreed to pay or cause to be paid FOUR HUNDRED THIRTY-THREE MILLION FIVE HUNDRED THOUSAND U.S. DOLLARS (\$433,500,000) in cash. The Settlement Amount will be deposited into an escrow account. The Settlement Amount plus any interest earned thereon is referred to as the "Settlement Fund." If the Settlement is approved by the Court and the Effective Date occurs, the "Net Settlement Fund" (that is, the Settlement Fund less (a) all federal, state and/or local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing notice to Settlement Class Members and administering the Settlement on behalf of Settlement Class Members; and (c) any attorneys' fees and Litigation Expenses awarded by the Court) will be distributed to Settlement Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve.

45. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.

46. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalf are entitled to get back any portion of the Settlement Fund once the Court's order or judgment approving the Settlement becomes Final. Defendants shall not have any liability, obligation or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund or the plan of allocation.

47. Approval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.

48. Unless the Court otherwise orders, any Settlement Class Member who fails to submit a Claim Form online or postmarked on or before March 26, 2025, shall be fully and forever barred from receiving payments pursuant to the Settlement, but will in all other respects remain a Settlement Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the releases given.

49. Participants in and beneficiaries of a plan covered by ERISA ("ERISA Plan") should NOT include any information relating to their transactions in Alibaba ADS held through the ERISA Plan in any Claim Form that they may submit in this Action. They should include ONLY those ADS that they purchased or acquired outside of the ERISA Plan. Claims based on any ERISA Plan's purchases or acquisitions of Alibaba ADS during the Settlement Class Period may be made by the plan's trustees. To the extent any of the Defendants or any of the other persons or entities excluded from the Settlement Class are participants in the ERISA Plan, such persons or entities shall not receive, either directly or indirectly, any portion of the recovery that may be obtained from the Settlement by the ERISA Plan.

50. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Submitted Claim of any Settlement Class Member.

51. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Claim Form.

52. Only Settlement Class Members, *i.e.*, persons and/or entities that purchased or otherwise acquired Alibaba ADS during the Settlement Class Period and suffered compensable losses as a result of such purchases or acquisitions will be eligible to share in the distribution of the Net Settlement Fund. Persons and entities that are excluded from the Settlement Class by definition or that exclude themselves from the Settlement Class pursuant to request will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms. The only securities that are included in the Settlement are the Alibaba ADS.

PROPOSED PLAN OF ALLOCATION

53. The objective of the Plan of Allocation is to equitably distribute the Settlement proceeds to those Settlement Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

54. The Plan of Allocation generally measures the amount of loss that a Settlement Class Member can claim for purposes of making *pro rata* allocations of the cash in the Net Settlement Fund to Authorized Claimants. The Plan of Allocation is not a formal damage analysis. Recognized Loss Amounts are based primarily on the decline in the price of Alibaba ADS⁵ over the period which Plaintiffs allege corrective information was entering the market place.

55. In this Action, the first date on which Defendants made false or misleading statements and/or omitted material facts resulting in artificial inflation in Alibaba's ADS price was November 13, 2019. Plaintiffs allege that the price of Alibaba's ADS remained artificially inflated through and including December 23, 2020, when, after the close of trading, the SAMR announced its investigation into Alibaba's merchant exclusivity practices (the "Corrective Disclosure").

56. The estimated alleged artificial inflation in the price of Alibaba ADS during the Settlement Class Period is reflected in Table 1 below. The computation of the estimated alleged artificial inflation in the price of Alibaba ADS during the Settlement Class Period is based on certain misrepresentations alleged by Plaintiffs and the price change in the stock, net of market- and industry-wide factors, in reaction to the December 23, 2020, public announcement that allegedly corrected the misrepresentations alleged by Plaintiffs. The estimated alleged artificial inflation in the price of Alibaba ADS also reflects the Court's order on Defendants' motion to dismiss the Complaint, which dismissed certain alleged corrective events, as well as Lead Counsel's assessment of potential loss causation defenses associated with alleged corrective events.

57. In order to have recoverable damages, disclosures correcting the alleged misrepresentations must be the cause of the decline in the price of the Alibaba ADS. In this Action, a corrective disclosure allegedly removed the artificial inflation from the price of Alibaba ADS on December 23, 2020 (the "Corrective Disclosure Date"). Accordingly, in order to have a Recognized Loss Amount, Alibaba ADS must have been purchased or acquired during the Settlement Class Period and held through the Corrective Disclosure Date. If an Alibaba ADS was sold or otherwise disposed of before December 24, 2020, the Recognized Loss for that ADS is \$0.00, and any loss suffered is not compensable under the federal securities laws.

Table 1		
Artificial Inflation in Alibaba ADS		
From	To	Per-Share Inflation
November 13, 2019	December 23, 2020	\$34.04
December 24, 2020	Thereafter	\$0.00

58. To the extent a Claimant does not satisfy one of the conditions set forth in the preceding paragraph, his, her, or its Recognized Loss Amount for those transactions will be zero.

59. The "90-day look back" provision of the Private Securities Litigation Reform Act of 1995 ("PSLRA") is incorporated into the calculation of the Recognized Loss Amount. The limitations on the calculation of the Recognized Loss Amount imposed by the PSLRA are applied such that losses on Alibaba ADS purchased/acquired during the Settlement Class Period and held as of the close of the 90-day period subsequent to the Settlement Class Period (the "90-Day Lookback Period") cannot exceed the difference between the purchase price paid for such ADS and the average price of the ADS during the 90-Day Lookback Period. The Recognized Loss Amount on Alibaba ADS purchased/acquired during the Settlement Class Period and sold (or otherwise disposed of) during the 90-Day Lookback Period cannot exceed the difference between the purchase price paid for such ADS and the rolling average price of the ADS during the portion of the 90-Day Lookback Period elapsed as of the date of sale/disposition.

60. In the calculations below, all purchase and sale prices shall exclude any fees, taxes, and commissions. If a Recognized Loss Amount is calculated to be a negative number, that Recognized Loss Amount shall be set to zero. Any transactions in Alibaba ADS executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session.

⁵ During the Settlement Class Period, Alibaba ADS were listed on the New York Stock Exchange ("NYSE") under the symbol "BABA." Each ADS represents eight Alibaba Ordinary Shares. In November 2019, the Company completed its public offering in Hong Kong and trading of its Ordinary Shares on the Hong Kong Stock Exchange commenced on November 26, 2019, under the stock code "9988." Alibaba ADS purchased or otherwise acquired during the Settlement Class Period are the only security eligible to participate in the Settlement.

Sale/Disposition Date	90-Day Lookback Value	Sale/Disposition Date	90-Day Lookback Value	Sale/Disposition Date	90-Day Lookback Value
12/24/2020	\$222.00	1/26/2021	\$240.40	2/24/2021	\$251.19
12/28/2020	\$222.18	1/27/2021	\$241.31	2/25/2021	\$250.93
12/29/2020	\$226.87	1/28/2021	\$242.15	2/26/2021	\$250.62
12/30/2020	\$229.75	1/29/2021	\$242.64	3/1/2021	\$250.42
12/31/2020	\$230.35	2/1/2021	\$243.52	3/2/2021	\$250.07
1/4/2021	\$229.93	2/2/2021	\$243.94	3/3/2021	\$249.77
1/5/2021	\$231.43	2/3/2021	\$244.66	3/4/2021	\$249.36
1/6/2021	\$230.95	2/4/2021	\$245.46	3/5/2021	\$249.03
1/7/2021	\$230.50	2/5/2021	\$246.16	3/8/2021	\$248.58
1/8/2021	\$231.07	2/8/2021	\$246.70	3/9/2021	\$248.37
1/11/2021	\$230.73	2/9/2021	\$247.34	3/10/2021	\$248.09
1/12/2021	\$230.31	2/10/2021	\$247.98	3/11/2021	\$247.95
1/13/2021	\$230.69	2/11/2021	\$248.62	3/12/2021	\$247.65
1/14/2021	\$231.57	2/12/2021	\$249.18	3/15/2021	\$247.33
1/15/2021	\$232.36	2/16/2021	\$249.80	3/16/2021	\$246.96
1/19/2021	\$233.57	2/17/2021	\$250.38	3/17/2021	\$246.71
1/20/2021	\$235.44	2/18/2021	\$250.76	3/18/2021	\$246.53
1/21/2021	\$236.81	2/19/2021	\$251.10	3/19/2021	\$246.42
1/22/2021	\$237.96	2/22/2021	\$251.18	3/22/2021	\$246.26
1/25/2021	\$239.13	2/23/2021	\$251.21	3/23/2021	\$246.12

CALCULATION OF RECOGNIZED LOSS AMOUNTS

61. Based on the formula set forth below, a “Recognized Loss Amount” shall be calculated for each purchase or acquisition of Alibaba ADS during the Settlement Class Period (*i.e.*, November 13, 2019 through December 23, 2020, inclusive) that is listed on the Claim Form and for which adequate documentation is provided.

62. For each Alibaba ADS that was purchased/acquired during the period November 13, 2019, through December 23, 2020, inclusive:

- a. that was sold or otherwise disposed of prior to December 24, 2020, the Recognized Loss Amount is \$0.00.
- b. that was sold or otherwise disposed of during the period December 24, 2020 through March 23, 2021, inclusive (*i.e.*, the 90-Day Lookback Period), the Recognized Loss Amount is *the least of*:
 - i. \$34.04; or
 - ii. the purchase price *minus* the sale/disposition price; or
 - iii. the purchase price *minus* the “90-Day Lookback Value” on the date of sale/disposition as appears in Table 2 below.
- c. that was still held as of the close of trading on March 23, 2021, the Recognized Loss Amount is *the lesser of*:
 - i. \$34.04; or
 - ii. the purchase price *minus* the average closing price for Alibaba ADS during the 90-Day Lookback Period, which is \$246.12.

ADDITIONAL PROVISIONS

63. The Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in ¶66 below) is \$10.00 or greater.

64. **FIFO Matching:** If a Settlement Class Member has more than one purchase/acquisition or sale of Alibaba ADS, all purchases/acquisitions and sales of Alibaba ADS shall be matched on a First In, First Out (“FIFO”) basis. Settlement Class Period sales will be matched first against any holdings at the beginning of the Settlement Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period.

65. **Calculation of Claimant’s “Recognized Claim”:** A Claimant’s “Recognized Claim” under the Plan of Allocation shall be the sum of his, her, or its Recognized Loss Amounts for all Alibaba ADS.

66. **Determination of Distribution Amount:** The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a “Distribution Amount” will be calculated for each Authorized Claimant, which shall be the Authorized Claimant’s Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant’s Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to such Authorized Claimant.

67. **“Purchase/Sale” Dates:** Purchases or acquisitions and sales or dispositions of Alibaba ADS shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance, or operation of law of Alibaba ADS during the Settlement Class Period shall not be deemed a purchase, acquisition, or sale of Alibaba ADS for the calculation of an Authorized Claimant’s Recognized Loss Amount, nor shall the receipt or grant be deemed an assignment of any claim

relating to the purchase/acquisition of any Alibaba ADS unless (i) the donor or decedent purchased or otherwise acquired such Alibaba ADS during the Settlement Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Alibaba ADS; and (iii) it is specifically so provided in the instrument of gift or assignment.

68. **Conversions Between Alibaba Ordinary Shares Trading in Hong Kong (9988) and ADS:** Alibaba ADS acquired through the conversion of Alibaba Ordinary Shares are eligible to participate in the Settlement *only* if the Ordinary Shares were purchased on the Hong Kong Stock Exchange during the Settlement Class Period, converted to ADS during the Settlement Class Period, and the ADS were held over the Corrective Disclosure Date. In the calculation of the Recognized Loss Amount for Alibaba ADS acquired during the Settlement Class Period through the conversion of Alibaba Ordinary Shares trading in Hong Kong, (i) the ADS acquisition date shall be the date the ADS were received by the investor; and (ii) the ADS “purchase price” shall be the closing market price of Alibaba ADS (denominated in U.S. Dollars) on the day the ADS were received.⁶

69. Alibaba ADS purchased/acquired during the Settlement Class Period that were subsequently converted to Alibaba Ordinary Shares during the Settlement Class Period are not eligible for a recovery in the Settlement.

70. For Alibaba ADS purchased/acquired during the Settlement Class Period that were subsequently converted to Alibaba Ordinary Shares during the 90-Day Lookback Period, (i) the disposition date for the ADS shall be the date the ADS were cancelled; and (ii) the “sale” price applied to that disposition shall be the closing market price of Alibaba ADS on the day the ADS were cancelled.⁷

71. **Short Sales:** The date of covering a “short sale” is deemed to be the date of purchase or acquisition of Alibaba ADS. The date of a “short sale” is deemed to be the date of sale of Alibaba ADS. Under the Plan of Allocation, however, the Recognized Loss Amount on “short sales” is zero. In the event that a Claimant has a short position in Alibaba ADS, the earliest Settlement Class Period purchases or acquisitions of that security shall be matched against such short position, and not be entitled to a recovery, until that short position is fully covered.

72. **Alibaba ADS Purchased/Sold Through the Exercise of Publicly Traded Options:** Option contracts are not securities eligible to participate in the Settlement. With respect to Alibaba ADS purchased or sold through the exercise of an option, the purchase/sale date of Alibaba ADS is the exercise date of the option and the purchase/sale price of Alibaba ADS is the exercise price of the option.

73. **Alibaba ADS Acquired Through the Exercise, Conversion, or Exchange of Non-Publicly Traded Securities:** Notwithstanding any of the above, shares of Alibaba ADS acquired through the exercise, conversion, or exchange of non-publicly traded securities of Alibaba are not eligible to participate in the Settlement.

74. After the initial distribution of the Net Settlement Fund, the Claims Administrator shall make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the fund nine (9) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator shall conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks and who would receive at least \$10.00 on such additional re-distributions may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determines that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be recommended by Lead Counsel and approved by the Court.

75. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Named Plaintiffs, Plaintiffs’ Counsel, Plaintiffs’ damages expert, Defendants, Defendants’ Counsel, or any of the other Releasees, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders of the Court. Named Plaintiffs, Defendants and their respective counsel, and all other Defendants’ Releasees shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the plan of allocation, or the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

76. The Plan of Allocation set forth herein is the plan that is being proposed to the Court for its approval by Plaintiffs after consultation with their damages expert. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Settlement Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the settlement website, www.AlibabaClassActionSettlement.com.

⁶ In order to convert Ordinary Shares to ADS, an investor must deposit the Ordinary Shares with the depository’s custodian in exchange for ADS. If the ADS were received by the investor outside of regular trading hours for the U.S. financial markets, the acquisition of the ADS shall be deemed to have occurred during the next regular U.S. trading session.

⁷ In order to convert ADS to Ordinary Shares, an investor must request cancellation of the ADS. If the ADS were cancelled outside of regular trading hours for the U.S. financial markets, the ADS disposition date shall be the next regular U.S. trading session.

**WHAT PAYMENT ARE THE ATTORNEYS FOR THE SETTLEMENT CLASS SEEKING?
HOW WILL THE LAWYERS BE PAID?**

77. Plaintiffs' Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Settlement Class, nor have Plaintiffs' Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 30% of the Settlement Fund. At the same time, Lead Counsel also intends to apply for reimbursement of Litigation Expenses in an amount not to exceed \$1,500,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Plaintiffs directly related to their representation of the Settlement Class in an aggregate amount not to exceed \$85,000.⁸ The Court will determine the amount of any award of attorneys' fees or reimbursement of Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

WHAT IF I DO NOT WANT TO BE A MEMBER OF THE SETTLEMENT CLASS? HOW DO I EXCLUDE MYSELF?

78. Each Settlement Class Member will be bound by all determinations and judgments in this lawsuit, whether favorable or unfavorable, unless such person or entity mails or delivers a written Request for Exclusion from the Settlement Class, addressed to *In re Alibaba Group Holding Ltd. Sec. Litigation*, EXCLUSIONS, c/o A.B. Data, Ltd., P.O. Box 173001, Milwaukee, WI 53217. The exclusion request must be **received** no later than March 6, 2025. You will not be able to exclude yourself from the Settlement Class after that date. Each Request for Exclusion must (a) state the name, address, and telephone number of the person or entity requesting exclusion, and in the case of entities the name and telephone number of the appropriate contact person; (b) state that such person or entity "requests exclusion from the Settlement Class in *In re Alibaba Group Holding Ltd. Sec. Litigation*, Case No. 1:20-cv-09568"; (c) state the number of shares of Alibaba ADS that the person or entity requesting exclusion purchased/acquired and/or sold during the Settlement Class Period (*i.e.*, between November 13, 2019 and December 23, 2020, inclusive), as well as the dates and prices of each such purchase/acquisition and sale; (d) provide adequate supporting documentation for the transactions for which the Settlement Class Member seeks exclusion in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional and holding information found in a broker confirmation slip or account statement, or such other documentation as is deemed adequate by Lead Counsel or the Claims Administrator; and (e) be signed by the person or entity requesting exclusion or an authorized representative. A Request for Exclusion shall not be valid and effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

79. If you do not want to be part of the Settlement Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Plaintiffs' Claim against any of the Defendants' Releasees.

80. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment out of the Net Settlement Fund.

81. Defendants have the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be members of the Settlement Class in an amount that exceeds an amount agreed to by Plaintiffs and Defendants.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

82. **Settlement Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Settlement Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Hearing.**

83. The Settlement Hearing will be held on March 27, 2025, at 10:00 a.m., before the Honorable George B. Daniels at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, Courtroom 11A, 500 Pearl Street, New York, NY 10007. The Court reserves the right to approve the Settlement, the Plan of Allocation, Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, and/or any other matter related to the Settlement at or after the Settlement Hearing without further notice to the members of the Settlement Class.

84. Any Settlement Class Member who or which does not request exclusion may object to the Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk's Office at the United States District Court for the Southern District of New York at the address set forth below on or before March 6, 2025. You must also serve the papers on Lead Counsel and on Defendants' Counsel at the addresses set forth below so that the papers are **received on or before March 6, 2025**.

⁸ The attorney fee application will be made collectively on behalf of Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067 ("GPM"); Pomerantz LLP, 600 Third Avenue, 20th Floor, New York, NY 10016 ("Pomerantz"); The Portnoy Law Firm, 1800 Century Park East, Suite 600, Los Angeles, CA 90067 ("Portnoy"); Bronstein, Gewirtz & Grossman, LLC, 60 East 42nd Street, Suite 4600, New York, NY 10165 ("Bronstein"); The Law Offices of Frank R. Cruz, 1999 Avenue of the Stars, Suite 1100, Los Angeles, CA 90067 ("Cruz"), and the Hao Law Firm, Room 3-401 No. 2 Building, No. 1 Shangliubei Street, 100024 Beijing, China ("Hao"). Any attorneys' fees awarded by the Court will be divided between Lead Counsel GPM (80%) and Pomerantz (20%) pursuant to a fee sharing agreement. In addition, GPM intends to share a portion of its net attorneys' fees with Cruz and Portnoy, and Pomerantz intends to share a portion of its net attorneys' fees with Bronstein and Hao.

Clerk's Office
United States District Court
Southern District of New York
Clerk of the Court
United States Courthouse
500 Pearl Street
New York, NY 10007

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Defendants' Counsel
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LLP
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2475 Hanover Street
Palo Alto, CA 94304

85. Any objection must: (a) state the name, address, and telephone number of the person or entity objecting and must be signed by the objector; (b) contain a statement of the Settlement Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's attention; and (c) include documents sufficient to prove membership in the Settlement Class, including the number of shares of Alibaba ADS that the objecting Settlement Class Member purchased/acquired and/or sold during the Settlement Class Period (*i.e.*, between November 13, 2019 and December 23, 2020, inclusive), as well as the dates and prices of each such purchase/acquisition and sale. You may not object to the Settlement, the Plan of Allocation, or Lead Counsel's motion for attorneys' fees and reimbursement of Litigation Expenses if you exclude yourself from the Settlement Class or if you are not a member of the Settlement Class.

86. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

87. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, and if you timely file and serve a written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on Lead Counsel and Defendants' Counsel at the addresses set forth above so that it is ***received on or before March 6, 2025***. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

88. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Lead Counsel and Defendants' Counsel at the addresses set forth in ¶84 above so that the notice is ***received on or before March 6, 2025***.

89. The Settlement Hearing may be adjourned by the Court without further written notice to the Settlement Class. If you intend to attend the Settlement Hearing, you should confirm the date and time with Lead Counsel.

90. Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.

WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

91. If you purchased or otherwise acquired Alibaba ADS between November 13, 2019 and December 23, 2020, inclusive, for the beneficial interest of persons or entities other than yourself, within seven (7) calendar days of receipt of this Notice, you must either: (a) request from the Claims Administrator sufficient copies of the Notice and Claim Form (the "Notice Packet") to forward to all such beneficial owners and, within seven (7) calendar days of receipt of those Notice Packets, forward them to all such beneficial owners; (b) request a link to the Notice Packet and, within seven (7) calendar days of receipt of the link, email the link to all such beneficial owners for whom valid email addresses are available; or (c) provide a list of the names, mailing addresses, and email addresses (to the extent available) of all such beneficial owners to *In re Alibaba Group Holding Ltd. Sec. Litigation*, c/o A.B. Data, Ltd., P.O. Box 173006, Milwaukee, WI 53217. If you choose option (c), the Claims Administrator will send a copy of the Notice Packet to the beneficial owners. Nominees that choose to follow procedures (a) or (b) shall also send a statement to the Claims Administrator confirming that the mailing or emailing was made as directed.

92. Upon full and timely compliance with these directions, nominees may seek reimbursement of their reasonable expenses actually incurred, not to exceed: (a) \$0.02 per name, mailing address, and email address (to the extent available) provided to the Claims Administrator; (b) \$0.02 per email for emailing notice; or (c) \$0.02 per Notice Packet, plus postage at the pre-sort rate used by the Claims Administrator, for mailing the Notice Packet, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Any dispute concerning the reasonableness of reimbursement costs shall be resolved by the Court. **YOU ARE NOT AUTHORIZED TO PRINT THE NOTICE PACKET YOURSELF. NOTICE PACKETS MAY ONLY BE PRINTED BY THE COURT-APPOINTED CLAIMS ADMINISTRATOR.**

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

93. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007. Additionally, copies of the Stipulation and any related

orders entered by the Court will be posted on the website maintained by the Claims Administrator, www.AlibabaClassActionSettlement.com.

All inquiries concerning this Notice and the Claim Form should be directed to:

In re Alibaba Group Holding Ltd. Sec. Litigation and/or
c/o A.B. Data, Ltd.
P.O. Box 173006
Milwaukee, WI 53217
(877) 869-0223
info@AlibabaClassActionSettlement.com

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1925 Century Park East, Suite 2100
Los Angeles, CA 90067
(888) 773-9224
settlements@glancylaw.com

**DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT,
DEFENDANTS, OR THEIR COUNSEL REGARDING THIS NOTICE.**

Dated: November 26, 2024

By Order of the Court
United States District Court
Southern District of New York