

Alibaba head rejects Yahoo! protest over pay unit

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Alibaba.com founder Jack Ma, seen here, said Saturday the firm's move to transfer ownership of its online payment unit was "legal and 100 percent transparent", rejecting protests by US-based Yahoo!

The head of Chinese e-commerce giant Alibaba said Saturday the firm's move to transfer ownership of its online payment unit was "legal and 100 percent transparent", rejecting protests by US-based Yahoo!

The California [Internet company](#) filed paperwork on Tuesday notifying the US [Securities and Exchange Commission](#) that ownership of Alibaba's Alipay unit had been shifted to a Chinese company owned mostly by [chief executive](#) Jack Ma.

In the filing, Yahoo! said the transfer was done without the knowledge or approval of Alibaba's board of directors or shareholders. Yahoo! owns a

43 percent stake in Alibaba and an estimated 40 percent share of Alipay.

Yahoo! said the move was made in August although it and another major Alibaba stakeholder, Japan's Softbank, were only informed in March.

On Saturday, Ma rebutted the claims and said that the controversial transfer was done with key investors' knowledge.

"The board and shareholders including Yahoo! and Softbank Corp. are fully aware of the ownership transfer of Alipay," he was quoted as saying by Dow Jones Newswires.

His comments come after the firm issued a statement on Friday, saying the transfer was done to "comply with Chinese law governing payment companies in order to secure a license to continue operating Alipay."

"The actions taken by [Alibaba](#) Group management to comply with the licensing regulations and to ensure continuation of operations are in the best interests of the company and its shareholders," the statement said.

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