

Shareholders vote to take China's Alibaba unit private

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Minority shareholders of Alibaba.com on Friday voted in favour of a proposal by its parent Alibaba Group Holding to take the Hong Kong-listed online trading unit private, the company said. The vast majority of independent shareholders voting in person or by proxy backed the delisting, China's top e-commerce player said in a statement.

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"Subject to the scheme becoming effective, Alibaba.com's scheme

shareholders will receive a cancellation price of HK\$13.50 per share in cash," Alibaba Group said.

The company suspended its shares from trading Friday, at the previous closing price of HK\$13.42 each.

According to the proposal, Alibaba Group will buy the 27 percent stake it does not already own in Alibaba.com.

"The price is too low," Liu Nanchang, a 67-year old retired engineer, told [Dow Jones](#) Newswires. Liu, who bought the shares last year at around HK\$8 each, voted to keep the company public.

The privatisation of the Hong Kong-listed flagship company is part of preparations for the China-based group's expected [initial public offering](#).

After more than a year of tough negotiations, Yahoo! this month said it had agreed to sell its stake in the Alibaba Group back to the company for at least \$7.1 billion.

Alibaba Group includes Alibaba.com and [Taobao](#), China's largest online marketplace for consumers with more than 800 million product listings and 370 million registered users.

Potential valuations of the group based on equity sales to finance the Yahoo [buyback](#) could be between \$35 billion and \$50 billion.

Alibaba.com's [share price](#) soared more than 40 percent in February after its parent company announced plans to take the firm private for \$2.3 billion.

The offer price matches the price at which the unit was listed in 2007.

Group chairman Jack Ma has said going private will allow the company to "make long-term decisions ... free from the pressures that come from having a publicly listed company".

[Alibaba](#).com posted a net profit of 1.71 billion yuan (\$271.5 million) in 2011, up 16.6 percent over the previous year, but with weakness in the fourth quarter.

The firm said its fourth-quarter [net profit](#) fell 6.0 percent from a year earlier, citing cautiousness due to a weak global environment.

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