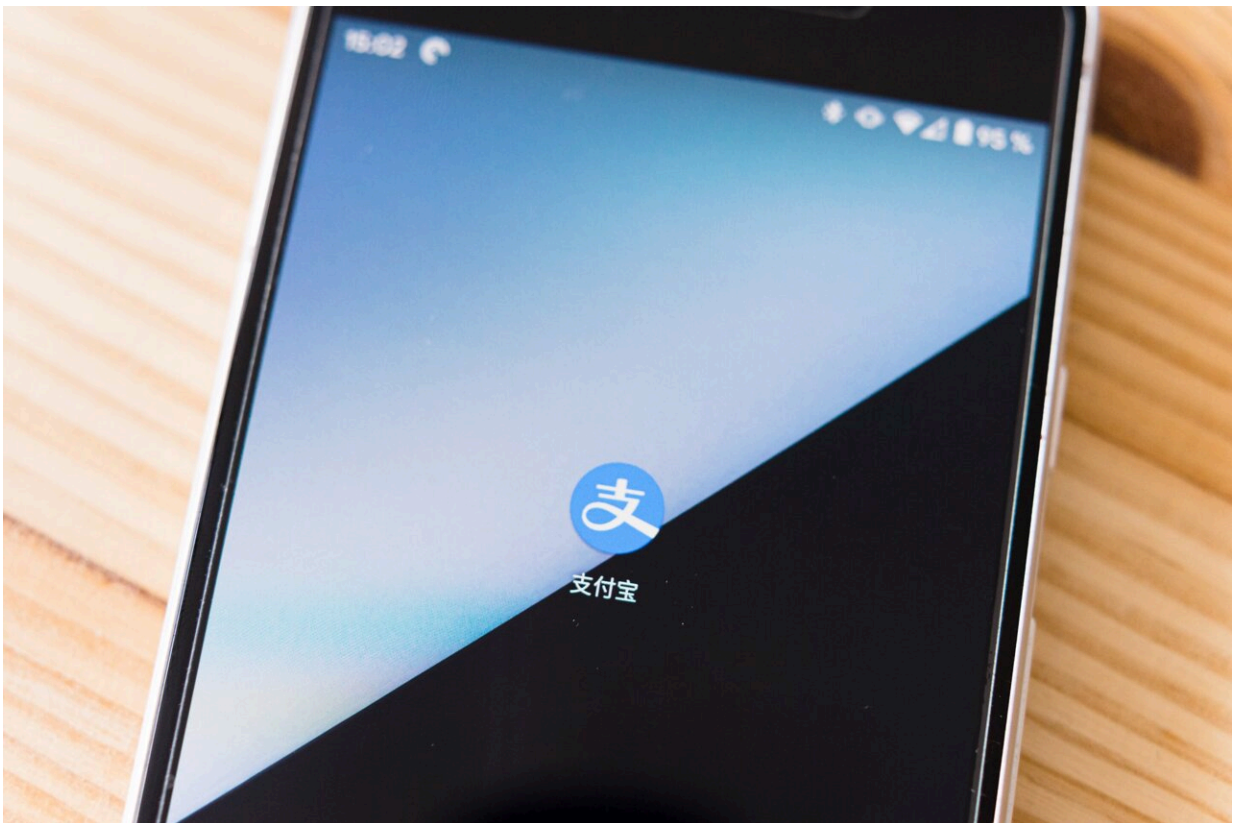


SoftBank to sell almost all its Alibaba stake: report

April 13 2023



Credit: Unsplash/CC0 Public Domain

Japanese tech investment titan SoftBank has decided to sell nearly all of its stake in Alibaba to limit exposure to China, the Financial Times reported Thursday.

SoftBank was an early investor in the Chinese internet giant founded by Jack Ma but began to offload its shares last year.

According to the report, SoftBank, which once owned 34 percent of Alibaba, has sold more than \$7 billion of its shares since the start of the year through prepaid forward contracts.

Last year, it sold a record \$29 billion of shares in the Chinese company, reported the FT.

Shares in Alibaba plunged more than five percent at one point in Hong Kong, before recovering almost half the losses.

Like other leading Chinese tech firms, Alibaba has been negatively impacted by a regulatory crackdown on the industry that began in 2020.

That year, Beijing pulled the plug on what would have been a gigantic Hong Kong [initial public offering](#) for Alibaba's digital payment subsidiary Ant Group, just 48 hours before its completion.

Alibaba was then investigated for alleged anti-competitive behavior, and eventually fined a record \$2.75 billion.

The company last month launched its most significant organizational restructuring since its founding, splitting its operations into six separate entities.

Chinese authorities seem to have adopted a more conciliatory posture towards the domestic industry in recent months, but uncertainty around the sector remains.

Tencent, another top Chinese tech firm, dropped more than five percent in Hong Kong Stock Exchange on Wednesday after Prosus NV—its

main shareholder—suggested a withdrawal.

© 2023 AFP

Citation: SoftBank to sell almost all its Alibaba stake: report (2023, April 13) retrieved 29 April 2024 from <https://techxplore.com/news/2023-04-softbank-alibaba-stake.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.