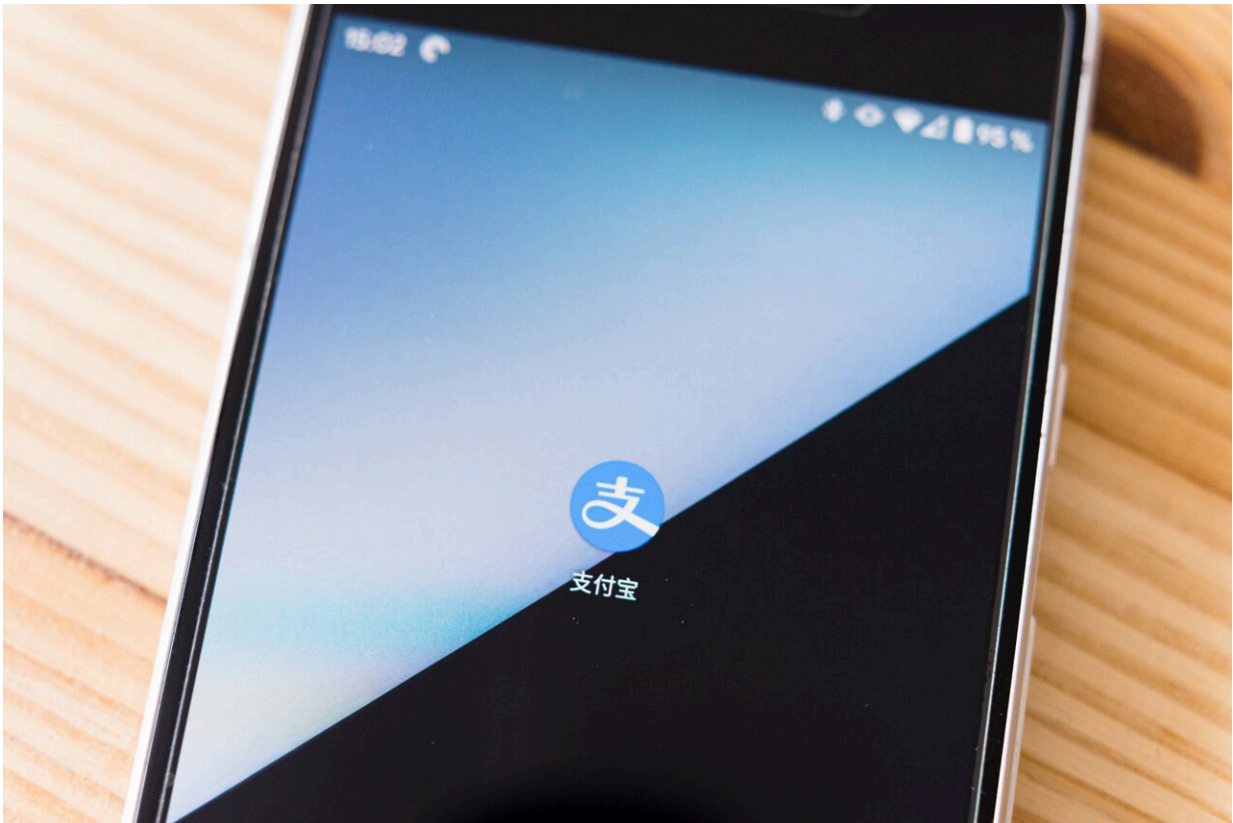


Alibaba withdraws Hong Kong IPO for logistics arm

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Chinese e-commerce titan Alibaba is withdrawing a planned initial public offering for its logistics arm Cainiao, the company said Tuesday, as a major company overhaul faces setbacks.

The leading tech firm faces fierce competition from rivals such as JD.com, Pinduoduo and Douyin, China's version of video app TikTok.

Cainiao has "withdrawn its [initial public offering](#) and listing application on the Hong Kong Stock Exchange," Alibaba Group said in a filing on Tuesday.

The group, which currently owns 63.7 percent of shares in Cainiao, will instead offer to buy back the remaining equity held by [minority shareholders](#), for a total of \$3.75 billion.

Alibaba said on Tuesday it had called off the listing, announced in September last year, to "support Cainiao to execute a long-term strategic expansion of its global logistics network".

The decision comes after Alibaba announced in November the cancellation of a planned spin-off of its cloud computing business—also part of its company restructuring program.

A pioneer in Chinese online shopping, the group is listed in New York and Hong Kong.

Based in eastern China's Hangzhou, Alibaba is a key player in the country's digital sector and is considered a barometer of consumer spending in the world's second-largest economy.

The company published disappointing [quarterly results](#) last month, recording a 77 percent drop on-year of its net profit in the quarter ending December 31.

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