



O2O Startup Visualead Secures Investment from Alibaba Group Signs Strategic Agreement to Deepen O2O Collaboration

Tel Aviv, January 20, 2015 – [Visualead](#), an Israeli O2O (Offline to Online) startup and pioneer of Visual QR Code technology, announced today that it has secured B-round funding from [Alibaba Group Holding Limited \(NYSE: BABA, “Alibaba Group”\)](#). Alibaba Group and Visualead also entered into a strategic cooperation agreement for the use of Visualead’s patents and technology across Alibaba Group’s ecosystem. Visualead will use the proceeds from the funding to develop next generation of O2O technology.

The investment into Visualead is Alibaba Group’s first-ever investment in an Israeli company and it is a nod to the country’s prolific development as a booming technology startup scene.

Visualead is working closely with Mashangtao, the scannable code technology service of Alibaba Group, to provide innovative tools and solutions to sellers on Taobao Marketplace and Tmall.com, China’s two biggest online shopping platforms. Mashangtao recently utilized Visualead’s Visual QR Code technology to enable merchants to generate QR Codes. Visualead and Mashangtao are also engaged in joint projects in the areas of anti-counterfeiting, mobile, and video.

“We have already seen O2O as a major area of growth in China. Working with Visualead, a dynamic startup and first-mover in this field is the next logical step as we seek to enhance customer engagement on mobile platforms. We believe that Visualead’s leading Visual QR Code technology will complement our mobile marketing initiatives and enhance our ability to take advantage of the booming O2O opportunities in China,” said Zhang Kuo, director of Alibaba Group’s Mashangtao technology service.

Nevo Alva, CEO of Visualead, said “Alibaba is the ideal strategic partner for distributing our technology in China and the leading O2O company worldwide. We are humbled to have Alibaba as a shareholder and on our Board of Directors, committed to making our Visual QR Code the new worldwide standard for Offline to Online engagement.”

Through its patented technology and mobile marketing O2O platform, Visualead helps over 500,000 businesses in over 200 countries connect with their customers both Offline and Online through a fun and effective mobile experience. Visualead’s computer vision and machine learning technology turns any image, profile picture, animation, and even video into an engaging and effective Visual QR Code, which can be easily scanned by any QR Code reader.

While the use of QR Codes for mobile marketing is widespread across the globe, QR codes are especially popular in China due to their social network connectivity and app download abilities. Based on Visualead's experience, consumers are up to four times more likely to scan a Visual QR Code than a regular black and white QR Code.

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About Visualead:

Founded in 2012, Visualead is an O2O and QR Code technology startup with offices in Israel and China. Through its Visual QR Code technology and mobile marketing O2O platform, Visualead helps over 500,000 businesses connect with their customers both Offline and Online through a fun and effective mobile experience. Visualead won 1st place in China's prestigious Global Mobile Internet Conference startup competition in 2013 and additional awards in E&Y's Journey and Israel Machine Vision Conference 2014. Among the brands using Visualead's technology are Coca Cola, Orange, Crocs, BMW, DeNA, YvesSaintLaurent, Sina Weibo, RenRen, Ali The Fox, and NY Daily News.

About Alibaba Group

Alibaba Group's mission is to make it easy to do business anywhere. The company is the largest online and mobile commerce company in the world in terms of gross merchandise volume. Founded in 1999, the company provides the fundamental technology infrastructure and marketing reach to help businesses leverage the power of the Internet to establish an online presence and conduct commerce with hundreds of millions of consumers and other businesses.

Alibaba Group's major businesses include:

- Taobao Marketplace (www.taobao.com), China's largest online shopping destination
- Tmall.com (www.tmall.com), China's largest third-party platform for brands and retailers
- Juhuasuan (www.juhuasuan.com), China's most popular online group buying marketplace
- AliExpress (www.aliexpress.com), a global online marketplace for consumers to buy directly from China
- Alibaba.com (www.alibaba.com), China's largest global online wholesale platform for small businesses
- 1688.com (www.1688.com), a leading online wholesale marketplace in China
- Alibaba Cloud Computing (www.aliyun.com), a provider of cloud computing services to businesses and entrepreneurs

Alibaba Group also provides payment and escrow services on its marketplaces through its contractual arrangements with Alipay (www.alipay.com), a related company of Alibaba Group.

Through China Smart Logistics, a 48%-owned affiliate, Alibaba Group operates a central logistics information system that connects a network of express delivery companies in China.

Forward Looking Statements

This press release contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "aim," "vision," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements, and are contained in, among other things, the statements relating to the potential benefits of the investment, Alibaba Group's overall strategies, and future collaboration and integration between Alibaba Group and Visualead. Actual events or results may differ materially from those contained in the forward-looking statements due to risks and uncertainties. These risks and uncertainties include, but are not limited to, execution of business plans and strategies and changes to the overall O2O market in China and worldwide. Alibaba Group does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

* QR Code is a registered trademark of Denso Wave Incorporated. Visual QR Code is a registered trademark of Visualead.

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