



Damai Entertainment Holdings Limited
大麥娛樂控股有限公司


(formerly known as Alibaba Pictures Group Limited 阿里巴巴影業集團有限公司)

Incorporated in Bermuda with limited liability



INTERIM REPORT 2025/26

Stock Code: 1060

 This Interim Report is printed on environmentally friendly paper

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Corporate Information

BOARD (THE "BOARD") OF DIRECTORS (THE "DIRECTORS")

Executive Directors

Mr. FAN Luyuan (*Chairman & Chief Executive Officer*)
Mr. LI Jie (*President*)
Mr. MENG Jun (*Chief Financial Officer*)

Independent Non-Executive Directors (*"the INEDs"*)

Ms. SONG Lixin
Mr. TONG Xiaomeng
Mr. Johnny CHEN

EXECUTIVE COMMITTEE

Mr. FAN Luyuan (*Chairman*)
Mr. LI Jie
Mr. MENG Jun

AUDIT COMMITTEE (THE "AUDIT COMMITTEE")

Mr. Johnny CHEN (*Chairman*)
Ms. SONG Lixin
Mr. TONG Xiaomeng

REMUNERATION COMMITTEE

Mr. TONG Xiaomeng (*Chairman*)
Mr. FAN Luyuan
Ms. SONG Lixin

NOMINATION COMMITTEE (THE "NOMINATION COMMITTEE")

Mr. FAN Luyuan (*Chairman*)
Mr. TONG Xiaomeng
Mr. Johnny CHEN
Ms. SONG Lixin (*Appointed on September 19, 2025*)

JOINT COMPANY SECRETARIES

Ms. SUN Yan (*Appointed on September 19, 2025*)
Ms. ZHANG Ying (*Resigned on September 19, 2025*)
Ms. NG Wing Shan

LEGAL ADVISOR

Johnson Stokes & Master

AUDITOR

PricewaterhouseCoopers
*Certified Public Accountants and
Registered Public Interest Entity Auditor*

PRINCIPAL BANKERS

China CITIC Bank International Limited
China Merchants Bank Co., Ltd.
Bank of Communications Co., Ltd.
The Hongkong and Shanghai Banking
Corporation Limited
Citibank (China) Co., Ltd.
East West Bank
JPMorgan Chase Bank, N.A.
China Everbright Bank Co., Ltd, Hong Kong Branch

REGISTERED OFFICE

Clarendon House, 2 Church Street
Hamilton, Pembroke, HM 11
Bermuda

HEAD OFFICE

Zone B, Alibaba Beijing Chaoyang
Science & Technology Park
No. 20 Guangshan Road
Chaoyang District
Beijing, China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

26/F, Tower One
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Corporate Services (Bermuda) Limited
Canon's Court, 22 Victoria Street
PO Box HM 1179, Hamilton HM EX
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Hong Kong

STOCK CODE

1060

COMPANY'S WEBSITE

www.damaiholdings.com

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Damai Entertainment Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) form an integrated platform with content and technology as the core, covering content production, promotion and distribution, IP merchandizing, licensing and commercial management, cinema and entertainment event ticketing management, and internet data services for the entertainment industry.

During the six months ended September 30, 2025 (the “Reporting Period”), the Group achieved total revenue of approximately RMB4,047 million, representing a year-over-year increase of 33% as compared with approximately RMB3,051 million for the six months ended September 30, 2024 (the “Corresponding Period”). Net profit attributable to owners of the Company reached approximately RMB520 million, up 54% year-over-year from approximately RMB337 million for the Corresponding Period. Adjusted earnings before interest, taxes and amortization (“adjusted EBITA”, a non-HKFRS financial indicator) amounted to approximately RMB550 million, representing a year-over-year decrease of 14% as compared with approximately RMB642 million for the Corresponding Period.

During the Corresponding Period, the Group recorded adjusted EBITA of approximately RMB642 million, including a reversal of impairment on financial assets amounting to approximately RMB160 million, mainly due to the final settlement reached by the Group on a historical receivable. Given that an allowance for bad debts of approximately RMB160 million had previously been made against this amount, the Group recognized a reversal of impairment on financial assets and included it in the adjusted EBITA during the Corresponding Period accordingly. This matter is an incidental gain and is not sustainable. Excluding this one-off gain, adjusted EBITA would be approximately RMB482 million during the Corresponding Period. Adjusted EBITA during the Reporting Period would increase by 14% compared to that one-off gain excluded during the Corresponding Period.

On May 21, 2025, the Group announced a comprehensive upgrade of the Damai APP, establishing an AI-driven “Rapid Access, Comprehensive Coverage, Pinpoint Accuracy, and Nearby Convenience” experiential entertainment consumption service system. Currently, the Damai platform has reached a user base of 300 million, maintaining its leading position in the global industry. It covers over 40 sub-categories, including movies, concerts, music festivals, dramas, talk shows, exhibitions, sports, and tourism, with access to more than 12,000 cinemas and over 20,000 venues. This truly marks the platform’s transition from a performance ticketing platform to a one-stop, all-category entertainment ticketing platform.

NON-HKFRS MEASURES

To supplement its consolidated financial statements presented in accordance with the HKFRS, the Group uses adjusted EBITA, believing that it can eliminate the potential impact of items that are, in management’s opinion, not indicative of the Group’s operating performance. This measure facilitates the comparison of operating performances across different periods and among different companies, while also providing investors and others with useful information to understand the core indicators used by management in its financial and operational decision-making. Adjusted EBITA represents net income after excluding the following: financial income and expenses, changes in fair value of investments in listed and unlisted companies, gain or loss on disposal of investments in listed and unlisted companies and subsidiaries, income tax expense, gain or loss on and impairment of equity method investments, certain non-cash expenses, consisting of share-based compensation expense, amortization and impairment of intangible assets arising from business combinations, impairment of goodwill, allowance for impairment of long-term assets and others, which, in management’s view, are not reflective of the Group’s core operating performance during the Reporting Period.

The table below sets forth key performance indicators of the Group's financial results and a reconciliation from operating profit to adjusted EBITA for the Reporting Period and the Corresponding Period, along with the performance highlights of the four operating segments of live content and technology business; IP merchandizing; film content and technology business; and drama series production presented in accordance with the principles applied in the previous financial year (for the twelve months ended March 31, 2025) ^{Note 1}.

	For the six months ended	
	September 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Operating profit	526,005	527,447
Add:		
Share-based compensation	32,261	50,641
Amortization of intangible assets arising on business combinations ^{Note 2}	26,844	14,335
Gain on deemed disposal of a subsidiary	(26,502)	—
Gain on dilution of investment in an associate	(4,554)	—
Gains on disposal of investments accounted for using the equity method	(4,010)	—
Change in fair value of listed and unlisted investments	(335)	49,826
Adjusted EBITA (unaudited)	549,709	642,249

Note 1: The "Damai ticketing and live entertainment platform" and the "film technology and investment, production, promotion and distribution platform" for the Reporting Period were renamed as the "live content and technology business" and the "film content and technology business", respectively.

Note 2: Among the total amortization expenses of intangible assets of approximately RMB28.0 million and approximately RMB15.0 million for the Reporting Period and the Corresponding Period, amortization expenses of intangible assets arising on business combinations amounted to approximately RMB27.0 million and approximately RMB14.0 million, respectively.

Segment Information

	For the six months ended September 30,		Segment results ^{Note 1}	
	Segment revenue		Segment results	
	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Live content and technology business	1,338,591	1,169,023	754,222	720,091
IP merchandizing	1,160,238	565,466	234,695	162,929
Film content and technology business	1,064,273	1,255,230	95,224	122,661
Drama series production	484,264	61,077	37,827	(10,880)
Total	4,047,366	3,050,796	1,121,968	994,801

Note 1: Segment results = Segment revenue – Cost of sales and services – Selling and marketing expenses allocated to relevant segments.

I. LIVE CONTENT AND TECHNOLOGY BUSINESS

(i) Performance ticketing business

During the Reporting Period, the live entertainment market in China continued to demonstrate strong performance, with concerts standing out as the most prominent category, showing particularly notable enthusiasm among users for performances. According to the statistics, the number of users scrambling for concerts tickets increased by 17% year-on-year, reflecting the strong audience demand for live events. Despite factors such as the slowdown in the growth of performance content supply and venue resources nearing saturation, which led to a deceleration in industry box office growth, the gross merchandize value (GMV) of the Damai platform still achieved steady growth, reinforcing its leadership position in the industry.

The core competitive strengths of the business extend beyond its efficient and extensive sales channels to its professional expertise in on-site event services. By delivering comprehensive services including on-site ticket allocation, verification and audience contingency management, the business not only provides performance organizers with end-to-end support, but also ensures that audiences enjoy a seamless and secure experience. During the Reporting Period, the business successfully serviced over 2,500 large-scale events, the number of which increased by 19% year-over-year, maintaining orderly operations and achieving zero safety incidents. In view of the above, its distribution network and specialized ticketing services together form the core competitiveness of the performance ticketing business.

(ii) Live entertainment content

Live entertainment content is a cornerstone of the live content and technology business. As of the date of this interim report, the business has established a total of six key performance content brands, including Xiami Music Entertainment (蝦米音樂娛樂), Mailive, “Theatre Rocks! (當然有戲)”, “Unlimited Art (藝展鴻圖)”, “Ku Xiao Mai (酷小麥)” and “Hao Xi Lian Tai (好戲連台)”, spanning a diverse range of categories, including large-scale concerts, musical festivals, talk shows and dramas.

The live entertainment content business not only produced major concerts such as Jackson Yee’s 2025 Que Xue World Tour (易烊千璽2025譽嚳巡迴演唱會), enhancing its operation prowess in marquee projects, but also independently launched the Fourth Xiami Music & Arts Festival in Aranya (阿那亞蝦米音樂節). Additionally, the business participated in organization or investment of emerging formats such as talk shows and immersive performances, laying a solid foundation for a more diverse content. Benefiting from sustained investment in diversified contents, revenue from the live entertainment content business surged over 50% year-over-year during the Reporting Period.

(iii) International business

With the accelerated opening-up of the domestic performance market, overseas artists are now performing in China more regularly than ever, while high-quality domestic IPs are also actively expanding into international tours. This has generated a growing demand for cross-border performance attendance among both domestic and international audiences, presenting a significant opportunity for the Group to expand overseas.

Internationalization is a key pillar of the Group’s long-term strategy. Leveraging the core capabilities and experience accumulated in the Chinese market, the Group will initiate its international strategy in phases with Southeast Asia, Japan and South Korea as the starting point of its international business, striving to provide global users with a one-stop platform for ticket purchasing and performance attendance services.

(iv) Summary on financial results and business outlook

During the Reporting Period, the Group’s live content and technology business segment recorded a revenue of approximately RMB1,339 million, representing an increase of 15% as compared with approximately RMB1,169 million for the Corresponding Period. The segment results recorded were approximately RMB754 million, representing an increase of 5% as compared with approximately RMB720 million for the Corresponding Period.

Looking ahead, the live content and technology business will continue to leverage advantages throughout the industry chain, actively explore new content categories both in ticketing and content aspects, and strengthen core competitiveness and market share. At the same time, it will accelerate overseas expansion, striving to become the preeminent player in the global live entertainment market.

II. IP MERCHANDIZING

The IP merchandizing business is a key component in chain extension of the Group following entertainment contents. During the Reporting Period, the Group consolidated and optimized its IP merchandizing business portfolio, while discontinuing certain sub-business lines to focus more on merchandized business centred around Alifish. The IP merchandizing business currently includes the following business models:

- 1) the sub-licensing business, which acquires multiple premium IPs from upstream copyright holders and sublicenses them to downstream merchants in exchange for licensing fees;
- 2) the IP-driven retail operation business that develops physical store models and licenses them to operating partners to run branded stores;
- 3) jointly operating Tmall pop toys category with commission-based revenue sharing, as well as self-operated e-commerce flagship stores for IP-based retail brands; and
- 4) IP innovation initiatives in other commercialization fields, etc.

(i) *Sub-licensing Business*

As a leading IP licensing management and commercialization platform in China, Alifish has partnered with hundreds of domestic and international quality IPs, as well as thousands of brands and channel merchants.

For upstream copyright holders, Alifish implements localization and refined operation strategies for the overseas IPs which have been introduced to extend the commercial value of these IPs. Meanwhile, through an online-offline integrated marketing strategy, it extends the long-term viability of its owned IPs. Alifish has signed agreements with a number of high-quality global top-tier IPs, including Sanrio Family, Chiikawa, Pokémon, Universal Studios and Crayon Shin-chan, helping these IPs quickly maximize revenue in the Chinese market.

For downstream brand owners, Alifish provides full-chain services including IP selection strategies, material and gallery development, supervision and approval processes, as well as resources such as integrated marketing, communication and promotion for licensed projects, creating comprehensive solutions for IP licensing and collaboration for brand merchants. During the Reporting Period, Alifish has collaborated with various brand partners on multiple licensing projects, including THE BEAST, Bloks, Heytea, Chow Tai Fook, MINISO, Pop Mart, TOPTOY and China Merchants Bank.

(ii) *IP Retail Brands Operation Business*

During the Reporting Period, Alifish has joined hands with upstream copyright holders and pop toy brand partners to open a number of first stores in China, including offline themed pop-up stores and official flagship stores. Notably, in September this year, the first official flagship store of Chiikawa in Chinese Mainland was opened in Shanghai. Since its opening, it has received a warm market response and delivered strong sales performance. In the same month, TOPPS, the world-renowned collectible card brand under Fanatics Collectibles, officially entered into a strategic partnership with Alifish and Tmall pop toys, and launched its Tmall flagship store. The operation of IP retail brands not only enriches users' consumption experience, but also drives the continuous growth of IP merchandizing sales and the overall IP consumption ecosystem.

(iii) Summary of Financial Results and Business Outlook

During the Reporting Period, Alifish has achieved rapid business development and recorded a year-on-year increase of over 100% in revenue and a substantial doubling of profits. Going forward, Alifish will continue to increase its investment in IP portfolio and professional team development to solidify its foundation for growth and drive sustained business growth.

The Group's IP merchandizing business segment (including Alifish and other relevant business) generated revenue of approximately RMB1,160 million, representing an increase of 105% as compared with approximately RMB565 million for the Corresponding Period. The segment results increased by 44% to approximately RMB235 million from approximately RMB163 million for the Corresponding Period. Due to the decline in growth rate of overall segment results resulting from the one-off loss incurred from the shutdown of certain non-core sub-business lines during the Reporting Period, the IP merchandizing business segment results grew at a slower rate than the revenue.

Looking ahead, Alifish will continue to deepen its focus on the IP ecosystem. Firstly, it will enhance content operations for existing core IPs and jointly develop original content with localized characteristics alongside upstream copyright holders. Secondly, it will increase its efforts on the IP sub-licensing business, accelerate new product incubation and market promotion, and in particular, leverage marketing platforms such as Tmall Super Brand Day to effectively reach consumers and increase the penetration rate of licensed products. Finally, Alifish will continue to introduce more IPs to the Chinese market, actively explore innovative engagement methods including in-person interactive experiences and digital collectibles, enrich IP consumption scenarios, and further strengthen its leading position in the field of IP commercialization.

III. FILM CONTENT AND TECHNOLOGY BUSINESS

The film technology business includes Tao Piao Piao and Yunzhi ticketing platforms, and technological innovation businesses such as virtual filming. During the Reporting Period, Tao Piao Piao maintained a stable market share, while Yunzhi continued to rank first nationwide in terms of both the number of ticket-issuing cinemas and the total number of tickets issued.

As for the film content business, against the backdrop of the current film market under overall pressure, the Group adjusted its strategy in a timely manner and shifted to a more prudent and steady approach to participate in film content investment. Under this strategy, the Group will focus on films with small investment scale, low risk and high-quality content. The film produced and led by the Group in promotion and distribution, "The Shadows' Edge (捕風追影)", has become a representative work of this strategic transformation. It claimed the third place at the summer box office season, with investment returns exceeding expectations. The Group aims to effectively mitigate market risks by virtue of this measure and smoothly navigate through the "cold winter" period of the film and television industry.

During the Reporting Period, the Group's film content and technology business segment recorded revenue of approximately RMB1,064 million, representing a year-over-year decrease of 15% as compared with approximately RMB1,255 million for the Corresponding Period; the segment results recorded was approximately RMB95 million, representing a year-over-year decrease of 22% as compared with approximately RMB123 million for the Corresponding Period.

IV. DRAMA SERIES PRODUCTION

In the drama series production sub-segment, the Group continued to invest in high-quality content through its studio operations that are well-received by both audiences and the market. During the Reporting Period, several critically acclaimed drama series produced by the Group, including “In the Name of Justice (以法之名)” and “Wild Ambition Bloom (灼灼韶華)”, were successfully broadcast. Meanwhile, multiple titles, such as “Unveil: Jadewind (唐宮奇案之青霧風鳴)”, “Prosecutor (追訴)” and “Phoenix from Ashes (煙之凰)”, have completed filming and are awaiting release. At present, the drama studio has a pipeline of over 20 key projects.

During the Reporting Period, the Group’s drama series production segment recorded revenue of approximately RMB484 million, representing a year-over-year increase of approximately RMB423 million as compared with approximately RMB61 million for the Corresponding Period. The segment results recorded was approximately RMB38 million, representing a turnaround from loss to profit as compared with the Corresponding Period.

PROSPECTS

As a player in the entertainment industry, which is booming yet complicated and dynamic, the Group is confident about the future. Going forward, the Group is evolving into a diversified entertainment platform. Through diversified layout and technological innovation, it will drive the comprehensive upgrading and sustainable development of the entire entertainment ecosystem platform.

The Group will continue to advance the following strategic plans:

1. Overseas expansion: Starting with Hong Kong and Macao, the Group will expand its international footprint, tapping into Asian and global markets to achieve the integration of overseas ticketing platforms, premium overseas content and leading venue systems worldwide;
2. IP commercialization: The Group will continue to strengthen platform capabilities and its presence across IP development, merchandize channels and user engagement, thereby further scaling up its IP merchandizing business; and
3. Content leadership and user growth: In terms of content, the Group will focus on enhancing the revenue contribution from live entertainment content. For users, the Group will expand more ticketing categories, continuously increase its user base and market share, reinforce the user perception of “buying tickets on Damai”, and strive to become one of the most competitive platforms in the global live entertainment market.

The Group expects to finance its business initiatives in the coming year with its own internal resources, and may seek external financing if appropriate opportunities and conditions arise.

FINANCIAL REVIEW

Revenue and Profit

During the Reporting Period, driven by its focused execution of the diversified entertainment ecosystem platform strategy, the Group recorded revenue of approximately RMB4,047 million, an increase of 33% year-over-year from approximately RMB3,051 million for the Corresponding Period. Adjusted EBITA decreased by 14% year-over-year from approximately RMB642 million for the Corresponding Period to approximately RMB550 million, while net profit attributable to owners of the Company reached approximately RMB520 million, representing an increase of 54% year-over-year from approximately RMB337 million for the Corresponding Period.

During the Reporting Period, the earnings per share of the Group increased to RMB1.75 cents per share (basic) and RMB1.73 cents per share (diluted) from RMB1.14 cents per share (basic and diluted) for the Corresponding Period.

Selling, Marketing and Administrative Expenses

During the Reporting Period, selling and marketing expenses of the Group amounted to approximately RMB332 million, representing a year-over-year increase of 1% when compared with approximately RMB329 million for the Corresponding Period. The proportion of selling and marketing expenses in revenue decreased from 11% for the Corresponding Period to 8%, primarily due to the optimization of promotion strategies and the adoption of a more prudent approach to marketing expenses.

During the Reporting Period, the Group's administrative expenses increased from approximately RMB599 million for the Corresponding Period to approximately RMB669 million, representing an increase of 12% year-over-year, which was primarily attributable to the growth in operating expenses resulting from the expansion of business.

Net Finance Income

During the Reporting Period, the Group recorded net finance income of approximately RMB113 million, which included interest income on bank deposits and gain on foreign exchange. As the Group's cash reserves are held in multiple currencies, the exchange gain resulted mainly from the depreciation of Renminbi ("RMB") against U.S. dollar ("USD") during the Reporting Period.

Material Investments

As of September 30, 2025, the Group held 21 investments in joint ventures and associates, all of which were accounted for using the equity method, with a total book value of approximately RMB856 million. The Group also held 12 investments in unlisted companies, all of which were classified as financial assets at fair value through profit or loss, with a total book value of approximately RMB602 million.

The Group's three largest investments were YH Entertainment Group, Bona Film Group Co., Limited and Shanghai Tingdong Film Co., Ltd.* (上海亭東影業有限公司), all of which were engaged in the film production and distribution business, artist management and other pan-entertainment businesses.

As at September 30, 2025, there is no investment held by the Group with a value of 5% or more of the total assets of the Group.

The Group adopted a conservative investment strategy to manage its investment portfolio during the Reporting Period. As of September 30, 2025, the Group did not have any plans for material investments and capital assets.

* For identification purpose only

Financial Resources and Liquidity

As of September 30, 2025, the Group held cash and cash equivalents and bank deposits with maturity within one year of approximately RMB3,498 million (March 31, 2025: approximately RMB3,365 million), which were denominated in RMB, USD and Hong Kong dollar (“HKD”). As at September 30, 2025, the Group’s short-term borrowings amounted to approximately RMB340 million (March 31, 2025: RMB397 million), which borne an interest rate ranging from 1.10% to 1.16% per annum. All the Group’s borrowings were secured by discounted bills and will be settled within one year. The Group’s borrowings are denominated in RMB. As of September 30, 2025, the Group had a net cash position with a gearing ratio (calculated as net borrowings over total equity, where net borrowings equal total borrowings net of cash and cash equivalents) of nil (March 31, 2025: nil). The Group actively and regularly reviews and manages its capital structure to maintain a balance between shareholder returns and a sound capital position. The Group may make adjustments, where necessary, to maintain an optimal capital structure and to reduce the cost of capital. Further, the Group may purchase wealth management products, where appropriate, in line with its treasury and investment policies, after taking into account, among other things, level of risk, return on investment, liquidity and term of maturity.

Foreign Exchange Risks

While the majority of the Group’s production costs and administrative costs are denominated and settled in RMB, the Group requires foreign currencies for some of its offshore investments and collaborations with studios outside Chinese Mainland. The Group will continue to closely monitor its capital needs and manage foreign exchange risks accordingly. As of September 30, 2025, the Group did not have a foreign currency hedging policy nor had it used any currency hedging instruments or financial instruments for hedging purpose, but will closely monitor its foreign currency exposure in a cost-effective manner.

Charge on Assets

As of September 30, 2025, the Group did not have any indebtedness secured by assets (March 31, 2025: nil).

Contingent Liabilities

As of September 30, 2025, the Group did not have any material contingent liabilities (March 31, 2025: nil).

Material Acquisitions and Disposals

During the Reporting Period, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

Employees and Remuneration Policies

As of September 30, 2025, the Group had 1,780 employees (September 30, 2024: 1,556 employees). The total employee benefit expenses of the Group were approximately RMB456 million for the Reporting Period (for the Corresponding Period: approximately RMB437 million). The remuneration policies of the Group are determined based on prevailing market rates and the performance of the Group and individual employees. These policies are reviewed on a regular basis. The Group strongly believes that its staff are an invaluable asset and play a vital role in its business. Therefore, the Group recognizes the importance of maintaining a good relationship with employees. In addition to salary, the Group also provides its employees with other fringe benefits, including among others, year-end bonuses, discretionary bonuses, contributions to provident and social security funds, medical benefits and training. The Group further offers various remunerative tools, such as share options under the Company's share option schemes, and awarded shares under the Company's share award scheme and provide training to the employees.

Subsequent Events

There are no important events affecting the Group which have occurred since September 30, 2025 and up to the date of this interim report.

Corporate Governance and Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As of September 30, 2025, the interests and short positions of the directors (the "Directors") and chief executive of the Company in the shares (the "Shares"), underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Interest in Shares and underlying Shares (Long position)

Name of Director	Nature of interest	Number of Shares held	Number of underlying Shares held		Total number of Shares and underlying Shares	Approximate percentage of Shares in issue (Note)
			Share Options	Awarded Shares		
Mr. FAN Luyuan	Beneficial owner	6,281,210	11,175,000	24,245,001	41,701,211	0.14%
Mr. LI Jie	Beneficial owner	22,937,591	0	19,287,500	42,225,091	0.14%
Mr. MENG Jun	Beneficial owner	2,480,385	0	1,935,625	4,416,010	0.01%

Note: Based on 29,875,864,325 Shares in issue as of September 30, 2025.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Interest in Shares and underlying shares of the associated corporation of the Company within the meaning of Part XV of the SFO – Alibaba Group Holding Limited (“Alibaba Holding”) (Long position)

Name of Director	Nature of interest	Number of shares/ underlying shares held (in the number of ordinary shares of Alibaba Holding) (Note 1)	Approximate percentage of total issued shares of Alibaba Holding (Note 2)
Mr. FAN Luyuan	Note 3	3,558,752	0.02%
Mr. LI Jie	Note 4	550,704	0.00%
Mr. MENG Jun	Note 5	121,318	0.00%
Mr. TONG Xiaomeng	Note 6	941,176	0.00%

Notes:

- (1) One American Depositary Share (“ADS”) of Alibaba Holding represents eight ordinary shares of Alibaba Holding and one US dollar-denominated restricted share unit of Alibaba Holding (“USD-RSU(s)”) represents one ADS; one HK dollar-denominated restricted share unit (“HKD-RSU(s)”) of Alibaba Holding represents one ordinary share of Alibaba Holding.
- (2) Based on 19,088,280,284 ordinary shares of Alibaba Holding in issue as of September 30, 2025.
- (3) The interest represents (i) 52,276 ADSs and 11,711 USD-RSUs held by Mr. FAN Luyuan beneficially; and (ii) 380,857 ADSs held by a trust, of which Mr. FAN Luyuan is a founder.
- (4) The interest represents 67,838 ADSs and 1,000 USD-RSUs held by Mr. LI Jie beneficially.
- (5) The interest represents (i) 7,230 ADSs, 2,350 USD-RSUs, 26,719 HKD-RSUs and 975 ordinary shares of Alibaba Holding held by Mr. MENG Jun beneficially; and (ii) 2,123 ADSs held by the spouse of Mr. MENG Jun.
- (6) The interest represents 117,647 ADSs held by Mr. TONG Xiaomeng beneficially.

Youku, Inc. (“Youku Inc”) (Long position)

Name of Director	Nature of Interest	Number of underlying shares held (Share Options)	Approximate percentage of total issued shares of Youku Inc (Note)
Mr. FAN Luyuan	Beneficial owner	10,000,000	1.25%
Mr. MENG Jun	Beneficial owner	1,040,000	0.13%
Mr. LI Jie	Beneficial owner	420,000	0.05%

Note: Based on 800,000,000 ordinary shares of Youku Inc in issue as of September 30, 2025.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Save as disclosed above, to the best knowledge, information and belief of the Company, as of September 30, 2025, none of the Directors, chief executive of the Company nor their respective associates had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE INCENTIVE SCHEMES

Share Option Schemes

On August 31, 2021, the shareholders of the Company (the "Shareholders") approved (i) the termination (the "Termination") of a share option scheme adopted on June 11, 2012 (the "2012 Share Option Scheme"), and (ii) the adoption of a new share option scheme (the "2021 Share Option Scheme"). Following the Termination, no more share options (the "Share Options") will be granted under the 2012 Share Option Scheme but the subsisting Share Options granted prior to the Termination will continue to be valid and exercisable in accordance with the terms of the 2012 Share Option Scheme.

On August 30, 2023, the Shareholders approved the amendments to the 2021 Share Option Scheme. Details of the amendments to the 2021 Share Option Scheme are set out in the circular of the Company dated July 28, 2023 (the "Circular").

2021 Share Option Scheme

Movements of Share Options

No Share Options were outstanding, granted, exercised, expired, lapsed or cancelled under the 2021 Share Option Scheme during the Reporting Period.

Given that no Share Option has been granted under the 2021 Share Option Scheme during the Reporting Period, it is not applicable for the Company to set out the number of Shares that may be issued in respect of the Share Options granted under such scheme during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue (excluding treasury shares, if any) for the Reporting Period.

The total number of Share Options available for grant under the 2021 Share Option Scheme as of April 1, 2025 and September 30, 2025 were 1,983,173,990 and 1,890,164,990^{Note 1}, respectively, representing approximately 6.64% and 6.33% of the Company's issued share capital as at the respective dates.

The total number of Share Options available for grant under the service provider sublimit^{Note 2} set out in the 2021 Share Option Scheme as of April 1, 2025 and September 30, 2025 were 269,757,401 and 269,757,401, respectively, representing approximately 0.90% and 0.90% of the Company's issued share capital as at the respective dates.

Notes:

1. The total number of Shares which may be issued under the 2021 Share Option Scheme, the Share Award Scheme (as defined below) and any other share schemes of the Company (if any) shall not exceed 1,890,164,990 Shares as at September 30, 2025.
2. The limit on the total number of Shares that may be issued in respect of all Share Options granted to service providers under the 2021 Share Option Scheme, which must not exceed 1% of the Shares in issue (i.e. the service provider limit), was adopted by the Shareholders at the annual general meeting held on August 30, 2023. Any utilization under the service provider sublimit under the 2021 Share Option Scheme shall be regarded as utilization within the scheme mandate limit under the 2021 Share Option Scheme.

SHARE INCENTIVE SCHEMES (Continued)

Share Option Schemes (Continued)

2012 Share Option Scheme

Movements of Share Options

Movements of the Share Options granted by the Company pursuant to the 2012 Share Option Scheme during the Reporting Period were as follows:

Name/category of grantees	Date of grant	Exercise price per share (HK\$)	Closing price per Share immediately before the date of grant (HK\$)	Weighted average closing price of shares immediately before the date on which the Share Options were exercised (HK\$)	Number of Share Options outstanding as of April 1, 2025	Number of Share Options granted during the Reporting Period	Number of Share Options exercised during the Reporting Period	Number of Share Options lapsed during the Reporting Period	Number of Share Options cancelled during the Reporting Period	Number of Share Options outstanding as of September 30, 2025	Exercise/ vesting period (Notes)
Directors											
Mr. FAN Luyuan	05/06/2020	1.070	1.050	-	3,675,000	-	-	-	-	3,675,000	1(ii)
	16/06/2021	1.066	1.060	-	7,500,000	-	-	-	-	7,500,000	1(ii)
Sub-total					11,175,000	-	-	-	-	11,175,000	
Employees											
	18/01/2018	1.060	1.070	-	1,200,000	-	-	-	-	1,200,000	1(i)
Sub-total					1,200,000	-	-	-	-	1,200,000	
Total					12,375,000	-	-	-	-	12,375,000	

SHARE INCENTIVE SCHEMES (Continued)**2012 Share Option Scheme (Continued)**

Notes:

- (1) The Share Options granted under the 2012 Share Option Scheme are subject to a vesting schedule and can be exercised in the following manner:

(i) Category A

Vesting Date	Percentage that can be exercised
First vesting date (being second anniversary of the relevant employment commencement date)	Up to 50% of the Share Options granted
First anniversary of first vesting date	Up to 75% of the Share Options granted
Second anniversary of first vesting date	Up to 100% of the Share Options granted

The vesting period of the Share Options under Category A commences on the date of commencement of employment of the relevant grantee, and the first vesting date falls on the second anniversary of the date of commencement of employment.

(ii) Category B

Vesting Date	Percentage that can be exercised
First vesting date (being first anniversary of the relevant performance incentive effective date)	Up to 1/6 of the Share Options granted
First anniversary of first vesting date	Up to 1/3 of the Share Options granted
Second anniversary of first vesting date	Up to 1/2 of the Share Options granted
Third anniversary of first vesting date	Up to 2/3 of the Share Options granted
Fourth anniversary of first vesting date	Up to 5/6 of the Share Options granted
Fifth anniversary of first vesting date	Up to 100% of the Share Options granted

The vesting period of the Share Options under Category B commences on performance incentive effective date of the relevant grantee, and the first vesting date falls on the first anniversary of the commencement date of the vesting period.

- (2) The period within which the Share Options must be exercised shall not be more than 10 years from the date of grant.
- (3) Given no more Share Options will be granted under the 2012 Share Option Scheme upon Termination, it is not applicable for the Company to set out the number of Shares that may be issued in respect of the Share Options granted under the 2012 Share Option Scheme during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue (excluding treasury Shares, if any) for the Reporting Period.
- (4) No service provider sublimit was set under the 2012 Share Option Scheme.

SHARE INCENTIVE SCHEMES (Continued)

Share Award Scheme

The share award scheme of the Company (“Share Award Scheme”) was adopted by the Board on December 30, 2016 (as amended on March 29, 2019, January 17, 2020 and August 30, 2023, respectively). Details of the amendments to the Share Award Scheme approved by the Shareholders on August 30, 2023 are set out in the Circular.

Movements of Awarded Shares

Movements of the Shares granted by the Company under the Share Award Scheme (the “Awarded Shares”) during the Reporting Period were as follows:

Grantee name/ categories	Date of grant	Vesting date/period	Market price of Award Shares at date of grant based on closing price of Shares as at date of grant					Number of Unvested Awarded Shares at April 1, 2025 (excluding those granted during the Reporting Period					Number of Awarded Shares cancelled during the Reporting Period		Number of Unvested Awarded Shares at September 30, 2025
			Purchase price of the Awarded Shares (HK\$)	Closing price of Shares immediately before the date of grant (HK\$)	Closing price of Shares immediately before the vesting date (HK\$)	closing price of Shares immediately before the vesting date (HK\$)	Shares at April 1, 2025 (excluding those vested on April 1, 2025)	Awarded Shares granted during the Reporting Period	Number of Awarded Shares vested during the Reporting Period	Number of Awarded Shares lapsed during the Reporting Period	Number of Awarded Shares cancelled during the Reporting Period				
Directors of the Company:															
Mr. Fan Luyuan	5/6/2020	01/04/2021-01/04/2026	1.070	-	1.050	0.530	0.530	490,000	-	245,000	-	-	245,000		
	16/6/2021	01/04/2022-01/04/2027	1.060	-	1.060	0.530	0.530	1,500,000	-	500,000	-	-	1,000,000		
	17/6/2022	01/04/2023-01/04/2028	0.730	-	0.740	0.530	0.530	4,000,000	-	1,000,000	-	-	3,000,000		
	12/6/2023	01/04/2024-01/04/2029	0.410	-	0.415	0.530	0.530	6,666,667	-	1,333,333	-	-	5,333,334		
	18/6/2024	01/04/2025-01/04/2030	0.450	-	0.460	0.530	0.530	8,000,000	-	1,333,333	-	-	6,666,667		
	24/6/2025	01/04/2026-01/04/2031	0.930	-	0.870	-	-	-	8,000,000	-	-	-	8,000,000		
Mr. Li Jie	16/6/2021	01/04/2022-01/04/2025	1.060	-	1.060	0.530	0.530	562,500	-	562,500	-	-	-		
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.530	0.530	2,375,000	-	1,187,500	-	-	1,187,500		
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.530	0.530	1,531,250	-	1,531,250	-	-	-		
	12/6/2023	01/04/2024-01/04/2027	0.410	-	0.415	0.530	0.530	7,500,000	-	2,500,000	-	-	5,000,000		
	18/6/2024	01/04/2025-01/04/2028	0.450	-	0.460	0.530	0.530	10,800,000	-	2,700,000	-	-	8,100,000		
	24/6/2025	01/04/2026-01/04/2029	0.930	-	0.870	-	-	-	5,000,000	-	-	-	5,000,000		
Mr. MENG Jun	16/6/2021	01/04/2022-01/04/2025	1.060	-	1.060	0.530	0.530	150,000	-	150,000	-	-	-		
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.530	0.530	800,000	-	400,000	-	-	400,000		
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.530	0.530	114,000	-	114,000	-	-	-		
	12/6/2023	01/04/2024-01/04/2027	0.410	-	0.415	0.530	0.530	2,303,438	-	767,813	-	-	1,535,625		
Directors of subsidiaries of the Company															
Five directors of subsidiaries of the Company	16/6/2021	01/04/2022-01/04/2025	1.060	-	1.060	0.530	0.530	602,111	-	602,111	-	-	-		
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.530	0.530	2,264,286	-	1,132,142	133,929	-	998,215		
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.530	0.530	640,000	-	640,000	-	-	-		
	12/6/2023	01/04/2024-01/04/2027	0.410	-	0.415	0.530	0.530	8,025,000	-	2,425,000	1,100,000	-	4,500,000		
	18/6/2024	01/04/2025-01/04/2028	0.450	-	0.460	0.530	0.530	12,480,000	-	3,120,000	1,800,000	-	7,560,000		
	24/6/2025	01/04/2026-01/04/2029	0.930	-	0.870	-	-	-	13,340,000	-	1,040,000	-	12,300,000		

SHARE INCENTIVE SCHEMES (Continued)

Share Award Scheme (Continued)

Grantee name/ categories	Date of grant	Vesting date/period	Market price of Award Shares at date of grant based on closing price of Shares as at date of grant		Closing price of Shares immediately before the date of grant <i>(HK\$)</i>	Closing price of Shares immediately before the vesting date <i>(HK\$)</i>	Weighted average closing price of Shares immediately before the vesting date <i>(HK\$)</i>	Number of Unvested Awarded Shares at April 1, 2025 (excluding those vested on April 1, 2025)	Number of Awarded Shares granted during the Reporting Period	Number of Awarded Shares vested during the Reporting Period	Number of Awarded Shares lapsed during the Reporting Period	Number of Awarded Shares cancelled during the Reporting Period	Number of Unvested Awarded Shares at September 30, 2025
			<i>(HK\$)</i>	<i>(HK\$)</i>									
Eligible employees (Non-connected employees)													
	16/6/2021	01/04/2022-19/04/2025	1.060	-	1.060	0.530-1.310	0.535	19,624,769	-	19,624,769	-	-	-
	9/9/2021	01/10/2022-01/10/2025	0.840	-	0.850	0.495-1.170	0.878	4,960,000	-	400,000	160,000	-	4,400,000
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.530-1.310	0.534	47,423,579	-	23,305,538	1,718,311	-	22,399,730
	9/9/2022	01/10/2023-01/10/2026	0.600	-	0.570	-	-	6,080,000	-	-	240,000	-	5,840,000
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.530-1.310	0.544	3,434,005	-	3,434,005	-	-	-
	12/6/2023	01/04/2024-10/04/2027	0.410	-	0.415	0.485-1.310	0.532	131,103,450	-	43,751,150	6,143,150	-	81,209,150
	14/11/2023	01/10/2024-09/10/2027	0.520	-	0.570	0.950-1.270	1.107	14,820,000	-	1,150,000	720,000	-	12,950,000
	18/6/2024	01/04/2025-01/04/2028	0.450	-	0.460	0.530-1.310	0.532	108,072,522	-	25,243,130	4,323,000	-	78,506,392
	24/9/2024	04/07/2025-01/10/2028	0.390	-	0.370	0.920-1.330	1.145	11,420,000	-	465,000	-	-	10,955,000
	24/6/2025	08/10/2025-01/04/2029	0.930	-	0.870	-	-	-	63,092,000	-	-	-	63,092,000
	19/9/2025	01/10/2026-09/10/2029	1.080	-	1.080	-	-	-	4,480,000	-	-	-	4,480,000
Five highest paid employees in aggregate (excluding the Directors as disclosed above):													
	16/6/2021	01/04/2022-01/04/2025	1.060	-	1.060	0.530	0.530	247,500	-	247,500	-	-	-
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.530	0.530	214,000	-	107,000	-	-	107,000
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.530	0.530	1,116,000	-	1,116,000	-	-	-
	12/6/2023	01/04/2024-01/04/2027	0.410	-	0.415	0.530	0.530	300,000	-	100,000	-	-	200,000
	18/6/2024	01/04/2025-01/04/2028	0.450	-	0.460	0.530	0.530	867,700	-	216,925	-	-	650,775
	24/6/2025	01/10/2025-01/04/2029	0.930	-	0.870	-	-	-	6,980,000	-	-	-	6,980,000
Related entities participants													
	16/6/2021	01/04/2022-22/04/2025	1.060	-	1.060	0.530	0.530	596,500	-	596,500	-	-	-
	09/09/2021	01/10/2022-01/10/2025	0.840	-	0.850	-	-	120,000	-	-	-	-	120,000
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.530	0.530	1,116,400	-	558,200	-	-	558,200
	9/9/2022	01/8/2023-01/8/2026	0.600	-	0.570	0.530	0.530	2,250,000	-	1,125,000	-	-	1,125,000
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.530	0.530	1,238,375	-	1,238,375	-	-	-
	12/6/2023	01/04/2024-27/04/2027	0.410	-	0.415	0.500-0.530	0.526	4,806,500	-	1,685,500	-	-	3,121,000
	14/11/2023	01/10/2024-01/10/2027	0.520	-	0.570	-	-	360,000	-	-	-	-	360,000
	18/6/2024	01/04/2025-01/04/2028	0.450	-	0.460	0.530	0.530	4,105,000	-	1,026,250	-	-	3,078,750
Service providers	-	-	-	-	-	-	-	-	-	-	-	-	-
Total								435,080,552	100,892,000	147,634,824	17,378,390	-	370,959,338

SHARE INCENTIVE SCHEMES (Continued)

Share Award Scheme (Continued)

Notes:

1. Save as disclosed in the table above, no Awarded Shares have been granted to any chief executive or substantial shareholder of the Company, or any of their respective associates (as defined in the Listing Rules).
2. No Awarded Shares have been granted to any employees of the Company in excess of the 1% individual limit.
3. The Awarded Shares granted to the grantees during the Reporting Period are not subject to any performance targets.
4. The fair value of the Awarded Shares at the date of grant on June 24, 2025 and September 19, 2025 during the Reporting Period was HK\$0.930 per Share and HK\$1.080 per Share, respectively; and was determined based on the published closing price of the Shares at the respective dates of grant. The Group has adopted the accounting standard in accordance with HKFRS 2 – Share-based Payment for calculation of the fair value of the Awarded Shares. For the details of accounting policy applied, please refer to Note 15 to the interim condensed consolidated financial information contained in this interim report.
5. The total numbers of Awarded Shares available for grant under the Share Award Scheme as at April 1, 2025 and September 30, 2025 were 1,983,173,990 and 1,890,164,990, respectively, representing approximately 6.64% and 6.33% of the Company's issued share capital as at the respective dates.
6. The total number of Awarded Shares available for grant under the service provider sublimit[#] set out in the Share Award Scheme as of April 1, 2025 and September 30, 2025 were 269,757,401 and 269,757,401, respectively, representing approximately 0.90% and 0.90% of the Company's issued share capital as at the respective dates.

[#]: The limit on the total number of Shares that may be issued in respect of all Awarded Shares granted to service providers under the Share Award Scheme, which must not exceed 1% of the Shares in issue (i.e. the service provider limit), was adopted by the Shareholders at the annual general meeting held on August 30, 2023.
7. The number of Shares that may be issued in respect of the Awarded Shares granted under the Share Award Scheme during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue (excluding treasury shares, if any) for the Reporting Period was 0.34%.
8. During the Reporting Period, there was change to the scope of the "directors of subsidiaries of the Company" due to personnel changes, hence statistics in the table above have been adjusted accordingly.
9. During the Reporting Period, certain eligible employees (non-connected employees) became related entities participants, and vice versa, hence statistics in the table above have been adjusted accordingly.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As of September 30, 2025, the following persons (other than the Directors and chief executive of the Company whose interests have been disclosed in this interim report) had interests and short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Interest in Shares and underlying Shares (Long position)

Name of Shareholder	Nature of interest	Number of Shares/underlying Shares held	Approximate percentage of Shares in issue (Note 5)
Ali CV Investment Holding Limited ("Ali CV")	Beneficial owner (Notes 1 and 4)	13,488,058,846	45.15%
Alibaba Investment Limited ("Ali Investment")	Interest in controlled corporation (Notes 2 and 4)	13,488,058,846	45.15%
	Beneficial owner (Notes 3 and 4)	2,513,028,847	8.41%
Alibaba Holding	Interest in controlled corporation (Note 4)	16,001,087,693	53.56%
BIAN Ximing/YANG Minghua	Beneficial owner	1,995,060,000	6.68%

Notes:

- (1) This represents the interest in 13,488,058,846 Shares held by Ali CV as beneficial owner.
- (2) This represents the Interest in 13,488,058,846 Shares held by Ali Investment through its controlled corporation, Ali CV.
- (3) This represents the interest in 2,513,028,847 Shares held by Ali Investment beneficially.
- (4) As of September 30, 2025, Ali CV was wholly owned by Alibaba Holding, through its controlled corporation, Ali Investment. Accordingly, Ali Investment were deemed to have the same interest held by Ali CV, and Alibaba Holding was deemed to have the same interest held by Ali Investment and Ali CV, by virtue of part XV of the SFO.
- (5) Based on 29,875,864,325 Shares in issue as of September 30, 2025.

Save as disclosed above, as of September 30, 2025, so far as was known to the Directors or chief executive of the Company, no other persons had an interest or short position in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. It has adopted the code provisions as stipulated in the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Listing Rules as the basis of the corporate governance practices of the Company.

Throughout the Reporting Period, the Company has complied with all applicable code provisions as set out in Part 2 of the CG Code, save as disclosed below:

Pursuant to the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company does not have a separate chairman of the Board and chief executive officer. Mr. FAN Luyuan currently performs these two roles. The Board considers that vesting the roles of both chairman of the Board and chief executive officer in the same person will facilitate the development and execution of the Group's business strategies, which will help the Company overcome market challenges and create more value for the Shareholders. The Board believes that the balance of power and authority for the present arrangement would not be impaired given that there are sufficient checks and balances in the Board as a decision to be made by the Board requires approval by a majority of the Directors and such balance is ensured by the Board which comprises experienced and high caliber individuals and three of whom are INEDs.

Pursuant to code provision B.3.5 of the CG Code, which takes effect on July 1, 2025, the Company should appoint at least one director of a different gender to the nomination committee. Ms. SONG Lixin ("Ms. Song"), an INED, has been appointed as a member of the Nomination Committee with effect from September 19, 2025 and the Company has complied with this code provision since September 19, 2025.

Pursuant to code provision B.2.4(b) of the CG Code, where all the independent non-executive directors of an issuer have served more than nine years on the board, the issuer should appoint a new independent non-executive director on the board at the forthcoming annual general meeting.

As of January 30, 2025, all existing INEDs, namely Ms. Song, Mr. TONG Xiaomeng ("Mr. Tong"), and Mr. Johnny CHEN ("Mr. Chen"), have served on the Board for more than nine years, with respective tenures exceeding 10 years, 11 years, and 9 years. Accordingly, the Company is required to appoint a new INED at its annual general meeting held on August 14, 2025 (the "2025 AGM") in order to comply with the CG Code.

While Ms. Song, Mr. Tong, and Mr. Chen have each served as INEDs for over nine years, the Board is of the view that their diverse backgrounds, current and past roles in other companies and organisations, as well as their ongoing professional development and training, continue to enable them to contribute fresh perspectives and independent judgement. Furthermore, none of the INEDs is involved in the day-to-day management of the Company. All INEDs are well-acquainted with the Company's operations and continue to provide objective insights and valuable contributions to the Board. The Board considers that their length of service does not compromise their independence and that they remain independent under the Listing Rules.

The Company has been actively identifying a suitable candidate for appointment as an INED at the 2025 AGM through both internal and external channels and has used its best endeavours to finalise the appointment as soon as practicable. However, additional time was required to identify and assess suitable candidates and to complete the necessary internal procedures.

As at the date of this interim report, the Company is still in the process of identifying suitable candidate. The Company will continue to use its best efforts to ensure that a suitable candidate be appointed as soon as practicable in order to comply with code provision B.2.4(b) of the CG Code. Further announcement will be made by the Company as and when appropriate.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct for securities transactions (the “Code of Conduct for Securities Transactions”) by the Directors and certain officers and employees of the Company or its subsidiaries who are considered to be likely in possession of unpublished inside information in relation to the Company or its subsidiaries, on terms no less exacting than the required standard set out in the Model Code.

Having made specific enquiry of all Directors, each of the Directors confirmed that he/she has complied with the required standard set out in the Model Code and the Code of Conduct for Securities Transactions during the Reporting Period.

INTERIM DIVIDEND

The Board has resolved that no interim dividend will be declared for the Reporting Period (For the Corresponding Period: nil).

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the connected transactions section set out in the Company's 2024/25 annual report and its announcements dated April 16, 2025, June 24, 2025 and September 19, 2025, respectively, and the related party transactions as disclosed in Note 20 to the interim condensed consolidated financial information contained in this interim report, (1) no contract of significance between the Company, or any of its subsidiaries, and the controlling shareholder of the Company or any of its subsidiaries, subsisted at the end of the Reporting Period or at any time during the Reporting Period; and (2) no contract of significance for the provision of services to the Company, or any of its subsidiaries, by the controlling shareholder of the Company or any of its subsidiaries had been entered into by the Group during the Reporting Period.

FUND RAISING FROM ISSUE OF EQUITY SECURITIES OR SALE OF TREASURY SHARES

There was no issue of equity securities (including securities convertible into equity securities) or sale of treasury shares (as defined in the Listing Rules) (the “Treasury Shares”) by the Company for cash (other than under a share scheme that complies with Chapter 17 of the Listing Rules) during the Reporting Period, nor were there any unutilised proceeds brought forward from any issue of equity securities or sale of Treasury Shares made in previous financial years.

As of September 30, 2025, the Company did not hold any Treasury Shares.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (including the sale of Treasury Shares). As of September 30, 2025, the Company did not hold any Treasury Shares.

CHANGES IN DIRECTORS’ INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in particulars of Directors and chief executive during the Reporting Period and up to the date of this interim report are set out below:

- Mr. Chen, an INED, ceased to be an independent non-executive director of China Travel International Investment Hong Kong Limited (SEHK stock code: 308) on August 20, 2025.
- Ms. Song, an INED, has been appointed as a member of the Nomination Committee with effect from September 19, 2025.

Save as disclosed above, during the Reporting Period and up to the date of this interim report, the Directors and chief executive have confirmed that there is no information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REVIEW OF INTERIM REPORT

The unaudited interim results of the Group for the Reporting Period and this interim report have been reviewed by the Audit Committee.

The financial information given in this interim report and the interim results of the Group for the Reporting Period have not been audited, but have been reviewed by the Company’s independent auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee does not have any disagreement with the accounting treatment adopted by the Company.

Hong Kong, November 13, 2025



羅兵咸永道

Report on Review of Interim Financial Information
To the Board of Directors of Damai Entertainment Holdings Limited
(incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 26 to 60, which comprises the interim condensed consolidated balance sheet of Damai Entertainment Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at September 30, 2025 and the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, November 13, 2025

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		For the six months ended September 30,	
		2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Note			
Revenue	5	4,047,366	3,050,796
Cost of sales and services	5	(2,603,689)	(1,734,875)
Gross profit		1,443,677	1,315,921
Selling and marketing expenses		(332,150)	(328,662)
Administrative expenses		(669,412)	(598,884)
(Impairment losses)/reversal of impairment losses on financial assets, net		(29,503)	146,678
Other income	6	21,384	19,170
Other gains/(losses), net	7	92,009	(26,776)
Operating profit		526,005	527,447
Finance income	8	119,732	126,794
Finance expenses	8	(7,198)	(45,901)
Finance income, net		112,534	80,893
Share of loss of investments accounted for using the equity method	11	(6,727)	(26,861)
Impairment of investments accounted for using the equity method	11	—	(146,456)
Profit before income tax		631,812	435,023
Income tax expense	9	(115,979)	(62,324)
Profit for the period		515,833	372,699
Attributable to:			
Owners of the Company		519,534	336,598
Non-controlling interests		(3,701)	36,101
Earnings per share attributable to owners of the Company for the period (expressed in RMB cents per share)	10		
—Basic		1.75	1.14
—Diluted		1.73	1.14

The above interim condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the six months ended September 30,	
		2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Profit for the period		515,833	372,699
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss</i>			
Share of other comprehensive income of associates	11	442	2,192
Currency translation differences attributable to owners of the Company		(76,970)	(60,557)
<i>Items that may not be reclassified to profit or loss</i>			
Currency translation differences attributable to non-controlling interests		(553)	(648)
Other comprehensive loss for the period, net of tax		(77,081)	(59,013)
Total comprehensive income for the period		438,752	313,686
Attributable to:			
Owners of the Company		443,006	278,233
Non-controlling interests		(4,254)	35,453
Total comprehensive income for the period		438,752	313,686

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

		As of September 30, 2025 (Unaudited) RMB'000	As of March 31, 2025 (Audited) RMB'000
	Note		
Assets			
Non-current assets			
Property, plant and equipment	12	161,243	115,328
Investment properties	12	401,758	396,498
Goodwill	12	3,844,125	3,844,125
Intangible assets	12	431,363	458,189
Right-of-use assets		216,967	230,150
Deferred income tax assets		130,930	198,690
Investments accounted for using the equity method	11	856,115	914,748
Film and TV rights and investments		2,850	2,652
Term deposits		3,775,940	4,239,925
Financial assets at fair value through profit or loss	4	601,502	610,148
Trade and other receivables, and prepayments	13	307,882	350,170
		<u>10,730,675</u>	<u>11,360,623</u>
Current assets			
Inventories		75,816	41,093
Film and TV rights and investments		3,813,105	3,602,389
Trade and other receivables, and prepayments	13	5,232,973	4,323,253
Current income tax recoverable		1,378	9,567
Structured deposits	4	3,109,595	797,847
Term deposits		1,427,304	856,912
Restricted cash		8,981	1,891
Cash and cash equivalents		2,061,683	2,505,808
		<u>15,730,835</u>	<u>12,138,760</u>
Total assets		<u>26,461,510</u>	<u>23,499,383</u>
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital	14	6,116,358	6,078,702
Reserves		10,562,515	10,148,858
		<u>16,678,873</u>	<u>16,227,560</u>
Non-controlling interests		<u>248,053</u>	<u>237,740</u>
Total equity		<u>16,926,926</u>	<u>16,465,300</u>

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

		As of September 30, 2025 (Unaudited) RMB'000	As of March 31, 2025 (Audited) RMB'000
	Note		
Liabilities			
Non-current liabilities			
Deferred income tax liabilities		136,062	121,057
Lease liabilities		223,894	229,429
Trade and other payables, and accrued charges	17	1,788	5,287
		<u>361,744</u>	<u>355,773</u>
Current liabilities			
Borrowings	16	340,000	396,685
Trade and other payables, and accrued charges	17	7,358,690	5,606,155
Contract liabilities		1,440,050	623,027
Current tax liabilities		4,456	17,168
Lease liabilities		29,644	35,275
		<u>9,172,840</u>	<u>6,678,310</u>
Total liabilities		<u>9,534,584</u>	<u>7,034,083</u>
Total equity and liabilities		<u>26,461,510</u>	<u>23,499,383</u>

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Note	Attributable to owners of the Company										Non-controlling interests	Total
	Share capital	Share premium	Shares held for share award scheme	Other reserve	Shareholder's contribution reserve	Translation reserve	Share-based compensation reserve	Accumulated losses	Total			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the six months ended September 30, 2025 (Unaudited)												
At April 1, 2025	6,078,702	14,082,239	(93,267)	(1,179,412)	48,527	60,796	585,536	(3,355,561)	16,227,560	237,740		16,465,300
Profit for the period	-	-	-	-	-	-	-	519,534	519,534	(3,701)		515,833
Other comprehensive loss for the period	-	-	-	-	-	(76,528)	-	-	(76,528)	(553)		(77,081)
Total comprehensive income for the period	-	-	-	-	-	(76,528)	-	519,534	443,006	(4,254)		438,752
Share of other reserves of investments accounted for using the equity method	11	-	-	(5,044)	-	-	-	-	(5,044)	-		(5,044)
Issuance of shares under share award scheme		37,656	45,188	(82,844)	-	-	-	-	-	-		-
Shares vested under share award scheme		-	-	75,949	-	-	(75,949)	-	-	-		-
Value of employee services provided under share option scheme and share award scheme	15	-	-	-	-	-	29,405	-	29,405	-		29,405
Value of employee services provided in relation to share-based payment transactions with ultimate parent	15	-	-	-	-	-	2,856	-	2,856	-		2,856
Value of share-based compensation allocated to ultimate parent	15	-	-	(1,135)	-	-	1,135	-	-	-		-
Settlement of share-based compensation cost with ultimate parent	15	-	-	(18,910)	-	-	-	-	(18,910)	-		(18,910)
Acquisition of a subsidiary		-	-	-	-	-	-	-	-	2,231		2,231
Disposal of a subsidiary		-	-	-	-	-	-	-	-	12,336		12,336
At September 30, 2025	6,116,358	14,127,427	(100,162)	(1,204,501)	48,527	(15,732)	542,983	(2,836,027)	16,678,873	248,053		16,926,926

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

Note	Attributable to owners of the Company									Non-controlling interests	Total
	Share capital	Share premium	Shares held for share award scheme	Other reserve	Shareholder's contribution reserve	Translation reserve	Share-based compensation reserve	Accumulated losses	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the six months ended September 30, 2024 (Unaudited)											
At April 1, 2024	6,026,151	14,042,300	(99,437)	(1,144,510)	48,527	14,930	553,572	(3,719,137)	15,722,396	98,484	15,820,880
Profit for the period	-	-	-	-	-	-	-	336,598	336,598	36,101	372,699
Other comprehensive loss for the period	-	-	-	-	-	(58,365)	-	-	(58,365)	(648)	(59,013)
Total comprehensive income for the period	-	-	-	-	-	(58,365)	-	336,598	278,233	35,453	313,686
Share of other reserves of investments accounted for using the equity method	11	-	-	(2,225)	-	-	-	-	(2,225)	-	(2,225)
Issuance of shares under share award scheme	-	52,551	39,939	(92,490)	-	-	-	-	-	-	-
Shares vested under share award scheme	-	-	81,968	-	-	-	(81,968)	-	-	-	-
Value of employee services provided under share option scheme and share award scheme	15	-	-	-	-	-	40,037	-	40,037	-	40,037
Value of employee services provided in relation to share-based payment transactions with ultimate parent	15	-	-	-	-	-	10,653	-	10,653	-	10,653
Value of share-based compensation allocated to ultimate parent	15	-	-	(2,774)	-	-	2,774	-	-	-	-
Settlement of share-based compensation cost with ultimate parent	15	-	-	(29,526)	-	-	-	-	(29,526)	-	(29,526)
At September 30, 2024	6,078,702	14,082,239	(109,959)	(1,179,035)	48,527	(43,435)	525,068	(3,382,539)	16,019,568	133,937	16,153,505

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Cash flows from operating activities		
Cash generated from/(used in) operating activities	1,966,908	(571,637)
Income tax paid	(38,097)	(3,615)
Net cash inflow/(outflow) from operating activities	1,928,811	(575,252)
Cash flows from investing activities		
Principal received on bank deposits with the maturity over three months	1,258,289	1,565,650
Principal received on investments in structured deposits	550,000	1,200,000
Proceeds from disposal stakes in associates while retaining significant influence	84,695	—
Proceeds from derecognition of a listed investment	78,280	—
Interest received	61,118	99,011
Proceeds from loan repayment of a third party	8,400	2,496
Investment interest received on structured deposits	7,778	14,752
Proceeds from disposal of property, plant and equipment	2,838	485
Proceeds from derecognition of unlisted investments	2,533	45,000
Acquisition of a subsidiary, net of cash acquired	1,926	—
Proceeds from reduction of equity investment in an associate	—	3,000
Advance from investment transactions	—	160,000
Payment for bank deposits with the maturity over three months	(1,316,867)	(4,168,001)
Purchases of structured deposits	(2,848,361)	(1,390,000)
Payment for an unlisted investment	(71,930)	(5,000)
Purchases of property, plant and equipment and investment property	(67,887)	(31,095)
Capital injection of equity investments in a joint venture	(25,000)	—
Net cash outflow from deemed disposal of a subsidiary	(24,430)	—
Purchase of Intangible assets	(6)	(5)
Prepayment for equity acquisition	—	(160,000)
Loans granted to third parties	—	(78,400)
Net cash outflow from investing activities	(2,298,624)	(2,742,107)
Cash flows from financing activities		
Proceeds from borrowings	340,000	387,712
Proceeds from financial investors in films	50,055	43,718
Repayment of borrowings	(396,685)	—
Principal and interests elements of lease payments	(15,232)	(5,549)
Interest paid	(2,452)	(1,806)
Net cash (outflow)/inflow from financing activities	(24,314)	424,075
Net decrease in cash and cash equivalents	(394,127)	(2,893,284)
Cash and cash equivalents at beginning of the period	2,505,808	4,413,697
Exchange effect on cash and cash equivalents	(49,998)	(76,508)
Cash and cash equivalents at end of the period	2,061,683	1,443,905

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Damai Entertainment Holdings Limited (previously named “Alibaba Pictures Group Limited”) (the “Company”) and its subsidiaries (together, the “Group”, each, a “Group Entity”) form an integrated platform with content and technology as the core, covering content production, promotion and distribution, IP merchandizing, licensing and commercial management, cinema and entertainment event ticketing management, and internet data services for the entertainment industry.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton, Pembroke, HM 11, Bermuda.

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). As of September 30, 2025, the Company is approximately 53.56% owned by Alibaba Group Holding Limited (“Alibaba Holding”), of which 13,488,058,846 shares are held by Ali CV Investment Holding Limited (“Ali CV”) and 2,513,028,847 shares are held by Alibaba Investment Limited (“Alibaba Investment”). Ali CV is a wholly-owned subsidiary of Alibaba Investment which is in turn wholly-owned by Alibaba Holding.

This condensed consolidated interim financial information is presented in Renminbi (“RMB”), unless otherwise stated. These condensed interim financial statements were approved for issue on November 13, 2025.

This condensed consolidated interim financial information has not been audited.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended September 30, 2025 has been prepared in accordance with Hong Kong Accounting Standard 34, “Interim financial reporting”. The interim report does not include all of the notes normally included in annual consolidated financial statements. Accordingly, the condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended March 31, 2025, which have been prepared in accordance with HKFRS Accounting Standards.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

Change in segment information

During the financial year ended March 31, 2025, the Group has changed its identification of reportable business segments. In the previous period, the Group aggregated its operating segments into three reportable segments, namely “Content”, “Ticketing and technology platform” and “IP merchandizing and other initiatives” in accordance with its then internal management and reporting structures. In order to reflect a more accurate market positioning of the Group, the Group changed its internal management and reporting structures in the financial year ended March 31, 2025 and reaggregated its operating segments into “Live content and technology business” (previously named “Damai ticketing and live entertainment platform”), “IP merchandizing”, “Film content and technology business” (previously named “Film technology and investment, production, promotion and distribution platform”) and “Drama series production”. The represented segment information is consistent with the reports provided to and reviewed by the chief operating decision-maker (“CODM”) for performance assessment and resources allocation after the change of internal management restructuring. The comparative segment information has been restated. Further information is detailed in Note 5 below.

2 BASIS OF PREPARATION *(Continued)*

(a) New and amended standards adopted by the Group

The Group has applied the following amendment for the first time from April 1, 2025:

- Lack of Exchangeability – Amendments to HKAS 21.

The adoption of above did not have any material impact on the Group's results for the six months ended September 30, 2025 and the Group's financial position as of September 30, 2025. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting this amended standard.

(b) New standards and amendments not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for September 30, 2025 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods or on foreseeable future transactions.

3 ESTIMATES

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended March 31, 2025.

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as of March 31, 2025.

There have been no material changes in the risk management policies since March 31, 2025.

4.2 Fair value estimation

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investments in structured deposits.

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation (Continued)

The following table presents the Group's financial assets and financial liabilities that are measured at fair value at September 30, 2025 and March 31, 2025.

	As of September 30, 2025 (Unaudited)			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets				
Financial assets at fair value through profit or loss (current)				
Investments in structured deposits	–	–	3,109,595	3,109,595
Financial assets at fair value through profit or loss (non-current)				
Unlisted investments	–	–	601,502	601,502
Film and TV Investments, at fair value (non-current)	–	–	2,850	2,850
Total assets	–	–	3,713,947	3,713,947
	As of March 31, 2025 (Audited)			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets				
Financial assets at fair value through profit or loss (current)				
Investments in structured deposits	–	–	797,847	797,847
Financial assets at fair value through profit or loss (non-current)				
Unlisted investments	–	–	535,876	535,876
Listed investment	74,272	–	–	74,272
Film and TV Investments, at fair value (non-current)	–	–	2,652	2,652
Total assets	74,272	–	1,336,375	1,410,647

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.3 Fair value measurements using significant unobservable inputs

The following table presents the significant changes in level 3 instruments for the six months ended September 30, 2025 and 2024.

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Structured deposits		
Opening balance	797,847	706,196
Additions	2,848,361	1,390,000
Change in fair value (Note 7)	21,165	10,580
Redemption	(557,778)	(1,214,752)
Closing balance	3,109,595	892,024

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Unlisted investments		
Opening balance	535,876	661,645
Acquisitions	71,930	5,000
Change in fair value (Note 7)	(3,673)	(77,148)
Derecognition	(2,533)	(45,000)
Currency translation differences	(98)	(1,290)
Closing balance	601,502	543,207

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Film and TV investments, at fair value		
Opening balance	2,652	10,962
Change in fair value (Note 7)	–	1,992
Derecognition	–	(1,992)
Currency translation differences	198	(85)
Closing balance	2,850	10,877

5 REVENUES AND SEGMENT INFORMATION

The chief operating decision-maker has been identified as the board of directors of the Company. Management has determined the operating segments based on the information reviewed by the board of directors of the Company for the purposes of allocating resources and assessing performance.

The board of directors of the Company considers the business from perspective of types of goods or services delivered or provided. During the six months ended September 30, 2025, the Group's operating and reportable segments are as follows:

- Live content and technology business: engaged in the full life cycle of live performances from the venue operations to the organization, investment, the production and promotion of the performance contents, and the ticketing of performances, on-site services, ticketing issuance system.
- IP merchandizing: backed by the Group's licensing and marketing capabilities, the Group integrated resources within or outside the Alibaba Ecosystem to provide comprehensive distribution channels connecting with both corporate customers and individual consumers ("IP2B2C").
- Film content and technology business: mainly comprises investment, production, promotion and distribution of films, and ticketing and technology platform services provided by Tao Piao Piao, Yunzhi, and Beacon AI.
- Drama series production: the investment and production of drama series.

5 REVENUES AND SEGMENT INFORMATION (Continued)

For the six months ended September 30, 2025 (Unaudited)					
	Live content and technology business RMB'000	IP merchandizing RMB'000	Film content and technology business RMB'000	Drama series production RMB'000	Total RMB'000
Segment revenue					
Revenue from contract with customers under HKFRS 15					
– recognized at a point in time	1,338,591	513,492	905,618	403,199	3,160,900
– recognized over time	–	–	158,655	80,639	239,294
– recognized from IP sublicensing	–	646,746	–	–	646,746
	1,338,591	1,160,238	1,064,273	483,838	4,046,940
Film and TV related investment income	–	–	–	426	426
Total segment revenue	1,338,591	1,160,238	1,064,273	484,264	4,047,366

5 REVENUES AND SEGMENT INFORMATION (Continued)

For the six months ended September 30, 2024 (Unaudited, restated, Note 2)					
	Live content and technology business RMB'000	IP merchandizing RMB'000	Film content and technology business RMB'000	Drama series production RMB'000	Total RMB'000
Segment revenue					
Revenue from contract with customers under HKFRS 15					
– recognized at a point in time	1,169,023	234,928	1,014,471	39,156	2,457,578
– recognized over time	–	–	240,759	20,551	261,310
– recognized from IP sublicensing	–	330,538	–	–	330,538
	1,169,023	565,466	1,255,230	59,707	3,049,426
Film and TV related investment income	–	–	–	1,370	1,370
Total segment revenue	1,169,023	565,466	1,255,230	61,077	3,050,796

5 REVENUES AND SEGMENT INFORMATION (Continued)

Segment revenue and results

	For the six months ended September 30, 2025 (Unaudited)				
	Live content and technology business RMB'000	IP merchandizing RMB'000	Film content and technology business RMB'000	Drama series production RMB'000	Total RMB'000
Segment revenue	1,338,591	1,160,238	1,064,273	484,264	4,047,366
Cost of sales and services	(549,376)	(914,030)	(694,213)	(446,070)	(2,603,689)
Allocated selling and marketing expenses	(34,993)	(11,513)	(274,836)	(367)	(321,709)
Segment results	754,222	234,695	95,224	37,827	1,121,968
Unallocated selling and marketing expenses					(10,441)
Administrative expenses					(669,412)
Impairment losses on financial assets					(29,503)
Other income					21,384
Other gains					92,009
Finance income					119,732
Finance expenses					(7,198)
Share of loss of investments accounted for using the equity method					(6,727)
Profit before income tax					631,812

5 REVENUES AND SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

	For the six months ended September 30, 2024 (Unaudited, restated, Note 2)				
	Live content and technology business RMB'000	IP merchandizing RMB'000	Film content and technology business RMB'000	Drama series production RMB'000	Total RMB'000
Segment revenue	1,169,023	565,466	1,255,230	61,077	3,050,796
Cost of sales and services	(418,810)	(393,288)	(850,935)	(71,842)	(1,734,875)
Allocated selling and marketing expenses	(30,122)	(9,249)	(281,634)	(115)	(321,120)
Segment results	720,091	162,929	122,661	(10,880)	994,801
Unallocated selling and marketing expenses					(7,542)
Administrative expenses					(598,884)
Reversal of impairment losses on financial assets					146,678
Other income					19,170
Other losses					(26,776)
Finance income					126,794
Finance expenses					(45,901)
Share of loss of investments accounted for using the equity method					(26,861)
Impairment of investments accounted for using the equity method					(146,456)
Profit before income tax					435,023

All of the segment revenue reported above is from external customers and there are no intersegment sales for both periods.

Segment results represent the gross profit generated by each segment after allocation of certain selling and marketing expenses. This is the measure reported to the board of directors of the Company for the purpose of resource allocation and performance assessments.

Segment assets and liabilities are not regularly reported to the board of directors of the Company and therefore information of separate segment assets and liabilities is not presented.

6 OTHER INCOME

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Interest income on loan receivables	13,703	15,375
Local government grants	4,494	1,086
Sundry income	3,187	2,709
Total	21,384	19,170

7 OTHER GAINS/(LOSSES), NET

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Net gains on disposal of film and TV rights and investments	33,973	11,026
Gain on deemed disposal of a subsidiary	26,502	—
Change in fair value of structured deposits (Note 4)	21,165	10,580
Gain on dilution of investment in an associates (Note 11)	4,554	—
Other payables waived	4,432	—
Gains on disposal of investments accounted for using the equity method	4,010	—
Change in fair value of listed investment	4,008	27,322
Change in fair value of film and TV investments, measured at fair value (Note 4)	—	1,992
Change in fair value of unlisted investments (Note 4)	(3,673)	(77,148)
Net (losses)/gains on disposal of property, plant and equipment and intangible assets	(1,978)	250
Others	(984)	(798)
Total	92,009	(26,776)

8 FINANCE INCOME, NET

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Finance income		
– Interest income on bank deposits	109,246	126,794
– Exchange gain, net	10,486	–
	<u>119,732</u>	<u>126,794</u>
Finance expenses		
– Interest expenses on lease liabilities	(4,746)	(2,595)
– Interest expenses on bank borrowings	(2,452)	(1,806)
– Exchange loss, net	–	(41,500)
	<u>(7,198)</u>	<u>(45,901)</u>
Finance income, net	<u>112,534</u>	<u>80,893</u>

9 INCOME TAX EXPENSE

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Current income tax expense	33,574	8,668
Deferred income tax expense	82,405	53,656
	<u>115,979</u>	<u>62,324</u>

The Company, incorporated in Bermuda as an exempted company with limited liability under the Companies Law of Bermuda, is exempted from Bermuda income tax.

Some of the subsidiaries are incorporated in the British Virgin Islands ("BVI") as exempted companies with limited liability under the Companies Law of BVI and accordingly, are exempted from BVI income tax.

9 INCOME TAX EXPENSE (Continued)

Provision for the PRC enterprise income tax is calculated based on the statutory tax rate of 25% (the six months ended September 30, 2024: 25%) on the assessable income of each of the group companies, except that: (1) two subsidiaries of the Group are taxed at preferential tax rates of 15% (the six months ended September 30, 2024: two subsidiaries of the Group are taxed at preferential tax rates of 15%) under the relevant PRC tax rules and regulations; (2) one subsidiary of the Group, incorporated in Horgos, Xinjiang Province, is exempted from income taxes for the first five years from the first year of generating revenue before December 31, 2030 and then exempted from the local share portion of the income taxes for the subsequent five years according to the relevant PRC tax rules and regulations; and (3) certain subsidiaries of the Group are small low-profit enterprises, followed by a reduced tax rate of 20% (the six months ended September 30, 2024: 20%).

10 EARNINGS PER SHARE

	For the six months ended September 30,	
	2025 (Unaudited) RMB cents	2024 (Unaudited) RMB cents
Basic earnings per share	1.75	1.14
Diluted earnings per share	1.73	1.14

(a) Basic

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue less shares held for share award scheme during the period.

	For the six months ended September 30,	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to owners of the Company (RMB'000)	519,534	336,598
Weighted average number of ordinary shares in issue less shares held for share award scheme (thousands)	29,627,246	29,454,802
Basic earnings per share (RMB cents)	1.75	1.14

10 EARNINGS PER SHARE *(Continued)*

(b) Diluted

For the six months ended September 30, 2025 and 2024, diluted earnings per share are calculated based on the profit for the period attributable to owners of the Company and the weighted average number of ordinary shares outstanding after adjustment for unvested awarded shares granted to employees. The Group also has share options in issuance, however, as the exercise price was much higher than the average share price of the Company, the inclusion of the share options would be anti-dilutive.

	For the six months ended September 30,	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to owners of the Company (RMB'000)	<u>519,534</u>	<u>336,598</u>
Weighted average number of ordinary shares in issue less shares held for share award scheme (thousands)	<u>29,627,246</u>	29,454,802
Bonus element of the unvested awarded shares assumed vested (thousands)	<u>430,193</u>	<u>35,553</u>
Weighted average number of ordinary shares for calculation of diluted earnings per share (thousands)	<u>30,057,439</u>	<u>29,490,355</u>
Diluted earnings per share (RMB cents)	<u>1.73</u>	<u>1.14</u>

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Movements in investments accounted for using the equity method are as follows:

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Beginning of the period	914,748	1,672,220
Addition due to deemed disposal of a subsidiary	36,000	–
Transfer to assets held for sale	–	(30,000)
Share of loss of investments (Note a)	(6,727)	(26,861)
Gain on dilution of investment in an associate (Note 7)	4,554	–
Share of other comprehensive income of associates	442	2,192
Share of changes of other reserves of associates	(5,044)	(2,225)
Disposed stakes in associates while retaining significant influence	(80,685)	–
Capital reduction	–	(3,000)
Impairment (Note b)	–	(146,456)
Currency translation differences	(7,173)	(9,438)
End of the period	856,115	1,456,432

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD *(Continued)*

Note:

- (a) When the most recently available financial statements of associates or joint ventures are different from the Group's reporting date, the Group may take advantage of the provision contained in HKAS 28 whereby it is permitted to include the attributable share of profit or loss of the associates or joint ventures based on the financial statements drawn up to a non-coterminous period end where the difference must be no greater than three months. Adjustments shall be made for the effects of significant transactions or events that occur between that date and the balance sheet date of the Group.

The financial year end date of the Group is March 31, which is different from all of the associates and joint ventures of the Group. Except Bona Film Group Co., Limited ("Bona Film") which is listed on Shenzhen Stock Exchange and could provide its financial statements as of September 30, 2025 before the results announcement of the Group, the financial information of other associates and joint ventures as of September 30, 2025 is not available. As a result, the Group records its share of profit or loss of investments accounted for using the equity method for those associates and joint ventures except Bona Film on one quarter in arrear basis for the six months ended September 30, 2025.

- (b) The Group regularly reviews whether there is any indication of impairment in accordance with relevant accounting standards.

When impairment indicators were identified, management determined the recoverable amounts, which was the higher of its fair value less costs of disposals and its value in use. When value in use calculations were undertaken, management estimated the present value of estimated future cash flows expected to arise from their businesses. When fair value less costs of disposals calculations were undertaken, management estimated the fair value using market approach.

Based on the assessment results, the Group did not recognize any impairment loss for the investments accounted for using the equity method of the Group for the six months ended September 30, 2025 (the six months ended September 30, 2024: RMB146,456,000).

12 PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, GOODWILL AND INTANGIBLE ASSETS

	Property, plant and equipment <i>RMB'000</i>	Investment properties <i>RMB'000</i>	Goodwill <i>RMB'000</i>	Intangible assets <i>RMB'000</i>
At March 31, 2025				
Cost	266,399	433,223	3,844,125	646,064
Accumulated depreciation/amortization and impairment	(151,071)	(36,725)	–	(187,875)
Net book amount	115,328	396,498	3,844,125	458,189
For the six months ended September 30, 2025 (Unaudited)				
Opening net book amount as of April 1, 2025	115,328	396,498	3,844,125	458,189
Additions	73,000	17,399	–	6
Acquisition of a subsidiary	48	–	–	1,441
Depreciation/amortization charge	(22,769)	(12,139)	–	(27,787)
Disposals due to deemed disposal of a subsidiary	(34)	–	–	–
Disposals	(4,330)	–	–	(486)
Closing net book amount as of September 30, 2025	161,243	401,758	3,844,125	431,363
At September 30, 2025 (Unaudited)				
Cost	298,672	450,622	3,844,125	644,818
Accumulated depreciation/amortization and impairment	(137,429)	(48,864)	–	(213,455)
Net book amount	161,243	401,758	3,844,125	431,363

13 TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS

	As of September 30, 2025			As of March 31, 2025		
	Current (Unaudited) RMB'000	Non-current (Unaudited) RMB'000	Total (Unaudited) RMB'000	Current (Audited) RMB'000	Non-current (Audited) RMB'000	Total (Audited) RMB'000
Trade receivables (Note)						
– Related parties (Note 20(b))	1,606,927	–	1,606,927	1,371,218	–	1,371,218
– Third parties	1,722,250	–	1,722,250	1,300,436	–	1,300,436
Less: allowance for impairment of trade receivables	(178,949)	–	(178,949)	(172,320)	–	(172,320)
Trade receivables – net	3,150,228	–	3,150,228	2,499,334	–	2,499,334
Notes receivable	400	–	400	87,954	–	87,954
Prepayment in relation to film and TV rights	411,843	14,151	425,994	67,548	22,776	90,324
Prepayments for licensed IPs	116,421	–	116,421	195,846	–	195,846
Prepayment for property, plant and equipment	–	53,056	53,056	–	84,007	84,007
Prepayments for entertainment events	70,959	–	70,959	59,264	–	59,264
Other prepayments	126,712	–	126,712	123,545	–	123,545
Other receivables arising from:						
– Receivables from related parties (Note 20(b))	129,934	20,732	150,666	115,864	20,335	136,199
– Loan receivables	325,929	196,097	522,026	345,947	195,397	541,344
– Receivables in respect of reimbursed film distribution expenses	276,274	–	276,274	242,187	–	242,187
– Receivables in relation to other film and TV investments	259,402	–	259,402	273,384	–	273,384
– Receivables in respect of live performance expenses	200,209	–	200,209	216,127	–	216,127
– Deductible VAT input	142,627	–	142,627	152,206	–	152,206
– Interest income receivables	73,145	–	73,145	63,247	–	63,247
– Receivables from non-controlling interest	47,610	–	47,610	47,610	–	47,610
– Others	207,697	24,697	232,394	168,862	28,491	197,353
Less: allowance for impairment of prepayments and other receivables	(306,417)	(851)	(307,268)	(335,672)	(836)	(336,508)
Other receivables and prepayments – net	2,082,345	307,882	2,390,227	1,735,965	350,170	2,086,135
Total trade and other receivables, and prepayments	5,232,973	307,882	5,540,855	4,323,253	350,170	4,673,423

The fair values of the current portion of trade and other receivables approximate their carrying value.

13 TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS *(Continued)*

Note:

The normal credit period granted to the debtors of the Group is generally within 1 year. Before accepting any new debtor, the Group assesses the potential debtor's credit quality and defines credit limits by debtor. Credit limits granted to debtors are reviewed regularly.

The following is an aging analysis of trade receivables based on recognition date:

	As of September 30, 2025 (Unaudited) RMB'000	As of March 31, 2025 (Audited) RMB'000
0 – 90 days	999,664	1,062,632
91 – 180 days	412,682	168,535
181 – 365 days	690,316	433,165
Over 365 days	1,226,515	1,007,322
	<u>3,329,177</u>	<u>2,671,654</u>

14 SHARE CAPITAL

Ordinary shares of HK\$0.25 each, issued and fully paid:

	Number of shares	Share capital HK\$'000	Equivalent to RMB'000
At April 1, 2025	<u>29,714,629,103</u>	<u>7,428,657</u>	<u>6,078,702</u>
Issuance of shares	<u>161,235,222</u>	<u>40,309</u>	<u>37,656</u>
At September 30, 2025	<u>29,875,864,325</u>	<u>7,468,966</u>	<u>6,116,358</u>

15 SHARE-BASED PAYMENT

During the six months ended September 30, 2025 and 2024, share-based payment expenses recognized in the interim condensed consolidated statement of profit or loss include:

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Share-based payment under the Share Option Scheme (Note a)	566	1,597
Share-based payment under the Share Award Scheme (Note b)	28,839	38,440
Share-based payment transactions with ultimate parent (Note c)	2,856	10,653
	32,261	50,690

(a) The Share Option Scheme

The 2012 share option scheme (the "2012 Share Option Scheme") was adopted by the Company pursuant to a resolution passed by the Company's shareholders on June 11, 2012 for the primary purpose of providing incentives or rewards to any director, employee and other eligible participants who may make contribution to the Group. The 2012 Share Option Scheme has been terminated, and the 2021 share option scheme has been adopted on September 6, 2021. All outstanding options granted under the 2012 Share Option Scheme remain valid upon expiry of the 2012 Share Option Scheme.

The maximum aggregate number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the 2012 Share Option Scheme and the 2021 Share Option Scheme, must not exceed 30% and 8% respectively of the total number of shares of the Company in issue from time to time.

Where the options are forfeited prior to the vesting date due to a failure by the employee to satisfy the service conditions, any expenses previously recognized in relation to such options are reversed on the effective date of the forfeiture. No further adjustments should be made after the vesting date, regardless of whether the options are forfeited later.

There are no options granted during the six months ended September 30, 2025.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognized in the consolidated statement of profit or loss, with a corresponding adjustment to the share option reserve.

15 SHARE-BASED PAYMENT (Continued)**(a) The Share Option Scheme (Continued)**

The vesting condition of the options granted during the past years during the six months ended September 30, 2025 is a service time and the vesting period ranges from 4 to 6 years.

Movements of the share options granted by the Company pursuant to the Share Option Scheme are as below:

	For the six months ended September 30, 2025 (Unaudited)		For the six months ended September 30, 2024 (Unaudited)	
	Weighted average exercise price in HK\$ per share option	Number of share options	Weighted average exercise price in HK\$ per share option	Number of share options
Opening balance	1.067	12,375,000	1.067	12,375,000
Lapsed	–	–	–	–
Cancelled	–	–	–	–
Closing balance	1.067	12,375,000	1.067	12,375,000

Note:

For the six months ended September 30, 2025, value of employee services provided under the Share Option Scheme recognized in the interim condensed consolidated statement of profit or loss was RMB566,000 (the six months ended September 30, 2024: RMB1,597,000).

(b) Share Award Scheme

On December 30, 2016 (the “Adoption Date”), the Company adopted the Share Award Scheme as approved by the Board of Directors. The purpose of the Share Award Scheme is to (a) recognize the contributions by certain persons, including employees of the Group, any company in which a group company may have direct or indirect investment in 20% or more of its voting powers, Alibaba Holding and subsidiaries of Alibaba Holding to provide incentives thereto to retain them for the continual operation and development of the Group, and (b) attract suitable personnel for further development of the Group.

The Group has established a trust (the “Share Award Trust”) to hold and administer the Company’s shares before they are vested and transferred to selected grantees. Upon granting of shares to selected grantees, the awarded shares are either subscribed by the allotment and issuance of new shares of the Company or purchased from the open market by the Share Award Trust (with funds provided by the Company by way of settlement or otherwise contributed by the Company).

15 SHARE-BASED PAYMENT *(Continued)*

(b) Share Award Scheme *(Continued)*

Subject to any early termination determined by the Board of Directors, the Share Award Scheme shall be valid and effective for a term commencing on the Adoption Date and ending on the earliest of the following:

- (a) the 15th anniversary date of the Adoption Date;
- (b) the date when an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company; or
- (c) the date as may be informed by the Company that the Share Award Scheme shall be terminated.

As of September 30, 2025, the remaining life of the Share Award Scheme was approximately 6.5 years.

The board of directors of the Company shall not make any further award which will result in the aggregate number of shares awarded by the board of directors of the Company or held by the Share Award Trust under the Share Award Scheme to be in excess of 8% of the issued share capital of the Company from time to time. The maximum number of shares (including both vested and non-vested shares) which may be awarded to a selected grantee under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

The Share Award Trust shall not exercise the voting rights in respect of any shares held by it under the Share Award Scheme. Dividends declared for any shares held by the Share Award Trust shall become part of the trust fund for future purchase of shares.

15 SHARE-BASED PAYMENT (Continued)

(b) Share Award Scheme (Continued)

Movements of the awarded shares granted by the Company pursuant to the Share Award Scheme are as below:

	For the six months ended September 30, 2025 (Unaudited)		For the six months ended September 30, 2024 (Unaudited)	
	Weighted average fair value in HK\$ (per share)	Number of awarded shares	Weighted average fair value in HK\$ (per share)	Number of awarded shares
Opening balance	0.566	435,080,552	0.607	454,207,544
Granted	0.930	100,892,000	0.446	161,235,222
Vested	0.500	(147,634,824)	0.692	(135,508,178)
Lapsed	0.587	(17,378,390)	0.589	(9,468,572)
Closing balance	0.596	370,959,338	0.527	470,466,016

Note:

For the newly granted shares during the six months ended September 30, 2025, the grantees need to fulfil service periods ranging from 4 to 6 years.

The fair value of awarded shares charged to the interim condensed consolidated statement of profit or loss is RMB28,839,000 during the six months ended September 30, 2025 (the six months ended September 30, 2024: RMB38,440,000).

(c) Share-based payment transactions with ultimate parent

On September 29, 2022, the Company and Alibaba Holding entered into a framework agreement relating to equity-based compensation ("EBC") cost allocation and reimbursement (the "Framework Agreement"). As each of Alibaba Holding and the Company is committed to allow internal transfers between the Group and Alibaba Holding, its subsidiaries and affiliates (other than the Group) (the "Alibaba Holding Entities", each an "Alibaba Holding Entity") when equity-based awards are vital to attract, incentivize and retain employees, each of them agreed to enter into the Framework Agreement, allowing the grantees to retain their awards after the internal transfers and allocating their EBC costs to the relevant entity to which such grantee has joined.

15 SHARE-BASED PAYMENT (Continued)

(c) Share-based payment transactions with ultimate parent (Continued)

In respect of the restricted share units, options or any other equity incentive awards of Alibaba Holding Entities pursuant to their respective equity incentive plans and/or any other EBC plans (the “Alibaba Holding Group Awards”) held by any grantees (whose employment is transferred from an Alibaba Holding Entity to the Group), when the grantees transferred from Alibaba Holding Entities to the Group with the retained Alibaba Holding Group Awards, the related share-based payment expenses were to be recognized in profit or loss of the Group over the remaining vesting periods of the share-based compensation in accordance with HKFRS 2 Share-based Payment. The Group recognized share-based payment expenses of RMB2,856,000 for Alibaba Holding Group Awards for the six months ended September 30, 2025 (the six months ended September 30, 2024: RMB10,653,000).

In respect of the awarded shares, options or any other equity incentive awards of the Group pursuant to its share award scheme(s), share option scheme(s) and any other EBC plans (the “Group Awards”) held by any grantees (whose employment is transferred from the Group to an Alibaba Holding Entity), the Group recorded share-based compensation reserve as debit to other reserve when the grantees transferred from the Group to Alibaba Holding Entities with the retained Group Awards. During the six months ended September 30, 2025, the related share-based compensation reserve was recognized with corresponding debit in other reserve amounted to RMB1,135,000 (the six months ended September 30, 2024: RMB2,774,000).

The Group and Alibaba Holding may allocate the EBC cost associated with those unvested awards to each other and obtain reimbursement in accordance with the Framework Agreement. The amount of RMB18,910,000 reimbursement made by the Company to Alibaba Holding for the six months ended September 30, 2025 (the six months ended September 30, 2024: RMB29,526,000) was credited to equity as a deemed distribution to the ultimate holding parent.

16 BORROWINGS

	As of September 30, 2025 (Unaudited) RMB'000	As of March 31, 2025 (Audited) RMB'000
Current		
Bank borrowings	<u>340,000</u>	<u>396,685</u>

The bank borrowings are denominated in RMB, secured by the Group's bills and to be settled within one year.

The management considered that the carrying amount of the bank borrowings approximated their fair value as of September 30, 2025.

As of September 30, 2025, the bank borrowings carried interest at fixed rate from 1.10% to 1.16% per annum.

17 TRADE AND OTHER PAYABLES, AND ACCRUED CHARGES

	As of September 30, 2025 (Unaudited) RMB'000	As of March 31, 2025 (Audited) RMB'000
Trade payables (Note)		
– Related parties (Note 20(c))	119,286	104,059
– Third parties	1,094,607	597,789
	1,213,893	701,848
Notes payable	600	14,992
Other payables and accrued charges:		
Amounts due to related parties (Note 20(c))	257,534	209,080
Payables in relation to distribution of entertainment events tickets	3,862,833	2,846,145
Payables in relation to distribution of films	1,144,663	873,021
Film investments from business partners	249,604	199,549
Accrued marketing expense	194,999	193,808
Other tax payable	124,307	93,071
Payroll and welfare payable	119,436	237,317
Amounts received on behalf of cinema ticketing system providers	49,502	63,232
Professional fees payable	36,790	43,617
Accrued construction expense	14,913	23,352
Deposits from customers	6,864	9,627
Amounts received on behalf of cinemas	4,371	8,979
Others	80,169	93,804
	6,145,985	4,894,602
Total trade and other payables, and accrued charges	7,360,478	5,611,442
Less: non-current portion	(1,788)	(5,287)
Current portion	7,358,690	5,606,155

Note:

The aging analysis of the trade payables based on invoice date is as follows:

	As of September 30, 2025 (Unaudited) RMB'000	As of March 31, 2025 (Audited) RMB'000
0 – 90 days	637,775	543,717
91 – 180 days	216,561	79,188
181 – 365 days	288,520	39,312
Over 365 days	71,037	39,631
	1,213,893	701,848

18 DIVIDENDS

The board of directors of the Company has resolved not to declare an interim dividend for the six months ended September 30, 2025 (the six months ended September 30, 2024: nil).

19 COMMITMENTS

As of September 30, 2025, capital expenditure contracted for but not yet incurred by the Group amounted to approximately RMB769,132,000 with respect to investments in certain film and TV rights, property, plant and equipment and investments accounted for using the equity method (March 31, 2025: RMB1,030,406,000).

20 RELATED PARTY TRANSACTIONS

As of September 30, 2025, the Company is approximately 53.56% owned by Alibaba Holding. The ultimate parent of the Company is Alibaba Holding, a company whose shares are listed on New York Stock Exchange and Hong Kong Stock Exchange and incorporated in Cayman Islands.

Save for disclosed elsewhere in this condensed consolidated interim financial information, the following transactions are carried out with related parties:

(a) Transactions with related parties

	For the six months ended	
	September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Sales of film and TV rights to Alibaba Holding's subsidiaries	378,935	—
Purchase of services from Alibaba Holding's subsidiaries	172,651	101,112
Provision of services to Alibaba Holding's subsidiaries	102,869	148,928
Purchase of services from related companies of Alibaba Holding	75,752	73,674
Provision of services to related companies of Alibaba Holding	60,908	2,074
Purchase of property, plant and equipment from a related company of Alibaba Holding	47,140	—
Provision of services to associates	6,571	5,247
Purchase of services from associates	4,777	4,220
Share-based compensation expenses attributable to the Alibaba Holding Group Awards	2,856	10,653
Reimbursement amount of the Group Awards from Alibaba Holding	1,135	2,774

In the opinion of the Company's directors, the above related party transactions are carried out in the ordinary course of business and in accordance with the terms of the underlying agreements.

20 RELATED PARTY TRANSACTIONS (Continued)**(b) Balances due from related parties**

	As of September 30, 2025 (Unaudited) RMB'000	As of March 31, 2025 (Audited) RMB'000
Trade receivables		
Amounts due from Alibaba Holding's subsidiaries	1,514,085	1,270,062
Amounts due from associates	84,250	85,285
Amounts due from related companies of Alibaba Holding	8,592	15,871
Other receivables		
Amounts due from Alibaba Holding's subsidiaries	75,524	63,484
Amounts due from associates and a joint venture	73,112	72,715
Amounts due from a related company of Alibaba Holding	2,030	—

Amounts due from related parties are unsecured, non-interest bearing and due in accordance with the terms of the underlying agreements.

As of September 30, 2025, the Group has placed deposits amounted to RMB165,534,000 (March 31, 2025: RMB212,754,000) in the Group's settlement accounts maintained with Alipay.com Co., Ltd (a related company of Alibaba Holding), which had been recorded as 'cash and cash equivalents' in the consolidated balance sheet.

(c) Balances due to related parties

	As of September 30, 2025 (Unaudited) RMB'000	As of March 31, 2025 (Audited) RMB'000
Trade payables		
Amounts due to Alibaba Holding's subsidiaries	81,920	78,401
Amounts due to associates	24,436	6,600
Amounts due to related companies of Alibaba Holding	12,930	19,058
Other payables		
Amounts due to Alibaba Holding's subsidiaries	244,248	192,763
Amounts due to associates	12,191	12,191
Amounts due to a related company of Alibaba Holding	1,095	4,126
Contract Liabilities		
Amounts due to subsidiaries of Alibaba Holding	1,021,844	149,380
Lease liabilities		
Lease liabilities to an Alibaba Holding's subsidiary	207,760	212,263

Amounts due to related parties are unsecured, non-interest bearing and due in accordance with the terms of the underlying agreements.

20 RELATED PARTY TRANSACTIONS (Continued)

(d) Key management compensation

The compensation paid or payable to key management for employee services is shown below:

	For the six months ended September 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Salaries, allowances and other benefits	1,237	1,278
Share-based payments	4,696	6,686
	<u>5,933</u>	<u>7,964</u>