



Alibaba Pictures Group Limited  
阿里巴巴影業集團有限公司  
Incorporated in Bermuda with Limited Liability



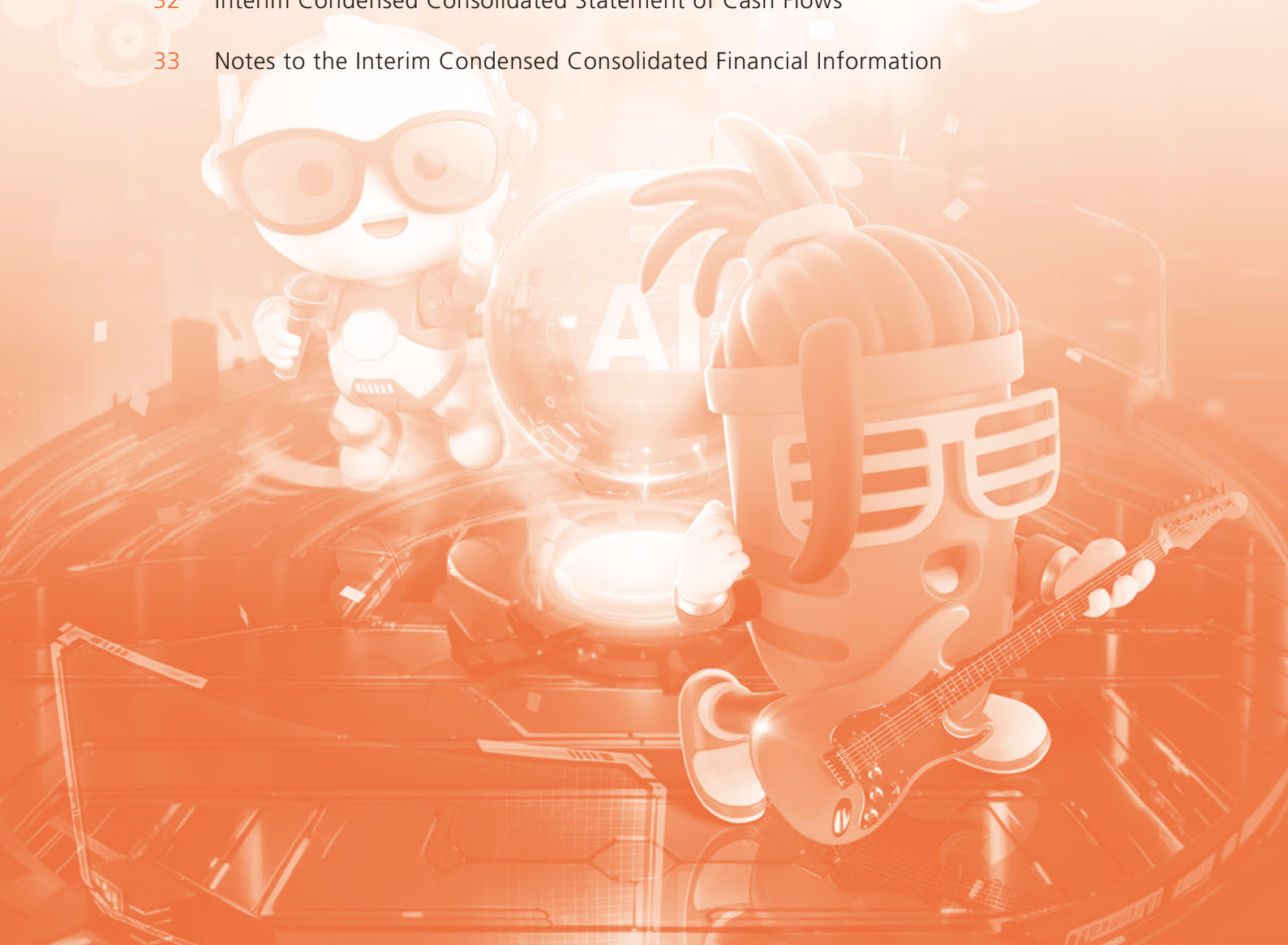
# INTERIM REPORT 2024/25

Stock Code: 1060

This Interim Report is printed on environmentally friendly paper ♻️

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## Corporate Information

### BOARD OF DIRECTORS

#### Executive Directors

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

#### Non-Executive Director

Mr. TUNG Pen Hung

#### Independent Non-Executive Directors

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

### EXECUTIVE COMMITTEE

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

### 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

Mr. FAN Luyuan (*Chairman*)  
Mr. TONG Xiaomeng  
Mr. Johnny CHEN

### JOINT COMPANY SECRETARIES

Ms. ZHANG Ying  
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

MUFG Fund Services (Bermuda) Limited  
4th Floor North Cedar House  
41 Cedar Avenue, Hamilton HM 12  
Bermuda

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### STOCK CODE

1060

### COMPANY'S WEBSITE

[www.alibabapictures.com](http://www.alibabapictures.com)

# MANAGEMENT DISCUSSION AND ANALYSIS

## OFFLINE ENTERTAINMENT (FILM AND PERFORMANCE) INDUSTRIES OVERVIEW

Alibaba Pictures Group Limited (the “Company”, together with its subsidiaries, the “Group”) forms an integrated platform with content and technology as the core, covering content production, promotion and distribution, IP merchandising licensing and commercial management, cinema and entertainment event ticketing management, and Internet data services for the entertainment industry.

### Film Market

Since 2024, the growth of the global film industry has slowed down, and the Chinese film market was less active than last year. During the six months ended September 30, 2024 (the “Reporting Period”), the Chinese film market recorded a total box office revenue of RMB18.3 billion, representing a decrease of RMB11.5 billion as compared with the six months ended September 30, 2023 (the “Corresponding Period”); the number of viewers was 450 million, representing a decrease of 290 million as compared with the Corresponding Period. The decline in both box office and the number of viewers has left movie studios facing a more complicated profitability dilemma. Creating sufficient and high-quality films to attract audiences back to the cinemas and increase cinema admissions, as well as leveraging AI technologies such as virtual filming to reduce costs and increase efficiency, so as to improve the profitability of the film industry, are the common opportunities and challenges faced by the whole film industry at this stage.

### Live Entertainment Market

During the Reporting Period, the market was more active than last year as consumer demand for live entertainment experiences continued to increase, especially in the large-scale performance market, which showed an upward trend in box office revenue as compared to the Corresponding Period. According to the National Performance Market Development Briefing for the first half of 2024 released by the China Association of Performing Arts, a total of 251,700 commercial performances (excluding entertainment venue performances) were held nationwide, representing an increase of 30.19% year-over-year; the box office revenue was approximately RMB19,016 million, representing an increase of 13.24% year-over-year, including a year-on-year increase of 134.73% in the box office revenues from concerts and musical festivals driven by a year-on-year increase of 63.35% in the number of viewers. With its abundant product supply and great demand for performance, the performance industry demonstrated the market’s vibrant development and huge growth potential.

During the Reporting Period, the Company has steadfastly remained committed to its dual-approach “Content + Technology” strategy. With its focus on content to explore multiple business models, the Group continued to maintain the strengths of its ticketing platform business, while increasing its long-term investments in technological innovation, enabling it to proactively optimize its business management strategy and to achieve business breakthrough and growth amidst a complex and ever-changing market environment. The following table sets forth key indicators of the Group’s financial results for the periods indicated, as well as segment revenue and results. During the Reporting Period, the Group recorded revenue of approximately RMB3,050 million, representing an increase of approximately RMB440 million as compared with the Corresponding Period. The adjusted EBITA reached approximately RMB640 million, an increase of RMB180 million as compared with the Corresponding Period.

The following table sets forth the adjustments from operating profit to adjusted EBITA for the Reporting Period and the Corresponding Period.

	For the six months ended September 30,	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Operating profit	527,447	402,670
Add:		
Share-based compensation	50,641	58,289
Amortization of intangible assets arising on business combinations	14,335	6,334
Allowance for impairment, and disposals, of long-term assets	—	14,644
Profit or loss on equity investment and change in fair value, net	49,826	(20,651)
<b>Adjusted EBITA</b>	<b>642,249</b>	<b>461,286</b>

#### Segment Information

	For the six months ended September 30,			
	Segment revenue		Segment results	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Content	1,224,491	1,480,686	28,630	375,068
Ticketing and technology platform	1,226,869	514,191	790,629	205,457
IP merchandising and other initiatives	599,436	620,655	175,542	165,867
<b>Total</b>	<b>3,050,796</b>	<b>2,615,532</b>	<b>994,801</b>	<b>746,392</b>

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

## I. Content

Content segment is one of the Group's core businesses, mainly comprising film investment, production, promotion and distribution, drama series production and live entertainment investment, production, promotion and distribution. These three content investment and production businesses share IP reserves, integrate the promotion and distribution strategies, and initiate collaborations with studios to continuously expand the presence in the field of the content industry and create synergies.

### (i) *Film investment, production, promotion and distribution*

In the film sub-segment, the investment strategy of the Group is to build up its reserve by acquiring more top-tier projects and projects involving leading promoters and distributors every year, with an aim of covering important timeslots to secure basic yields. Based on guaranteed coverage and yields, the Group proactively enhances its co-production and self-production capabilities to gradually establish the brand's presence, thereby achieving a powerful and high-yielding film investment portfolio and further increasing the Group's profit margin in content investment business.

Under the above strategy, the Group continued to step up its investment in self-production and coproduction projects, strengthen its role as the leading promoter and distributor, and reinforce its core competency in investment and distribution services. Based on this strategy, the Group presented and distributed 47 films accounting for nearly 60% of the total box office. In collaboration with China Film Group Corporation, the Group co-introduced and marketed "*The Boy and the Heron* (你想活出怎樣的人生)", a film produced by Japan-based Studio Ghibli ("*Ghibli*"), which topped China's box office chart during the Qingming Festival holiday. Meanwhile, the Group also reached a strategic partnership agreement with Ghibli, collaborating not only in the film sector, but also in the exhibition field. Co-produced by Damai ("*Damai*") and Ghibli, the Studio Ghibli Story Immersive Art Exhibition was launched in Shanghai in April, realizing the IP resonance between the films and the exhibition. Moreover, "*The Sinking of the Lisbon Maru* (里斯本丸沉沒)", a highly acclaimed documentary for which the Group served as the leading promoter and distributor, will compete for the Academy Award for Best Documentary Feature.

During the Reporting Period, major film projects released by the Group are set out below:

No.	Film's Name*	Box office revenue (RMB billion)	Mode
1	<i>Successor</i> (抓娃娃)	3.33	producer
2	<i>A Place Called Silence</i> (默殺)	1.35	producer and joint distributor
3	<i>The Boy and the Heron</i> (你想活出怎樣的人生)	0.79	co-introducer and marketer
4	<i>Formed Police Unit</i> (維和防暴隊)	0.51	producer, leading promoter and distributor
5	<i>Moments We Shared</i> (雲邊有個小賣部)	0.50	producer, leading promoter and distributor
6	<i>How to Make Millions Before Grandma Dies</i> (姥姥的外孫)	0.13	co-introducer and marketer
7	<i>The Sinking of the Lisbon Maru</i> (里斯本丸沉沒)	0.05	leading promoter and distributor

As of the date of this interim report, the Group has approximately 70 films scheduled for release, of which, around 35 are investment projects pending release and around 35 are self-developed and co-produced projects. The above films scheduled for release will either be scheduled for release (subject to market conditions) or are in the process of being scheduled. The Group lists key films that have already been scheduled for release as follows.

No.	Film's Name*	State	Mode
1	<i>Creation of the Gods</i> (封神第二部)	scheduled for release	producer, leading promoter and distributor
2	<i>Dongji Island</i> (東極島)	scheduled for release	producer, leading promoter and distributor
3	<i>Shooting Stars</i> (群星閃耀時)	scheduled for release	producer, leading promoter and distributor
4	<i>I Know Who You Are</i> (抓特務)	scheduled for release	producer, leading promoter and distributor
5	<i>Blades Of The Guardians</i> (鏢人：風起大漠)	scheduled for release	producer, leading promoter and distributor
6	<i>Welcome to the Chinese Restaurant</i> (歡迎來龍餐館)	scheduled for release	producer and joint distributor
7	<i>Sheep Without a Shepherd III</i> (誤殺3)	scheduled for release	producer
8	<i>The Blood of Youth</i> (少年歌行)	scheduled for release	producer, leading promoter and distributor
9	<i>Keep Real</i> (特立獨行)	scheduled for release	producer, leading promoter and distributor
10	<i>Her Story</i> (好東西)	scheduled for release	producer, leading promoter and distributor

To further improve its capabilities to produce and develop film content and fully develop its IPs, the Group initiated collaborations with studios, aiming at increasing its production of high-quality film content for the industry. So far, several projects have either commenced shooting or already completed, and are in the process of being scheduled for release. Additionally, the Group launched the "HINA International Young Director Program (海納國際青年導演發展計劃)", through which it has invited Mr. Zhang Yimou, Mr. Huang Jianxin and Mr. Bill Kong as main instructors, to nurture youth directors and promote collaboration on film and television projects. As of the date of this interim report, the Program has recruited a total of 38 outstanding directors and established the "Alibaba Pictures Scholarship" at Hong Kong Baptist University, with a view to promoting film and television project cooperation.

**(ii) Drama series production**

In the drama series production sub-segment, the Group continued to invest in high-quality content through the operation of studios and to create touching and popular works which are widely-recognized by audiences and the market. A number of projects were released during the Reporting Period, such as the heroine-focused “*The Story of Hua Zhi* (惜花芷)” and the medical-themed “*Surgery Live Room* (手術直播間)”. Currently, the studio is developing more than 60 projects, which will be successively introduced to the audience.

**(iii) Live entertainment investment, production, promotion and distribution**

Moreover, the Group’s Damai business has been making efforts to deepen its layout of performance content. As of the date of this interim report, Damai has accumulated five key brands for performance content, such as Xiami Music Entertainment, Mailive and “*Dang Ran You Xi* (當然有戲)”. The performance content business covers various categories, including concerts, musical festivals, dramas, exhibitions and talk shows. After years of efforts, Damai has built up its brand presence through projects including the 2024 Xiami Music & Arts Festival in Aranya (阿那亞蝦米音樂節), Karen Mok’s concert “*The Big Big Show* (大秀一場)”, as well as the drama “*The Magic Hour* (魔幻時刻)”. These high-quality performances and exquisite stage productions have brought the audience an excellent viewing experience.

During the Reporting Period, the Group’s content segment recorded revenue and results of RMB1,220 million and RMB30 million, respectively. Segment revenue and results decreased by RMB260 million and RMB350 million, respectively, as compared with the Corresponding Period, partly due to the general trend of declining box office revenue, which had an adverse effect on the revenue and profit margin of content business.

**II. Ticketing and Technology Platform****(i) Film ticketing platform business**

The film ticketing and technology platforms, being Tao Piao Piao and Yunzhi, are an integral part of the Group’s film business and the infrastructure of the film industry. As the film ticketing platform for cinema-goers well-received by the market and the industry-leading ticket-issuing system platform for cinemas respectively, Tao Piao Piao and Yunzhi, which charged cinema-goers and cinemas service fees for the provision of online systems and services that allowed users to purchase tickets and cinemas to issue tickets, were one of the product combinations that generated the highest gross margin for the Group.



The “Taomai VIP” membership system, launched by Tao Piao Piao in collaboration with Damai business and the industry’s first tiered membership system that connects film viewing and live performance dual consumption scenarios, offered a wide range of member privileges during the Reporting Period, such as “buy 1 get 1 free”, priority ticket purchase for blockbusters, access to star-studded events, and e-ticket collection, all of which had been well received by users. After years of membership operations, Taomai members have demonstrated super high loyalty to, and represent the most valuable asset of, both Tao Piao Piao and Damai platforms. Although the number of viewers decreased year-on-year during the Reporting Period, the decline in Taomai members, especially those using paid services frequently, was significantly smaller in scale compared to the drop in viewers, reflecting the loyalty and resilience of its core high-value consumer groups.

During the Reporting Period, Yunzhi business continued to rank first in the country in terms of the number of ticket-issuing cinemas and tickets issued. Additionally, Yunzhi has also entered into cooperation agreements with cinemas in Hong Kong and other regions of Southeast Asia as part of Yunzhi’s proactive drive to expand its overseas presence, which has laid the foundation for subsequent market development in other countries and regions.

### **(ii) Live events ticketing platform business**

On November 30, 2023, the Group completed the acquisition of Damai, upon which the operating entity of Damai became a wholly-owned subsidiary of the Group.

During the Reporting Period, Damai, as a preferred ticketing platform for performances, maintained its leading position in the live event ticketing market, and served a large number of top-tier concerts, such as those of Joker Xue, Jason Zhang, Jay Chou, JJ Lin, Jacky Cheung, Mayday and G.E.M. By providing support for nearly all major concerts in China, the gross merchandise value (GMV) of Damai grew rapidly by over 50% during the Reporting Period. In the segment of on-site event services, Damai served over 2,000 projects and more than 25 million attendees, ensuring secure and stable event operations without incidents, and garnering praise from partners.

In addition, with its ticketing platform as the entry point, Damai proactively expanded its overseas presence. In August 2024, the self-produced international version of the ticketing platform by Damai was officially implemented by the Galaxy Arena in Macau. The “Today...is the Day” Andy Lau Concert Tour 2024 in Macau was the first event following the platform upgrade at Galaxy Arena. Since ticket sales began, the system had been operating smoothly, handling the demand of nearly one million users vying for tickets in real-time, and receiving positive feedback from users.

### **(iii) Technology business**

While continuing to increase its investments in innovative technologies, such as AI, digital human and virtual filming, the Group has pursued solutions for the standardization, streamlining and digitalization of film and television production processes. It has also promoted the application of new technologies in industrialized film and television production. In addition to having planned for the construction of virtual studios in different regions, the Group has begun applying virtual filming techniques in certain film and drama series projects. In addition, the Group has introduced five digital humans, including Leah (厘厘) and Angel (安診兒). Leah, the first digital human from Alibaba Digital Media & Entertainment Group, will not only embark on its journey in the music industry as a virtual musician after signing a contract with Damai, it will also serve as the marketing ambassador for Tmall’s sports and outdoor brands during the “Double 11” shopping bonanza, and appear in “I Am Nobody S2: Battle in Biyou Village (異人之下之決戰！碧游村)”, an exclusive drama series on Youku. Leah is actively involved in various fields, including film and television, commercial endorsements, livestreaming, and digital collectibles.

Moreover, “Beacon AI (燈塔AI)”, a data product designed to provide intelligent promotion and distribution services for the entertainment industry, now leverages its access to the Tongyi Qianwen model to understand and accurately answer a wide range of general questions about film releases, scheduling analysis, and more. By providing industry participants with timely, comprehensive, detailed and condensed summaries of public opinion, more informative box office forecasts, as well as additional support in film promotion, distribution, scheduling decisions, and other tasks, Beacon AI has significantly improved the efficiency of industry participants’ work.

During the Reporting Period, the ticketing and technology platform segment recorded revenue of RMB1,230 million, representing an increase of RMB710 million as compared with the Corresponding Period; the segment results recorded was RMB790 million, representing an increase of RMB590 million as compared with the Corresponding Period.

### III. IP merchandising and other initiatives

As one of the Group’s core operations, IP merchandising and other initiatives help the Group to expand its presence in the entertainment industry, with the IP merchandising business primarily focusing on the Alifish business and creation of pop toys.

According to the *China Licensing Industry Report: White Paper 2024*, the licensing market in China has been growing year-on-year over the past six years, and evolving into an industry of hundred billion scale. In 2023, annual retail sales of licensed products in China surpassed RMB140 billion, with annual licensing fees exceeding RMB5.4 billion, demonstrating substantial market potential, while the value of IP is increasingly acknowledged by channel merchants. As the largest platform for IP-licensing agents in China, since its establishment in 2016, Alifish has cooperated with hundreds of domestic and international quality IPs, and thousands of brands and channel merchants. The Group has managed to build up an enormous and rich IP matrix, including Sanrio, Pokémon, Universal Studios, Chiikawa and Crayon Shin-chan. During the Reporting Period, the retail sales of licensed IP merchandise from Alifish saw a substantial year-on-year increase, driving Alifish’s revenue growth of over 40% compared to the Corresponding Period. Not only has Alifish provided high-quality IP-licensed products and enriched entertainment experience for consumers, it has also achieved a win-win situation with its business partners.

The Group has established a pop toy brand “KOITAKE”, which combines independent pop toys IP with a number of movies, drama series and variety shows to create a host of distinctive pop toys. So far, “KOITAKE” has developed or signed contracts in respect of over 10 self-produced pop toys IPs and anime IPs with fair performance in “Kayla-X (凱拉十世)” and “PiPi”. “KOITAKE” has also been integrated with the contents of more than 40 films and television programs, including “Lost You Forever (長相思)” (an exclusive drama series on Tencent Video), “Mysterious Lotus Casebook (蓮花樓)” (an exclusive drama series on iQIYI), and “Empresses in the Palace (甄嬛傳)” and “The Story of Minglan (知否知否應是綠肥紅瘦)” (classic Chinese drama series).

During the Reporting Period, the Group’s IP merchandising and other initiatives segment registered revenue of approximately RMB600 million, representing a decrease of RMB20 million as compared with the Corresponding Period; the segment results recorded was RMB180 million, representing an increase of RMB10 million as compared with the Corresponding Period.

## PROSPECTS

As a player in the booming yet complex and volatile entertainment industry, the Group remains confident about the future, and will pursue its business growth by carrying on with its investment in innovations, customer value, long-term creation of high-quality content as well as the development in AI and other digital initiatives.

Looking ahead, the Group will continue to promote:

1. the content-first strategy: improving its capabilities to produce a broader set of content, including films, drama series and live entertainment performances, driving the diversified development of the Damai business, fostering IP integration across films, live entertainment performances and drama series, and delivering high-quality content to the market steadily;
2. the user growth strategy: persistently enhancing the membership benefits and brand presence of “Taomai VIP”, expanding the service scope of its technology business, and exploring multiple business models, including AI;
3. the exploration of opportunities overseas: actively engaging in the introduction and hosting of international projects, investing in overseas ticketing markets and top-tier venues based on the “Hong Kong Cultural and Art Industry Revitalization Programme”, enhancing the international influence of local content, and further strengthening the scale benefits and barriers to entry for the Group’s businesses; and
4. the access to top-tier resources and self-owned IP incubation: building merchandise channels, solidifying user base, and further expanding the scale and market share of the merchandising business.

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

## FINANCIAL REVIEW

### Revenue and Profit

During the Reporting Period, the Group recorded revenue of approximately RMB3,051 million, representing an increase of 17% year-over-year. This was attributable to our firm implementation of “Content + Technology” strategy and the diversified development of business structure. The adjusted EBITA for the Reporting Period reached approximately RMB642 million, representing an increase of 39% year-over-year. Net profit attributable to owners of the Company reached approximately RMB337 million for the Reporting Period, representing a decrease of 27% year-over-year.

Earnings per share of the Group decreased from basic earnings per share of RMB1.74 cents and diluted earnings per share of RMB1.73 cents for the Corresponding Period to basic and diluted earnings per share of RMB1.14 cents for the Reporting Period.

## Selling, Marketing and Administrative Expenses

During the Reporting Period, selling and marketing expenses of the Group amounted to approximately RMB329 million, representing a year-over-year decrease of approximately RMB48 million when compared with approximately RMB377 million for the Corresponding Period. The proportion of selling and marketing expenses in revenue decreased from 14% for the Corresponding Period to 11%, which was primarily due to more prudence in incurring marketing expenses.

During the Reporting Period, administrative expenses of the Group increased to approximately RMB599 million from approximately RMB391 million for the Corresponding Period, representing a year-over-year increase of approximately RMB208 million, which was primarily due to increase in operating expenses as a result of the acquisition of the Damai business.

## Net Finance Income

During the Reporting Period, the Group recorded net finance income of approximately RMB81 million, which included interest income on bank deposits and losses on foreign exchange. As the Group's cash reserves are held in multiple currencies, the exchange loss resulted mainly from the appreciation of Renminbi ("RMB") against U.S. dollar ("USD") during the Reporting Period.

## Material Investments

As of September 30, 2024, the Group held 17 investments in joint ventures and associates, all of which were accounted for using the equity method, with a total book value of approximately RMB1,456 million; the Group also held 10 investments in unlisted companies and one investment in a listed company, all of which were classified as financial assets at fair value through profit or loss, with a total book value of approximately RMB608 million.

The Group's three largest investments were Bona Film Group Co., Limited, YH Entertainment Group 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 of September 30, 2024, there is no investment held by the Group with a value of 5% or more of the total asset of the Group.

The Group adopted a conservative investment strategy to manage its investment portfolio during the Reporting Period. The Group did not have any plans for material investments and capital assets as of September 30, 2024.

### Financial Resources and Liquidity

As of September 30, 2024, the Group held cash and cash equivalents and bank deposits with the maturity within one year of approximately RMB3,095 million (March 31, 2024: RMB6,715 million), which were denominated in RMB, USD and Hong Kong dollar. As of September 30, 2024, the Group had a net cash position with a gearing ratio (being net borrowings over total equity) of nil (March 31, 2024: nil). As of September 30, 2024, the Group had short-term borrowings of approximately RMB388 million (March 31, 2024: nil), which bear fixed interest at 1.3% per annum (March 31, 2024: nil), and are secured by the Group's pledged bills and are to be settled within one year. The Group's bank borrowings are all denominated in RMB. 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 Mainland China. The Group will continue to closely monitor its capital needs and manage foreign exchange risks accordingly. As of September 30, 2024, the Group did not have a foreign currency hedging policy nor has 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, 2024, the Group did not have any outstanding indebtedness secured by assets (March 31, 2024: nil).

### Contingent Liabilities

As of September 30, 2024, the Group did not have any material contingent liabilities (March 31, 2024: nil).

## Material Acquisitions and Disposals

During the Reporting Period, Beijing Alibaba Pictures Culture Co., Ltd\* (北京阿里巴巴影業文化有限公司), being an indirect wholly-owned subsidiary of the Company, agreed to purchase, and Huayi Brothers Media Corporation\* (華誼兄弟傳媒股份有限公司) agreed to sell, 70% of the entire equity interest in Zhejiang Dongyang Meila Media Company Limited\* (浙江東陽美拉傳媒有限公司) at a total consideration of RMB350,000,000 (the "Acquisition"). The Acquisition was completed in November 2024. Details of the Acquisition are set out in the Company's announcement dated July 23, 2024.

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

## Employees and Remuneration Policies

As of September 30, 2024, the Group had 1,556 (September 30, 2023: 1,505) employees. The total employee benefit expenses of the Group were approximately RMB437 million for the Reporting Period (September 30, 2023: RMB398 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 our staff is an invaluable asset to the Group and is significant to the Group's business. Therefore, the Group recognizes the importance of maintaining a good relationship with employees. In addition to salary, the Group also provides our employees with fringe benefits, including year-end bonuses, discretionary bonuses, share options under the Company's share option schemes, awarded shares under the Company's share award scheme, contributory provident fund, social security fund, medical benefits and training.

## Subsequent Events

Save as disclosed in Note 20 to the interim condensed consolidated financial information contained in this interim report, there are no important events of the Group since September 30, 2024 and up to the date of this interim report.

\* For identification purpose only

## 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, 2024, 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 <i>(Note)</i>
			Share Options	Awarded Shares		
Mr. FAN Luyuan	Beneficial owner	3,130,130	11,175,000	20,656,667	34,961,797	0.12%
Mr. LI Jie	Beneficial owner	14,925,091	0	24,300,000	39,225,091	0.13%
Mr. MENG Jun	Beneficial owner	1,399,767	0	3,481,438	4,881,205	0.02%

Note: Based on 29,714,629,103 Shares in issue as of September 30, 2024.

**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		Approximate percentage of total issued shares of Alibaba Holding  (Note 2)
		(in the number of American Depositary Shares of Alibaba Holding (“ADS(s)”) (Note 1))	(in the number of ordinary shares of Alibaba Holding) (Note 1)	
Mr. FAN Luyuan	Note 3	422,844	3,382,752	0.02%
Mr. LI Jie	Note 4	69,422	555,376	0.00%
Mr. MENG Jun	Note 5	16,467	131,736	0.00%
Mr. TUNG Pen Hung	Note 6	77,155	617,240	0.00%
Mr. TONG Xiaomeng	Note 7	117,647	941,176	0.00%

Notes:

- (1) One ADS of Alibaba Holding represents eight ordinary shares of Alibaba Holding and one restricted share unit of Alibaba Holding (“RSU(s)”) represents one ADS.
- (2) Based on 19,159,821,492 ordinary shares of Alibaba Holding in issue as of September 30, 2024.
- (3) The interest represents (i) 23,193 ADSs and 18,794 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 66,721 ADSs and 2,701 RSUs held by Mr. LI Jie beneficially.
- (5) The interest represents (i) 10,069 ADSs and 4,275 RSUs held by Mr. MENG Jun beneficially; and (ii) 2,123 ADSs held by the spouse of Mr. MENG Jun.
- (6) The interest represents 65,842 ADSs and 11,313 RSUs held by Mr. TUNG Pen Hung beneficially.
- (7) The interest represents 117,647 ADSs held by Mr. TONG Xiaomeng beneficially.



## 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, 2024, 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, 2024 and September 30, 2024 were 2,138,619,212<sup>Note 1</sup> and 1,978,858,990<sup>Note 1</sup>, respectively, representing approximately 7.25% and 6.66% 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<sup>Note 2</sup> set out in the 2021 Share Option Scheme as of April 1, 2024 and September 30, 2024 were 269,757,401 and 269,757,401, respectively, representing approximately 0.92% and 0.91% 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 2,158,059,212 Shares.
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 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, 2024	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, 2024	Exercise/ vesting period (Notes)
<b>Directors</b>											
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)
<b>Sub-total</b>					<b>11,175,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,175,000</b>	
<b>Employees</b>											
	18/01/2018	1.060	1.070	-	1,200,000	-	-	-	-	1,200,000	1(i)
<b>Sub-total</b>					<b>1,200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,200,000</b>	
<b>Total</b>					<b>12,375,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,375,000</b>	

## 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 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 of Directors (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/ category	Vesting Date of grant date/period	Market price of Award Shares at date of grant based on closing price of Shares as at date of grant (HK\$)	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\$)	Weighted average price of Shares closing immediately before the vesting date (HK\$)	Number of Unvested Awarded Shares (excluding those vested on April 1, 2024)	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, 2024
<b>Directors of the Company</b>												
Mr. Fan Luyuan	5/6/2020	01/04/2021-01/04/2026	1.070	-	1.050	0.455	735,000	-	245,000	-	-	490,000
	16/6/2021	01/04/2022-01/04/2027	1.060	-	1.060	0.455	2,000,000	-	500,000	-	-	1,500,000
	17/6/2022	01/04/2023-01/04/2028	0.730	-	0.740	0.455	5,000,000	-	1,000,000	-	-	4,000,000
	12/6/2023	01/04/2024-01/04/2029	0.410	-	0.415	0.455	8,000,000	-	1,333,333	-	-	6,666,667
	18/6/2024	01/04/2025-01/04/2030	0.450	-	0.460	-	-	8,000,000	-	-	-	8,000,000
Mr. Li Jie	5/6/2020	01/04/2021-01/04/2024	1.070	-	1.050	0.455	1,750,000	-	1,750,000	-	-	-
	16/6/2021	01/04/2022-01/04/2025	1.060	-	1.060	0.455	1,125,000	-	562,500	-	-	562,500
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.455	3,562,500	-	1,187,500	-	-	2,375,000
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.455	4,593,750	-	1,531,250	-	-	3,062,500
	12/6/2023	01/04/2024-01/04/2027	0.410	-	0.415	0.455	10,000,000	-	2,500,000	-	-	7,500,000
	18/6/2024	01/04/2025-01/04/2028	0.450	-	0.460	-	-	10,800,000	-	-	-	10,800,000
Mr. Meng Jun	5/6/2020	01/04/2021-01/04/2024	1.070	-	1.050	0.455	82,500	-	82,500	-	-	-
	16/6/2021	01/04/2022-01/04/2025	1.060	-	1.060	0.455	300,000	-	150,000	-	-	150,000
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.455	1,200,000	-	400,000	-	-	800,000
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.455	342,000	-	114,000	-	-	228,000
	12/6/2023	01/04/2024-01/04/2027	0.410	-	0.415	0.455	3,071,250	-	767,812	-	-	2,303,438
<b>Directors of subsidiaries of the Company</b>												
Four directors of subsidiaries of the Company	5/6/2020	01/04/2021-01/04/2024	1.070	-	1.050	0.455	387,500	-	387,500	-	-	-
	16/6/2021	01/04/2022-01/04/2025	1.060	-	1.060	0.455	1,955,691	-	977,845	-	-	977,846
	9/9/2021	01/10/2022-01/10/2025	0.840	-	0.850	-	320,000	-	-	-	-	320,000
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.455	4,222,501	-	1,407,501	-	-	2,815,000
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.455	1,920,000	-	640,000	-	-	1,280,000
	12/6/2023	01/04/2024-01/04/2027	0.410	-	0.415	0.455	13,100,000	-	3,275,000	-	-	9,825,000
	18/6/2024	01/04/2025-01/04/2028	0.450	-	0.460	-	-	10,369,000	-	-	-	10,369,000

## SHARE INCENTIVE SCHEMES (Continued)

## Share Award Scheme (Continued)

Grantee name/ category	Vesting Date of grant	Market price of Award Shares at date of grant based on closing price of Shares as at date of grant (HK\$)	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\$)	Weighted average closing price of Shares before the vesting date (HK\$)	Number of Unvested Awarded Shares at April 1, 2024 (excluding those vested on April 1, 2024)	Number of Shares granted during the Reporting Period	Number of Shares vested during the Reporting Period	Number of Shares lapsed during the Reporting Period	Number of Awarded Shares cancelled during the Reporting Period	Number of Unvested Awarded Shares at September 30, 2024
<b>Eligible employees (Non-connected employees)</b>												
	31/5/2019	01/04/2020-19/03/2025	1.630	-	1.600	-	533,334	-	-	-	-	533,334
	5/6/2020	01/04/2021-16/04/2024	1.070	-	1.050	0.455	13,579,925	-	13,579,925	-	-	-
	11/9/2020	26/05/2021-01/10/2024	1.120	-	1.100	0.415-0.440	4,220,000	-	150,000	-	-	4,070,000
	16/6/2021	01/04/2022-19/04/2025	1.060	-	1.060	0.455	40,712,706	-	20,162,600	720,072	-	19,830,034
	9/9/2021	01/10/2022-01/10/2025	0.840	-	0.850	0.380-0.470	10,560,000	-	400,000	720,000	-	9,440,000
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.455	72,301,047	-	23,558,682	1,507,000	-	47,235,365
	9/9/2022	01/10/2023-01/10/2026	0.600	-	0.570	-	9,120,000	-	-	-	-	9,120,000
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.455	10,059,015	-	3,353,005	182,000	-	6,524,010
	12/6/2023	01/04/2024-10/04/2027	0.410	-	0.415	0.455	182,304,600	-	45,126,150	4,192,500	-	132,985,950
	14/11/2023	01/10/2024-09/10/2027	0.520	-	0.570	-	19,440,000	-	-	-	-	19,440,000
	18/6/2024	01/04/2025-01/04/2028	0.450	-	0.460	-	-	116,278,522	-	1,475,000	-	114,803,522
	24/9/2024	04/07/2025-01/10/2028	0.390	-	0.370	-	-	11,420,000	-	-	-	11,420,000
<b>Five highest paid employees in aggregate (excluding the Directors as disclosed above):</b>												
	5/6/2020	01/04/2021-01/04/2024	1.070	-	1.050	0.455	540,000	-	540,000	-	-	-
	16/6/2021	01/04/2022-01/04/2025	1.060	-	1.060	0.455	1,995,000	-	997,500	-	-	997,500
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.455	2,571,000	-	857,000	-	-	1,714,000
	9/9/2022	01/8/2023-01/8/2026	0.600	-	0.570	0.395	3,375,000	-	1,125,000	-	-	2,250,000
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.455	3,540,000	-	1,180,000	-	-	2,360,000
	12/6/2023	01/04/2024-01/04/2027	0.410	-	0.415	0.455	3,200,000	-	800,000	-	-	2,400,000
	18/6/2024	01/04/2025-01/04/2028	0.450	-	0.460	-	-	4,367,700	-	-	-	4,367,700
<b>Related entities participants</b>												
	5/6/2020	01/04/2021-01/04/2024	1.070	-	1.050	0.455	1,257,500	-	1,257,500	-	-	-
	11/9/2020	01/10/2021-01/10/2024	1.120	-	1.100	-	245,000	-	-	-	-	245,000
	16/6/2021	01/04/2022-22/04/2025	1.060	-	1.060	0.415-0.440	2,063,000	-	1,031,500	435,000	-	596,500
	9/9/2021	01/10/2022-01/10/2025	0.840	-	0.850	-	240,000	-	-	-	-	240,000
	17/6/2022	01/04/2023-01/04/2026	0.730	-	0.740	0.455	1,857,600	-	619,200	237,000	-	1,001,400
	31/3/2023	01/04/2023-01/04/2025	0.510	-	0.500	0.455	4,525,125	-	1,508,375	-	-	3,016,750
	12/6/2023	01/04/2024-27/04/2027	0.410	-	0.415	0.455	2,300,000	-	450,000	-	-	1,850,000
Service providers	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>							<b>454,207,544</b>	<b>161,235,222</b>	<b>135,508,178</b>	<b>9,468,572</b>	<b>-</b>	<b>470,466,016</b>

## 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 18, 2024 and September 24, 2024 during the Reporting Period was HK\$0.45 per Share and HK\$0.39 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, 2024 and September 30, 2024 were 2,138,619,212 and 1,978,558,990, respectively, representing approximately 7.25% and 6.66% 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<sup>#</sup> set out in the Share Award Scheme as of April 1, 2024 and September 30, 2024 were 269,757,401 and 269,757,401, respectively, representing approximately 0.92% and 0.91% of the Company's issued share capital as at the respective dates.  
  
<sup>#</sup>: 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 0.51%.
8. During the Reporting Period, there was change to the scope of the Group's significant subsidiaries, as a result of which there was also change to the scope of the "directors of subsidiaries of the Company". Besides, 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, 2024, 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	45.39%
Alibaba Investment Limited ("AIL")	Interest in controlled corporation (Notes 2 and 4)	13,488,058,846	45.39%
	Beneficial owner (Notes 3 and 4)	2,513,028,847	8.45%
Alibaba Holding	Interest in controlled corporation (Note 4)	16,001,087,693	53.85%
BIAN Ximing/YANG Minghua	Beneficial owner	1,995,060,000	6.71%

#### 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 AIL through its controlled corporation, Ali CV.
- (3) This represents the interest in 2,513,028,847 Shares held by AIL beneficially.
- (4) As of September 30, 2024, Ali CV was wholly owned by Alibaba Holding, through its controlled corporation, AIL. Accordingly, AIL were deemed to have the same interest held by Ali CV, and Alibaba Holding was deemed to have the same interest held by AIL and Ali CV, by virtue of part XV of the SFO.
- (5) Based on 29,714,629,103 Shares in issue as of September 30, 2024.

Save as disclosed above, as of September 30, 2024, 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 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 and 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 independent non-executive Directors.

## MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding Directors’ securities transactions 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 Company’s code of conduct regarding Directors’ securities transactions during the Reporting Period.

## INTERIM DIVIDEND

The Board has resolved that no interim dividend will be declared for the six months ended September 30, 2024 (For the six months ended September 30, 2023: nil).

## CONTROLLING SHAREHOLDERS’ INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the connected transactions section as disclosed in the Company’s 2023/2024 annual report and its announcements dated April 1, 2024, April 8, 2024, May 29, 2024, June 25, 2024, July 18, 2024, August 9, 2024, August 30, 2024, September 3, 2024 and September 30, 2024, respectively, and the related party transactions as disclosed in Note 19 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 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, 2024, 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, 2024, 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 senior management during the Reporting Period and up to the date of this interim report are set out below:

- Mr. Li Jie stepped down as a non-independent director of Beijing Enlight Media Co., Ltd.\* (北京光線傳媒股份有限公司) (Shenzhen Stock Exchange stock code: 300251) on June 27, 2024.

Save as disclosed above, during the Reporting Period and up to the date of this interim report, the Directors 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 of the Company (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 20, 2024

\* For identification purpose only



羅兵咸永道

**Report on Review of Interim Financial Information**  
**To the Board of Directors of Alibaba Pictures Group 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 Alibaba Pictures Group Limited (the “Company”) and its subsidiaries (together, the “Group”) as at September 30, 2024 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” issued by the Hong Kong Institute of Certified Public Accountants. 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” issued by the Hong Kong Institute of Certified Public Accountants. 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” issued by the Hong Kong Institute of Certified Public Accountants. 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”.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, November 20, 2024

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the six months ended	
		September 30, 2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Revenue	5	3,050,796	2,615,532
Cost of sales and services		<u>(1,734,875)</u>	<u>(1,502,295)</u>
<b>Gross profit</b>		<b>1,315,921</b>	1,113,237
Selling and marketing expenses		<b>(328,662)</b>	(377,498)
Administrative expenses		<b>(598,884)</b>	(390,597)
Reversal of impairment losses/(impairment losses) on financial assets, net		<b>146,678</b>	(23,685)
Other income	6	<b>19,170</b>	29,091
Other (losses)/gains, net	7	<u><b>(26,776)</b></u>	<u>52,122</u>
<b>Operating profit</b>		<b>527,447</b>	402,670
Finance income	8	<b>126,794</b>	76,937
Finance expenses	8	<b>(45,901)</b>	(2,537)
Finance income, net		<b>80,893</b>	74,400
Share of loss of investments accounted for using the equity method	11	<b>(26,861)</b>	(54,122)
Impairment of investments accounted for using the equity method	11	<u><b>(146,456)</b></u>	<u>(96,911)</u>
<b>Profit before income tax</b>		<b>435,023</b>	326,037
Income tax (expense)/credit	9	<u><b>(62,324)</b></u>	<u>147,353</u>
<b>Profit for the period</b>		<u><b>372,699</b></u>	<u>473,390</u>
<b>Attributable to:</b>			
Owners of the Company		<b>336,598</b>	463,788
Non-controlling interests		<u><b>36,101</b></u>	<u>9,602</u>
<b>Earnings per share attributable to owners of the Company for the period</b> (expressed in RMB cents per share)	10		
– Basic		<b>1.14</b>	1.74
– Diluted		<u><b>1.14</b></u>	<u>1.73</u>

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, 2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
<b>Profit for the period</b>		<b>372,699</b>	473,390
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified to profit or loss</i>			
Share of other comprehensive income/(loss) of associates	11	<b>2,192</b>	(2,569)
Currency translation differences attributable to owners of the Company		<b>(60,557)</b>	130,828
<i>Items that may not be reclassified to profit or loss</i>			
Currency translation differences attributable to non-controlling interests		<b>(648)</b>	1,642
<b>Other comprehensive (loss)/income for the period, net of tax</b>		<b>(59,013)</b>	129,901
<b>Total comprehensive income for the period</b>		<b>313,686</b>	603,291
<b>Attributable to:</b>			
Owners of the Company		<b>278,233</b>	592,047
Non-controlling interests		<b>35,453</b>	11,244
<b>Total comprehensive income for the period</b>		<b>313,686</b>	603,291

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

## INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

		As at September 30, 2024 (Unaudited) RMB'000	As at March 31, 2024 (Audited) RMB'000
	Note		
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	90,776	38,423
Investment properties	12	429,123	443,546
Goodwill	12	3,554,882	3,554,882
Intangible assets	12	218,600	234,004
Right-of-use assets		3,071	6,566
Deferred income tax assets		38,059	94,718
Investments accounted for using the equity method	11	1,456,432	1,672,220
Film and TV rights and investments		2,809	2,894
Bank deposits with the maturity over one year		4,487,150	1,217,522
Financial assets at fair value through profit or loss	4	607,609	700,629
Trade and other receivables, and prepayments	13	559,526	400,820
		<u>11,448,037</u>	<u>8,366,224</u>
<b>Current assets</b>			
Inventories		36,439	31,100
Film and TV rights and investments		3,293,026	2,228,853
Trade and other receivables, and prepayments	13	4,269,817	3,412,739
Structured deposits	4	892,024	706,196
Bank deposits with the maturity over three months		1,651,175	2,296,932
Cash and cash equivalents		1,443,905	4,413,697
Restricted cash		189	4,159
		<u>11,586,575</u>	<u>13,093,676</u>
Current assets excluding assets classified as held for sale		11,586,575	13,093,676
Assets classified as held for sale		<u>30,000</u>	<u>–</u>
		<u>23,064,612</u>	<u>21,459,900</u>
<b>Total assets</b>			
<b>Equity and liabilities</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	14	6,078,702	6,026,151
Reserves		9,940,866	9,696,245
		<u>16,019,568</u>	<u>15,722,396</u>
<b>Non-controlling interests</b>		<u>133,937</u>	<u>98,484</u>
<b>Total equity</b>		<u>16,153,505</u>	<u>15,820,880</u>

## INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

		As at September 30, 2024 (Unaudited) RMB'000	As at March 31, 2024 (Audited) RMB'000
	Note		
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities		53,921	56,925
Lease liabilities		<u>54,111</u>	<u>58,408</u>
		<u>108,032</u>	<u>115,333</u>
<b>Current liabilities</b>			
Borrowings	16	387,712	–
Trade and other payables, and accrued charges	17	5,772,046	5,094,022
Contract liabilities		579,810	415,029
Current tax liabilities		6,142	1,089
Lease liabilities		5,997	5,897
Financial liabilities at fair value through profit or loss	4	<u>51,368</u>	<u>7,650</u>
		<u>6,803,075</u>	<u>5,523,687</u>
<b>Total liabilities</b>		<u>6,911,107</u>	<u>5,639,020</u>
<b>Total equity and liabilities</b>		<u>23,064,612</u>	<u>21,459,900</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

		Attributable to owners of the Company										
		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	Non-controlling interests	Total
Note		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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
(Continued)

Note	Attributable to owners of the Company										
	Share capital RMB'000	Share premium RMB'000	Shares held for share award scheme RMB'000	Other reserve RMB'000	Shareholder's contribution reserve RMB'000	Translation reserve RMB'000	Share-based compensation reserve RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total RMB'000
<b>For the six months ended September 30, 2023</b>											
<b>(Unaudited)</b>											
<b>At April 1, 2023</b>	5,452,976	13,423,271	(208,891)	(1,083,805)	48,527	(102,186)	535,439	(3,995,496)	14,069,835	40,376	14,110,211
Profit for the period	-	-	-	-	-	-	-	463,788	463,788	9,602	473,390
Other comprehensive income for the period	-	-	-	-	-	128,259	-	-	128,259	1,642	129,901
Total comprehensive income for the period	-	-	-	-	-	128,259	-	463,788	592,047	11,244	603,291
Share of other reserves of investments accounted for using the equity method	11	-	-	(471)	-	-	-	-	(471)	-	(471)
Shares purchased for share award scheme	-	-	(1,733)	-	-	-	-	-	(1,733)	-	(1,733)
Shares vested under share award scheme	-	-	88,994	-	-	-	(88,994)	-	-	-	-
Value of employee services provided under share option scheme and share award scheme	15	-	-	-	-	-	42,148	-	42,148	-	42,148
Value of employee services provided in relation to share-based payment transactions with ultimate parent	15	-	-	-	-	-	16,465	-	16,465	-	16,465
Value of share-based compensation allocated to ultimate parent	-	-	-	(5,244)	-	-	5,244	-	-	-	-
Settlement of share-based compensation cost with ultimate parent	-	-	-	(46,719)	-	-	-	-	(46,719)	-	(46,719)
Transactions with non-controlling interests	-	-	-	-	-	-	-	(8,431)	(8,431)	3,931	(4,500)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(3,417)	(3,417)
<b>At September 30, 2023</b>	5,452,976	13,423,271	(121,630)	(1,136,239)	48,527	26,073	510,302	(3,540,139)	14,663,141	52,134	14,715,275

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,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
<b>Cash flows from operating activities</b>		
Cash (used in)/generated from operating activities	(571,637)	1,228,288
Income tax paid	(3,615)	(554)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(575,252)</b>	<b>1,227,734</b>
<b>Cash flows from investing activities</b>		
Principal received on bank deposits with the maturity over three months	1,565,650	–
Principal received on investments in structured deposits	1,200,000	–
Advance from investment transactions	160,000	–
Interest received	113,763	62,428
Proceeds from derecognition of unlisted investments	45,000	4,500
Proceeds from other investing activities, net	5,976	230
Proceeds from loan repayment of a joint venture	–	6,000
Payment for bank deposits with the maturity over three months	(4,168,001)	(821,276)
Purchases of structured deposits	(1,390,000)	–
Payment for equity acquisition	(160,000)	–
Loans granted to third parties	(78,400)	(183,000)
Purchases of property, plant and equipment	(31,095)	(2,512)
Payment for unlisted investments	(5,000)	–
<b>Net cash outflow from investing activities</b>	<b>(2,742,107)</b>	<b>(933,630)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	387,712	–
Proceeds from financial investors in films	43,718	–
Principal and interests elements of lease payments	(5,549)	(10,066)
Interest paid	(1,806)	–
Transaction with non-controlling interests	–	(4,500)
Dividends paid to non-controlling interests	–	(3,417)
Shares purchased for share award scheme	–	(1,733)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>424,075</b>	<b>(19,716)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(2,893,284)</b>	<b>274,388</b>
Cash and cash equivalents at beginning of the period	4,413,697	3,919,526
Exchange effect on cash and cash equivalents	(76,508)	79,013
<b>Cash and cash equivalents at end of the period</b>	<b>1,443,905</b>	<b>4,272,927</b>

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

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 merchandising 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, 2024, the Company is approximately 53.85% 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 (“AIL”). Ali CV is a wholly-owned subsidiary of AIL 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 20, 2024.

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, 2024 has been prepared in accordance with Hong Kong Accounting Standard 34, “Interim financial reporting”. This 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, 2024.

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 accounting policy

During the Reporting Period, the Group has changed its identification of reportable business segments. The Group has reclassified its previous five business segments, namely “Film investment, production, promotion and distribution”, “Film ticketing and technology platform”, “Damai”, “Drama Series Production” and “IP Merchandising and innovation initiatives” into three business segments, namely “Content”, “Ticketing and technology platform” and “IP merchandising and other initiatives”. Further information of the new business segments is detailed in Note 5 below. In the opinion of the directors of the Company, the new basis of segmentation reflects a more accurate market positioning of the Group and provides a more appropriate presentation of the segment information.

## 2 BASIS OF PREPARATION (Continued)

### (a) New and amended standards adopted by the group

The Group has applied the new and amended standards effective for the financial year beginning on April 1, 2024. The adoption of these new and revised standards does not have any significant impact on the interim condensed consolidated financial statements of the Group.

		<b>Effective for annual periods beginning on or after</b>
Amendments to HKAS 1	Classification of liabilities as current or non-current	April 1, 2024
Amendments to HKAS 1 HK Int 5 (Revised)	Non-current liabilities with covenants Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	April 1, 2024 April 1, 2024
Amendments to HKFRS 16	Lease liability in sale and leaseback	April 1, 2024
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements	April 1, 2024

### (b) New standards and amendments not yet adopted

The following new standards and amendments to standards have not come into effect for the financial year beginning on April 1, 2024 and have not been early adopted by the Group.

		<b>Effective for annual periods beginning on or after</b>
Amendments to HKAS 21	Lack of Exchangeability	April 1, 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	April 1, 2026
Annual Improvements to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards Volume 11	April 1, 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	April 1, 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	April 1, 2027

### 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, 2024.

### 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 cash flow interest rate 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 at March 31, 2024.

There have been no material changes in the risk management policies since March 31, 2024.

#### 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 at 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.

## 4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

## 4.2 Fair value estimation (Continued)

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, investments in structured deposits, film and TV investments, at fair value, and film investments from business partners.

The following table presents the Group's financial assets and financial liabilities that are measured at fair value at September 30, 2024 and March 31, 2024.

	As at September 30, 2024 (Unaudited)			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss (current)</b>				
Investments in structured deposits	-	-	892,024	892,024
Film and TV Investments, at fair value (current)	-	-	8,068	8,068
<b>Financial assets at fair value through profit or loss (non-current)</b>				
Unlisted investments	-	-	543,207	543,207
Listed investment	64,402	-	-	64,402
Film and TV Investments, at fair value (non-current)	-	-	2,809	2,809
<b>Total assets</b>	<b>64,402</b>	<b>-</b>	<b>1,446,108</b>	<b>1,510,510</b>

	As At September 30, 2024 (Unaudited)			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Liabilities</b>				
<b>Financial liabilities at fair value through profit or loss (current)</b>				
Film investments from business partners	-	-	51,368	51,368

## 4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

## 4.2 Fair value estimation (Continued)

	As At March 31, 2024 (Audited)			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss (current)</b>				
Investments in structured deposits	–	–	706,196	706,196
Film and TV investments, at fair value (current)	–	–	8,068	8,068
<b>Financial assets at fair value through profit or loss (non-current)</b>				
Unlisted investments	–	–	661,645	661,645
Listed investment	38,984	–	–	38,984
Film and TV Investments, at fair value (non-current)	–	–	2,894	2,894
Total assets	38,984	–	1,378,803	1,417,787
<b>Liabilities</b>				
<b>Financial liabilities at fair value through profit or loss (current)</b>				
Film investments from business partners	–	–	7,650	7,650

## 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, 2024 and 2023.

	For the six months ended September 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
<b>Structured deposits</b>		
Opening balance	706,196	—
Additions	1,390,000	—
Change in fair value (Note 7)	10,580	—
Redemption	(1,214,752)	—
<b>Closing balance</b>	<b>892,024</b>	<b>—</b>
	For the six months ended September 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
<b>Unlisted investments</b>		
Opening balance	661,645	700,927
Acquisitions	5,000	—
Change in fair value (Note 7)	(77,148)	(689)
Derecognition	(45,000)	(11,500)
Currency translation differences	(1,290)	6,768
<b>Closing balance</b>	<b>543,207</b>	<b>695,506</b>
	For the six months ended September 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
<b>Film and TV investments, at fair value</b>		
Opening balance	10,962	184,943
Change in fair value (Note 7)	1,992	23,118
Derecognition	(1,992)	(162,872)
Currency translation differences	(85)	201
<b>Closing balance</b>	<b>10,877</b>	<b>45,390</b>

The film and TV investments, at fair value, are the investments on film and TV drama that do not meet solely payments of principal and interest condition.

## 4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

### 4.3 Fair value measurements using significant unobservable inputs (Continued)

	For the six months ended September 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
<b>Film investments from business partners</b>		
Opening balance	7,650	13,050
Additions	<u>43,718</u>	<u>—</u>
<b>Closing balance</b>	<u>51,368</u>	<u>13,050</u>

## 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, 2024, the Group's operating and reportable segments are as follows:

- Content: mainly comprising film investment, production, promotion and distribution, drama series production and live entertainment investment, production, promotion and distribution.
- Ticketing and technology platform: mainly comprises Tao Piao Piao, Yunzhi, Damai and Beacon AI.
- IP merchandising and other initiatives: backed by the Group's licensing and marketing capabilities, the Group could integrate resources within or outside the Alibaba Ecosystem to provide comprehensive distribution channels connecting with both corporate customers and individual consumers ("IP2B2C").



## 5 REVENUES AND SEGMENT INFORMATION (Continued)

## For the six months ended September 30, 2024 (Unaudited)

	Content RMB'000	Ticketing and technology platform RMB'000	IP merchandising and other initiatives RMB'000	Total RMB'000
<b>Segment revenue</b>				
– recognized at a point in time	865,762	1,216,231	568,022	2,650,015
– recognized over time	358,729	10,638	30,044	399,411
	<b>1,224,491</b>	<b>1,226,869</b>	<b>598,066</b>	<b>3,049,426</b>
Film and TV related investment income	–	–	1,370	1,370
<b>Total segment revenue</b>	<b>1,224,491</b>	<b>1,226,869</b>	<b>599,436</b>	<b>3,050,796</b>

## For the six months ended September 30, 2023 (Unaudited)

	Content RMB'000	Ticketing and technology platform RMB'000	IP merchandising and other initiatives RMB'000	Total RMB'000
<b>Segment revenue</b>				
– recognized at a point in time	914,676	502,867	417,741	1,835,284
– recognized over time	566,010	11,324	201,259	778,593
	1,480,686	514,191	619,000	2,613,877
Film and TV related investment income	–	–	1,655	1,655
<b>Total segment revenue</b>	<b>1,480,686</b>	<b>514,191</b>	<b>620,655</b>	<b>2,615,532</b>

**5 REVENUES AND SEGMENT INFORMATION** (Continued)**Segment revenue and results**

	<u>For the six months ended September 30, 2024 (Unaudited)</u>			
	Content	Ticketing and technology platform	IP merchandising and other initiatives	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Segment revenue	<u>1,224,491</u>	<u>1,226,869</u>	<u>599,436</u>	<u>3,050,796</u>
Segment results	<u>28,630</u>	<u>790,629</u>	<u>175,542</u>	<u>994,801</u>
Unallocated selling and marketing expenses				(7,542)
Administrative expenses				(598,884)
Reversal of impairment losses on financial assets, net				146,678
Other income				19,170
Other losses, net				(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				<u>(146,456)</u>
<b>Profit before income tax</b>				<u><b>435,023</b></u>

## 5 REVENUES AND SEGMENT INFORMATION (Continued)

## Segment revenue and results (Continued)

	For the six months ended September 30, 2023 (Unaudited)			Total RMB'000
	Content RMB'000	Ticketing and technology platform RMB'000	IP merchandising and other initiatives RMB'000	
Segment revenue	1,480,686	514,191	620,655	2,615,532
Segment results	375,068	205,457	165,867	746,392
Unallocated selling and marketing expenses				(10,653)
Administrative expenses				(390,597)
Impairment losses on financial assets, net				(23,685)
Other income				29,091
Other gains, net				52,122
Finance income				76,937
Finance expenses				(2,537)
Share of loss of investments accounted for using the equity method				(54,122)
Impairment of investments accounted for using the equity method				(96,911)
<b>Profit before income tax</b>				<b>326,037</b>

Comparative figures have been reclassified to conform with the changes in presentation adopted for the current period.

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,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Interest income on loan receivables	15,375	16,829
Local government grants	1,086	7,323
Additional deduction of input VAT	–	3,342
Sundry income	2,709	1,597
<b>Total</b>	<b>19,170</b>	<b>29,091</b>

**7 OTHER (LOSSES)/GAINS, NET**

	For the six months ended	
	September 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Change in fair value of unlisted investments	(77,148)	(689)
Change in fair value of listed investment	27,322	21,340
Net gains on disposal of film and TV rights and investments	11,026	8,162
Change in fair value of structured deposits	10,580	–
Change in fair value of film and TV investments, at fair value	1,992	23,118
Net gains on disposal of property, plant and equipment	250	255
Others	(798)	(64)
<b>Total</b>	<b>(26,776)</b>	<b>52,122</b>

## 8 FINANCE INCOME, NET

	For the six months ended	
	September 30,	
	2024	2023
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Finance income		
– Interest income on bank deposits	126,794	71,240
– Exchange gain, net	–	5,697
	<u>126,794</u>	<u>76,937</u>
Finance expenses		
– Exchange loss, net	(41,500)	–
– Interest expenses on lease liabilities	(2,595)	(2,537)
– Interest expenses on bank borrowings	(1,806)	–
	<u>(45,901)</u>	<u>(2,537)</u>
<b>Finance income, net</b>	<b><u>80,893</u></b>	<b><u>74,400</u></b>

## 9 INCOME TAX (EXPENSE)/CREDIT

	For the six months ended	
	September 30,	
	2024	2023
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current income tax expense	(8,668)	(447)
Deferred income tax (expense)/credit	(53,656)	147,800
	<u>(62,324)</u>	<u>147,353</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, incorporated in BVI as exempted companies with limited liability under the Companies Law of BVI, are exempted from BVI income tax.

**9 INCOME TAX (EXPENSE)/CREDIT** *(Continued)*

Provision for the PRC enterprise income tax is calculated based on the statutory tax rate of 25% (the six months ended September 30, 2023: 25%) on the assessable income of each of the group companies, except that: (1) two subsidiaries of the Company is taxed at preferential tax rate of 15% (the six months ended September 30, 2023: one under 15%) under the relevant PRC tax rules and regulations; (2) one subsidiary of the Company, incorporated in Horgos, Xinjiang Province, is exempted from income taxes from the first year of generating revenue before December 31, 2030 and the exemption period is five years according to the relevant PRC tax rules and regulations; and (3) certain subsidiaries of the Company are small low-profit enterprises, followed by a reduced tax rate of 20% (the six months ended September 30, 2023: 20%).

No provision for Hong Kong and the USA profit tax has been made as the group companies operating in Hong Kong and the USA do not have any assessable profit for both periods.

**10 EARNINGS PER SHARE**

	For the six months ended September 30,	
	2024 (Unaudited) RMB cents	2023 (Unaudited) RMB cents
Basic earnings per share	1.14	1.74
Diluted earnings per share	1.14	1.73

**(a) Basic**

Basic earnings is calculated by dividing the profit or loss 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,	
	2024 (Unaudited)	2023 (Unaudited)
Profit attributable to owners of the Company (RMB'000)	336,598	463,788
Weighted average number of ordinary shares in issue less shares held for share award scheme (thousands)	29,454,802	26,718,257

## 10 EARNINGS PER SHARE (Continued)

## (b) Diluted

Diluted earnings is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares for the six months ended September 30, 2024 and 2023, which are share options and unvested awarded shares.

For the six months ended September 30, 2024 and 2023, diluted earnings per share is calculated based on the profit for the year attributable to owners of the Company and the weighted average number of ordinary shares outstanding after adjustment for unvested awarded shares and share options granted to employees.

	<b>For the six months ended</b>	
	<b>September 30,</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
Profit attributable to owners of the Company (RMB'000)	<b>336,598</b>	463,788
Weighted average number of ordinary shares in issue less shares held for share award scheme (thousands)	<b>29,454,802</b>	26,718,257
Adjustments for share options and unvested awarded shares:		
– Unvested awarded shares assumed vested (thousands)	<b>35,553</b>	24,466
Weighted average number of ordinary shares for calculation of diluted earnings per share (thousands)	<b>29,490,355</b>	26,742,723
Diluted earnings per share (RMB cents)	<b>1.14</b>	1.73

## 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,	2023
	2024	(Unaudited)
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Beginning of the period	1,672,220	1,827,249
Transfer to assets held for sale	(30,000)	–
Share of loss of investments ( <i>Note a</i> )	(26,861)	(54,122)
Share of other comprehensive income/(loss) of associates	2,192	(2,569)
Share of changes of other reserves of an associate	(2,225)	(471)
Reduction	(3,000)	–
Impairment ( <i>Note b</i> )	(146,456)	(96,911)
Currency translation differences	(9,438)	37,480
End of the period	<b>1,456,432</b>	<b>1,710,656</b>

*Notes:*

- (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 to include the attributable share of profit or loss of those 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 those of certain of the associates and joint ventures of the Group. The financial information of certain of the Group's associates and joint ventures as at September 30, 2024 and 2023 are not available. As a result, the Group records its share of profit or loss of those investments accounted for using the equity method on one quarter in arrear basis for the six months ended September 30, 2024 and 2023. While Bona Film Group Co., Limited could provide its financial statements as at September 30, 2024 before the results announcement of the Group, the Group records its share of profit or loss based on its financial statements as at and for the six months ended September 30, 2024.

- (b) The Group determines whether interests in investments accounted for using the equity method are impaired by regularly reviewing whether there is any indication of impairment in accordance with relevant accounting standards.

When impairment indicators of the investments accounted for using the equity method were identified, management determines 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 estimates the present value of estimated future cash flows expected to arise from their businesses.

Based on the assessment results, the Group recognized an impairment loss of RMB146,456,000 (the six months ended September 30, 2023: RMB96,911,000) for the investments accounted for using the equity method of the Group for the six months ended September 30, 2024.



## 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>
<b>At March 31, 2024</b>				
Cost	169,829	450,579	3,554,882	386,322
Accumulated depreciation/amortization and impairment	(131,406)	(7,033)	-	(152,318)
<b>Net book amount</b>	<b>38,423</b>	<b>443,546</b>	<b>3,554,882</b>	<b>234,004</b>
<b>For the six months ended September 30, 2024 (Unaudited)</b>				
Opening net book amount as at April 1, 2024	38,423	443,546	3,554,882	234,004
Additions	67,184	-	-	5
Depreciation/amortization charge	(14,596)	(14,423)	-	(15,409)
Disposals	(235)	-	-	-
<b>Closing net book amount as at September 30, 2024</b>	<b>90,776</b>	<b>429,123</b>	<b>3,554,882</b>	<b>218,600</b>
<b>At September 30, 2024</b>				
Cost	221,489	450,579	3,554,882	386,327
Accumulated depreciation/amortization and impairment	(130,713)	(21,456)	-	(167,727)
<b>Net book amount</b>	<b>90,776</b>	<b>429,123</b>	<b>3,554,882</b>	<b>218,600</b>

As at September 30, 2024, the capital commitment of the Group is approximately RMB40,530,000 (March 31, 2024: nil).

## 13 TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS

	As at September 30, 2024			As at March 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables (Note)						
– Related parties (Note 19(b))	1,158,993	–	1,158,993	1,187,094	–	1,187,094
– Third parties	1,144,837	–	1,144,837	776,962	–	776,962
Less: allowance for impairment of trade receivables	(132,539)	–	(132,539)	(124,254)	–	(124,254)
Trade receivables – net	<u>2,171,291</u>	<u>–</u>	<u>2,171,291</u>	<u>1,839,802</u>	<u>–</u>	<u>1,839,802</u>
Prepaid film deposits	12,500	34,000	46,500	12,500	34,000	46,500
Prepayments for licensed assets	174,115	–	174,115	133,285	–	133,285
Prepayments for equity acquisition	–	160,000	160,000	–	–	–
Prepayments for entertainment events	67,322	–	67,322	96,321	–	96,321
Other prepayments	134,380	–	134,380	118,490	4,412	122,902
Other receivables arising from:						
– Receivables from related parties (Note 19(b))	36,120	–	36,120	55,372	–	55,372
– Loan receivables	492,331	342,266	834,597	413,354	338,707	752,061
– Receivables in respect of reimbursed film distribution expenses	599,537	–	599,537	294,890	–	294,890
– Receivables in relation to other film and TV investments	309,079	–	309,079	266,646	–	266,646
– Receivables in respect of reimbursed live performance expenses	264,348	–	264,348	334,198	–	334,198
– Deductible VAT input	198,426	–	198,426	180,366	–	180,366
– Interest income receivables	63,437	–	63,437	58,222	–	58,222
– Receivables in relation to tickets	11,939	–	11,939	13,475	–	13,475
– Deposits receivables	9,432	–	9,432	10,801	–	10,801
– Others	69,793	23,260	93,053	81,336	23,701	105,037
Less: allowance for impairment of other receivables and prepayments	(344,233)	–	(344,233)	(496,319)	–	(496,319)
Other receivables and prepayments – net	<u>2,098,526</u>	<u>559,526</u>	<u>2,658,052</u>	<u>1,572,937</u>	<u>400,820</u>	<u>1,973,757</u>
Total trade and other receivables, and prepayments	<u>4,269,817</u>	<u>559,526</u>	<u>4,829,343</u>	<u>3,412,739</u>	<u>400,820</u>	<u>3,813,559</u>

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:

	<b>As at September 30, 2024 (Unaudited) RMB'000</b>	<b>As at March 31, 2024 (Audited) RMB'000</b>
0 – 90 days	<b>469,843</b>	467,787
91 – 180 days	<b>313,591</b>	686,900
181 – 365 days	<b>886,248</b>	129,529
Over 365 days	<b>634,148</b>	679,840
	<b>2,303,830</b>	1,964,056

**14 SHARE CAPITAL**

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

	<b>Number of shares</b>	<b>Share capital HK\$'000</b>	<b>Equivalent to RMB'000</b>
<b>At April 1, 2024</b>	<b>29,488,769,003</b>	<b>7,372,192</b>	<b>6,026,151</b>
<b>Issuance of shares</b>	<b>225,860,100</b>	<b>56,465</b>	<b>52,551</b>
<b>At September 30, 2024</b>	<b>29,714,629,103</b>	<b>7,428,657</b>	<b>6,078,702</b>

## 15 SHARE-BASED PAYMENT

During the six months ended September 30, 2024 and 2023, share-based payment expenses recognized in the interim condensed consolidated statement of profit or loss include:

	For the six months ended September 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Share-based payment under the Share Option Scheme (Note a)	1,597	2,332
Share-based payment under the Share Award Scheme (Note b)	38,440	39,816
Share-based payment transactions with ultimate parent (Note c)	10,653	16,465
	<b>50,690</b>	<b>58,613</b>

### (a) The 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, 2024.

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 interim condensed 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)

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, 2024 (Unaudited)		For the six months ended September 30, 2023 (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	1.102	13,475,000
Lapsed	-	-	1.477	(1,100,000)
Cancelled	-	-	-	-
Closing balance	1.067	12,375,000	1.067	12,375,000

Note:

For the six months ended September 30, 2024, value of employee services provided under the Share Option Scheme recognized in the interim condensed consolidated statement of profit or loss was RMB1,597,000 (the six months ended September 30, 2023: RMB2,332,000).

## (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 of the Company. 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 and Alibaba Holding (including its subsidiaries) 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 of the Company, the Share Award Scheme shall be valid and effective for a term commencing on the Adoption Date and ending on the first to happen of the following, namely:

- (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.

Where shares 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 shares are reversed on the effective date of the forfeiture. No further adjustments should be made after the vesting date, regardless of whether the shares are forfeited later.

As at September 30, 2024, the remaining life of the Share Award Scheme is approximately 7.5 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, 2024 (Unaudited)		For the six months ended September 30, 2023 (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	0.607	454,207,544	0.938	358,645,157
Granted	0.446	161,235,222	0.410	231,991,350
Vested	0.692	(135,508,178)	0.998	(103,183,762)
Lapsed	0.589	(9,468,572)	0.663	(17,067,071)
Closing balance	0.527	470,466,016	0.674	470,385,674

Note:

The fair value of awarded shares charged to the interim condensed consolidated statement of profit or loss is RMB38,440,000 during the six months ended September 30, 2024 (the six months ended September 30, 2023: RMB39,816,000).

## (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 a Group Entity), Alibaba Holding may allocate the EBC costs associated with those unvested Alibaba Holding Group Awards to the Company and subject to relevant adjustments upon vesting, the Company may reimburse Alibaba Holding the amount in respect of the relevant vested Alibaba Holding Group Awards. The cost allocation from Alibaba Holding to the Company was treated as share-based payment transactions with Alibaba Holding and the related share-based payment expenses were to be recognized in profit or loss over the remaining vesting periods of the share-based compensation in accordance with “HKFRS 2 — Share-based payment”. The Company recognized share-based payment expenses of RMB10,653,000 for Alibaba Holding Group Awards for the six months ended September 30, 2024, with a net amount of RMB29,526,000 to be reimbursed by the Company to Alibaba Holding as at September 30, 2024, after offsetting any payment payable to each other pursuant to the Framework Agreement.

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 a Group Entity to an Alibaba Holding Entity), the Company may allocate the EBC costs associated with those unvested Group Awards to Alibaba Holding and subject to relevant adjustments upon vesting, Alibaba Holding may reimburse the Company the amount in respect of the relevant vested Group Awards. During the six months ended September 30, 2024, the related share-based compensation recognized in relation to the cost allocation above and the corresponding amount derecognized in other reserve amounted to RMB2,774,000 (2023: RMB5,244,000).



## 16 BORROWINGS

	<b>As at September 30, 2024 (Unaudited) RMB'000</b>	<b>As at March 31, 2024 (Audited) RMB'000</b>
<b>Current</b>		
Bank borrowings – RMB	<u>387,712</u>	<u>–</u>

Movements in borrowings are analysed as follows:

	<b>For the six months ended September 30, 2024 (Unaudited) RMB'000</b>
<b>Opening Balance</b>	–
Proceeds from bank borrowings	<u>387,712</u>
<b>Closing Balance</b>	<u>387,712</u>

The bank borrowings are secured by the Group's pledged bills and are to be settled within one year.

## 17 TRADE AND OTHER PAYABLES, AND ACCRUED CHARGES

	As at September 30, 2024 (Unaudited) RMB'000	As at March 31, 2024 (Audited) RMB'000
Trade payables (Note)		
– Related parties (Note 19(c))	93,498	101,002
– Third parties	<u>627,506</u>	<u>363,742</u>
	<u>721,004</u>	464,744
Notes payables	<u>33,910</u>	<u>480,000</u>
Advance from investment transactions	<u>160,000</u>	–
Other payables and accrued charges:		
Amounts due to related parties (Note 19(c))	251,117	171,931
Payables in relation to distribution of entertainment events tickets	3,594,273	2,808,251
Payables in relation to distribution of films	487,054	533,535
Accrued marketing expense	124,428	134,008
Payroll and welfare payable	118,782	230,125
Other tax payable	67,631	78,456
Amounts received on behalf of cinema ticketing system providers	43,033	49,573
Accrued construction expense	31,680	–
Professional fees payable	31,427	45,997
Deposits from customers	12,227	12,278
Amounts received on behalf of cinemas	7,161	7,140
Others	<u>88,319</u>	<u>77,984</u>
	<u>4,857,132</u>	<u>4,149,278</u>
<b>Total trade and other payables, and accrued charges</b>	<u><b>5,772,046</b></u>	<u><b>5,094,022</b></u>

The carrying amounts of trade and other payables are considered to approximate their fair values, due to their short-term nature or interest-bearing nature.

Note:

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

	As at September 30, 2024 (Unaudited) RMB'000	As at March 31, 2024 (Audited) RMB'000
0 – 90 days	566,997	361,612
91 – 180 days	75,012	49,195
181 – 365 days	43,091	26,579
Over 365 days	<u>35,904</u>	<u>27,358</u>
	<u>721,004</u>	<u>464,744</u>

## 18 DIVIDENDS

The board of directors of the Company has resolved not to declare an interim dividend for the six months ended September 30, 2024 (the six months ended September 30, 2023: nil).

## 19 RELATED PARTY TRANSACTIONS

As of September 30, 2024, the Company is approximately 53.85% 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,	
	2024	2023
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Provision of services to Alibaba Holding's subsidiaries	148,928	322,046
Purchase of services from Alibaba Holding's subsidiaries	101,112	73,050
Purchase of services from related companies of Alibaba Holding	73,674	25,539
Share-based compensation expenses attributable to the Alibaba Holding Group Awards	10,653	16,465
Provision of services to associates	5,247	1,061
Purchase of services from associates	4,220	1,175
Reimbursement amount of the Group Awards from Alibaba Holding	2,774	5,244
Provision of services to related companies of Alibaba Holding	2,074	656
Sales of film and TV rights to Alibaba Holding's subsidiaries	-	133,108

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.

## 19 RELATED PARTY TRANSACTIONS (Continued)

## (b) Balances due from related parties

	As at September 30, 2024 (Unaudited) RMB'000	As at March 31, 2024 (Audited) RMB'000
<b>Trade receivables</b>		
Amounts due from Alibaba Holding's subsidiaries	955,049	1,000,368
Amounts due from another related company	105,186	109,232
Amounts due from associates	97,153	75,886
Amounts due from related companies of Alibaba Holding	1,605	1,608
<b>Other receivables</b>		
Amounts due from associates and a joint venture	35,481	54,480
Amounts due from Alibaba Holding's subsidiaries	639	892

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

As at September 30, 2024, the Group has placed deposits amounted to RMB263,248,000 (March 31, 2024: RMB 179,467,000) 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 at September 30, 2024 (Unaudited) RMB'000	As at March 31, 2024 (Audited) RMB'000
<b>Trade payables</b>		
Amounts due to Alibaba Holding's subsidiaries	76,310	84,472
Amounts due to related companies of Alibaba Holding	9,986	9,746
Amounts due to associates	6,600	6,784
Amounts due to another related company	602	—
<b>Other payables</b>		
Amounts due to Alibaba Holding's subsidiaries	238,163	159,788
Amounts due to associates	12,143	12,143
Amounts due to a related company of Alibaba Holding	811	—
<b>Contract Liabilities</b>		
Amounts due to a subsidiary of Alibaba Holding	18,500	8,700

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

**19 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,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Salaries, allowances and other benefits	1,278	1,152
Share-based payments	6,686	7,261
	<b>7,964</b>	<b>8,413</b>

**20 EVENTS OCCURRING AFTER THE REPORTING PERIOD**

During the Reporting Period, Beijing Alibaba Pictures Culture Co., Ltd\* (北京阿里巴巴影業文化有限公司), being an indirect wholly-owned subsidiary of the Company, agreed to purchase, and Huayi Brothers Media Corporation\* (華誼兄弟傳媒股份有限公司) agreed to sell, 70% of the entire equity interest in Zhejiang Dongyang Meila Media Company Limited\* (浙江東陽美拉傳媒有限公司) at a total consideration of RMB350,000,000 (the "Acquisition"). The Acquisition was completed in November 2024.