阿里巴巴 影业集团
Alibaba Pictures

Alibaba Pictures Group Limited
阿里巴巴影業集團有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 1060)

PROFIT ALERT

This announcement is made by Alibaba Pictures Group Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the "Board") wishes to inform shareholders of the Company (the "Shareholders") and potential investors that, based on its preliminary assessment of the latest unaudited consolidated management accounts of the Group, it is expected that the net loss attributable to owners of the Company for the financial year ended March 31, 2021 will substantially decrease by not less than 90% from approximately RMB1,151 million as recorded for the financial year ended March 31, 2020.

The expected significant decrease in the net loss as mentioned above was primarily attributable to the combination of factors including:

(i) the Group's strategic planning across the entertainment industry value chain, having gradually yielded results, transforming the Group's business model from a singular film and ticketing business into a diversified development, production, promotion and distribution business across the entire industry chain that provides diversified revenue sources. As a result, the Group was able to maintain relatively healthy profitability despite cinemas and live performances having been suspended and restricted for a long time due to the outbreak of the coronavirus disease ("COVID-19") pandemic in 2020;

(ii) the reaping of benefits from strategic planning and development in relation to multi-content, which enabled the Group not only to secure investment into and promotion and distribution for a large number of blockbuster films on schedule through digitalization, but also achieve significant results in content development for drama series; and

(iii) the effect of the COVID-19 pandemic, the enhancement in operational efficiency of the Group's online ticketing platform Tao Piao Piao and adjustment to business strategy leading to a significant decrease in sales and marketing expenses of approximately 50% to 60%, as well as the Group maintaining its overall level of revenue as compared with the same period of last year.

The expected net loss attributable to owners of the Company for the financial year ended March 31, 2021 as described in this announcement is based only on a preliminary assessment by the Board with reference to the Group's unaudited consolidated management accounts and information currently available to the Company. This information has not been audited or reviewed by the auditors or the audit committee of the Company. As the Company is still in the process of finalizing its final results for the financial year ended March 31, 2021 (the "FY2020/2021 Final Results"), the actual results may differ from what is disclosed in this announcement. Further details of the Company's FY2020/2021 Final Results will be provided in the Company's FY2020/2021 Final Results announcement.

Shareholders and potential investors should exercise caution when they deal or contemplate dealing in the shares or other securities of the Company.

On behalf of the Board
Alibaba Pictures Group Limited
Fan Luyuan
Chairman & Chief Executive Officer

Hong Kong, April 20, 2021

As at the date of this announcement, the Board comprises Mr. Fan Luyuan, Mr. Li Jie and Mr. Meng Jun, being the executive directors; Mr. Xu Hong, being the non-executive director; and Ms. Song Lixin, Mr. Tong Xiaomeng and Mr. Johnny Chen, being the independent non-executive directors.