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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 (the “Listing Rules”) and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “Board”) of directors of the Company (the “Directors”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that, based on its preliminary assessment of the unaudited consolidated management accounts of the Group and information currently available to the Board, it is expected that the net profit attributable to owners of the Company for the six months ended September 30, 2023 will be no less than RMB450 million⁽¹⁾, as compared with the net loss attributable to owners of the Company of approximately RMB22.3 million for the six months ended September 30, 2022, and the net loss attributable to owners of the Company of approximately RMB291.1 million for the financial year ended March 31, 2023.

The Board believes that the turnaround from net loss to net profit is primarily attributable to, among other things, (i) robust recovery of offline entertainment business for the six months ended September 30, 2023, as the Group witnessed substantial year-over-year growth of total box office in Mainland China, and figures released by the China Film Administration showed that total box office revenue amounted to RMB20.6 billion during the summer movie season in 2023, a record high for the corresponding

Note:

- (1) The Group’s acquisition of the Damai business is still in progress, and the financial information set out in this announcement has not included the financial information of the Damai business proposed to be acquired. For details of the above acquisition, please refer to the announcement of the Company dated September 19, 2023, and the circular of the Company dated October 16, 2023.

movie season in Chinese film history; and (ii) excellent performance achieved by the Group's business with a significant year-over-year increase in the quantity of high-quality films jointly produced and distributed. "*Lost in the stars* (消失的她)", a co-production for which the Group played a leading role in marketing and distribution, recorded box office revenue of over RMB3.5 billion, and secured the first and second place, respectively, in terms of the box office during the Dragon Boat Festival movie season and the summer movie season in 2023. "*No More Bets* (孤注一擲)", of which the Group was a co-producer, recorded box office revenue of over RMB3.8 billion, and topped the box office chart during the summer movie season in 2023. In addition, a number of widely-acclaimed films, including "*Born to Fly* (長空之王)" and "*Chang'an* (長安三萬里)", for both of which the Group played a leading role in marketing and distribution while acting as a co-producer for the former and one of the main producers for the latter, delivered satisfactory box office results during the Labor Day and summer movie seasons.

The information contained in this announcement is provided only based on a preliminary assessment by the Board with reference to the unaudited management accounts of the Group and other information currently available to the Board. Such information has not been reviewed by the auditors or the audit committee of the Company. As the Company is still in the process of finalizing the interim results of the Group for the six months ended September 30, 2023 (the "Interim Results"), the actual Interim Results may differ from the information disclosed in this announcement.

Further details of the Interim Results will be provided in the Company's interim results announcement to be published in mid-November, 2023.

Shareholders and potential investors are advised to exercise caution when dealing in the shares or other securities of the Company.

By order of the Board
Alibaba Pictures Group Limited
Fan Luyuan
Chairman & Chief Executive Officer

Hong Kong, October 20, 2023

As of the date of this announcement, the Board comprises Mr. Fan Luyuan, Mr. Li Jie and Mr. Meng Jun, being the executive Directors; Mr. Tung Pen Hung, being the non-executive Director; and Ms. Song Lixin, Mr. Tong Xiaomeng and Mr. Johnny Chen, being the independent non-executive Directors.