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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)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED MARCH 31, 2025

The board (the "Board") of directors (the "Directors") of Alibaba Pictures Group Limited (the "Company", together with its subsidiaries, the "Group") is pleased to announce the final results of the Group for the year ended March 31, 2025 (the "Reporting Period") together with the comparative figures for the year ended March 31, 2024 (the "Corresponding Period").

FINANCIAL HIGHLIGHTS

	For the year ended March 31,		
	2025	2024	Change
	RMB'000	*RMB'000*	*%*
Revenue	**6,702,326**	5,035,713	33
Profit attributable to owners of the Company	**363,576**	284,790	28
Operating profit	**648,735**	309,680	109
Adjusted EBITA	**809,302**	503,576	61

MANAGEMENT DISCUSSION AND ANALYSIS

OFFLINE ENTERTAINMENT MARKET AND BUSINESS REVIEW

Film Market

Since 2024, growth of the global film industry has slowed, and the Chinese film market has also shown signs of reduced activity compared to the previous year. During the Reporting Period, the Chinese film market recorded total box office revenue of approximately RMB50,500 million, representing a decrease of approximately RMB5,100 million from approximately RMB55,600 million in the Corresponding Period. Total admissions stood at approximately 1,170 million, down by approximately 160 million from approximately 1,330 million for 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 cinemas and boost admissions, as well as leveraging AI visual effects technologies such as virtual filming to reduce costs and increase efficiency, so as to improve the film industry's profitability, are the common opportunities and challenges faced by the whole film industry at this stage.

Performance Market

During the Reporting Period, the market was more active than last year as consumer demand for live entertainment experiences continued to increase. According to a report jointly released by the China Association of Performing Arts and Beacon Professional, a total of 488,400 commercial performances（excluding entertainment venue performances） were held nationwide in 2024, representing an increase of 10.85% year-over-year. Box office revenue amounted to approximately RMB57,954 million, representing an increase of 15.37% year-over-year, Notably, box office revenue from top-tier concerts increased by 78.1% year-over-year to over RMB26,000 million, making it the most prominent segment in the market in terms of box office performance. With its abundant product supply and great demand for performance, the performance industry demonstrated the market's vibrant development and huge growth potential.

IP and Licensing Market

Under the current market conditions, IP merchandising business has demonstrated strong vibrancy and promising prospects. According to the China Licensing Report: White Paper 2025 (《2025中國品牌授權白皮書》), the annual retail sales of licensed products in the Chinese market reached approximately RMB155.09 billion in 2024, with licensing fees totaling approximately RMB5,990 million. The market has maintained steady growth for seven consecutive years and now ranks as the fourth-largest licensing market globally, following the United States, Japan, and the United Kingdom. Driven by the flourishing cultural sector and the ongoing upgrade of the consumer market, IP licensing has become a widely recognized commercial model among consumers. In recent years, the 2D industry, which is built around core cultural contents such as anime, comics and games, experienced rapid growth. According to iResearch, the scale of China's 2D industry expanded from approximately RMB18.9 billion in 2016 to approximately RMB221.9 billion in 2023, while the scale of the peripheral and derivative industries grew from approximately RMB5.3 billion to approximately RMB102.3 billion, representing a compound growth rate of 53%. Whether in the brand licensing market or the 2D peripheral and derivative sectors, this has presented the Group's IP merchandising business with unprecedented growth opportunities.

BUSINESS REVIEW

During the Reporting Period, the Group remained firmly committed to its dual-approach "Content + Technology" strategy. By focusing on content and IP to explore diversified business models, the Group expanded its derivative business to encompass merchants and channels, sustained the strengths of its performance ticketing platform business, while deepening long-term investments in technological innovation. These efforts enabled the Group to proactively optimize its business management strategy and achieve resilient growth in the face of an uncertain market environment. During the Reporting Period, the IP merchandising business and Damai's box office both recorded rapid revenue growth year-over-year. The Group achieved total revenue of approximately RMB6,702 million, representing a year-over-year increase of 33% as compared with approximately RMB5,036 million for the Corresponding Period. Net profit attributable to owners of the Company reached approximately RMB364 million, up 28% year-over-year from approximately RMB285 million for the Corresponding Period. Adjusted earnings before interest, taxes and amortization ("adjusted EBITA", a non-HKFRS financial indicator) amounted to approximately RMB809 million, representing a year-over-year increase of 61% as compared with approximately RMB504 million for the Corresponding Period.

Change in segment information

During the Reporting Period, the Group has changed its identification of reportable business segments. In previous year, the Group aggregated its operating segments into five reportable segments, namely "Film investment, production, promotion and distribution", "Film ticketing and technology platform", "Damai", "Drama series production" and "IP Merchandising and innovation initiatives" in accordance with its then internal management and reporting structures. During the Reporting Period, the Group has reaggregated its operating segments into four reportable segments, namely, "Film technology and investment, production, promotion and distribution platform", "Damai ticketing and live entertainment platform ("Damai")", "IP merchandising" and "Drama series production".

The reason for making the above business realignments was mainly due to changes in the Group's internal management and reporting structures during the Reporting Period, which were made to more accurately reflect the market position and business direction of the Group. The segment information presented is consistent with the reports provided to and reviewed by the chief operating decision maker for performance assessment and resource allocation following the internal management restructuring.

For details of the change in segment information, please refer to Note 2.1 to the consolidated financial statements contained in this announcement.

Non-HKFRS Measures

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

The table below sets forth a reconciliation from operating profit to adjusted EBITA for the Reporting Period and the Corresponding Period, along with the performance highlights of the four operating segments of film technology and investment, production, promotion and distribution platform; Damai; IP merchandising; and drama series production.

	For the twelve months ended March 31	
	2025	2024
	RMB'000	*RMB'000*
Operating profit	**648,735**	309,680
Add:		
Share-based compensation	**124,815**	120,274
Amortization of intangible assets arising on business combinations[Note 1]	**32,860**	18,003
Gains or losses on disposal of a joint venture	**(1,991)**	–
Change in fair value of listed and unlisted investments	**4,883**	55,619
Adjusted EBITA (unaudited)	**809,302**	503,576

Segment Information

	For the twelve months ended March 31			
	Segment revenue		Segment results Note 2	
	2025	2024	**2025**	2024
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(audited)	(audited)	**(audited)**	(audited)
Film technology and investment, production, promotion and distribution platform	**2,711,809**	2,999,459	**73,209**	811,901
Damai Note 3	**2,057,205**	612,585	**1,230,283**	280,565
IP merchandising	**1,433,393**	827,545	**380,349**	217,764
Drama series production	**499,919**	596,124	**25,403**	14,459
Total	**6,702,326**	5,035,713	**1,709,244**	1,324,689

Note 1: Among the total amortization expenses of intangible assets of approximately RMB36.0 million and approximately RMB20.0 million for the years ended March 31, 2025 and 2024 (Refer to Note 6 of the consolidated financial statements), amortization expenses of intangible assets arising on business combination amounted to approximately RMB33.0 million and approximately RMB18.0 million for the years ended March 31, 2025 and 2024, respectively.

Note 2: Segment results = Segment revenue − Cost of sales and services − Selling and marketing expenses allocated to relevant segments.

Note 3: Damai's data for the Corresponding Period comprises: 1) service fee income and results from the Group's entrusted operation of Damai business for the eight months ended November 30, 2023; and 2) Damai's fully consolidated operating results in the Group's financial statements for the four months ended March 31, 2024, following its acquisition by the Group as a wholly-owned subsidiary.

I. FILM TECHNOLOGY AND INVESTMENT, PRODUCTION, PROMOTION AND DISTRIBUTION PLATFORM

The film business, including film ticketing, film investment, production, promotion and distribution, as well as technology business, has emerged as a key growth driver for the Group. During the Reporting Period, despite industry-wide challenges such as declining box office revenues and theater attendance, which pressured profit margins across the industry, the Group adopted a steady yet proactive approach in the film sector, in order to enhance content production capabilities through partnerships with producers, directors and screenwriters, and to reduce costs via technological innovations. This approach lays the foundation for the recovery of the film industry.

(i) Film ticketing business

The film ticketing, being Tao Piao Piao and Yunzhi, form an integral part of the business segment and serve as essential infrastructure for the film industry. Tao Piao Piao is a widely recognized film ticketing platform among cinema-goers, while Yunzhi is an industry-leading ticket-issuing system platform for cinemas. Both platforms charge service fees, the former from cinema-goers and the latter from cinemas, for providing online systems and services that enable ticket purchases and issuance, respectively.

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 operation, Taomai members have demonstrated exceptionally high loyalty to, and represent the most valuable asset of, both Tao Piao Piao and Damai platforms. Although admissions declined year-over-year during the Reporting Period, the decline in Taomai members, especially frequent users of paid services, was significantly smaller in scale compared to the drop in viewership. This reflects the loyalty of high-value consumer groups. Going forward, both the integration of the film and Damai ticketing platforms and the exceptionally high loyalty of Taomai members will help boost the frequency of direct ticket purchases made by consumers on Tao Piao Piao.

During the Reporting Period, Yunzhi business continued to rank first nationwide in terms of both the number of ticket-issuing cinemas and the total number of tickets issued. Additionally, Yunzhi has entered into cooperation agreements with cinemas in Hong Kong and other parts of Southeast Asia, as part of its proactive drive to expand its overseas presence.

(ii) Film investment, production, promotion and distribution

The film investment, production, promotion and distribution business is a key focus of the Group in the offline entertainment content market. In recent years, the Group aims to secure baseline returns above the industry average by focusing on proactively enhancing its co-production and self-production capabilities, reducing costs through the application of visual effects technologies, such as virtual filming, and investing in top-tier projects with relatively high profit certainty. Meanwhile, the Group has launched partnerships with producers, directors and screenwriters to enrich its project reserve.

During the Reporting Period, the Group released the following major film projects:

No.	**Film's Name**	**Box office revenue** *(RMB billion)*	**Mode**
1	*Successor* (抓娃娃)	3.33	producer
2	*A Place Called Silence* (默殺)	1.35	producer and joint distributor
3	*Creation of the Gods II: Demon Force* (封神第二部：戰火西岐)	1.24	producer, leading promoter and distributor
4	*The Boy and the Heron* (你想活出怎樣的人生)	0.79	co-introducer and marketer
5	*Big World* (小小的我)	0.77	joint producer
6	*Her Story* (好東西)	0.72	producer, leading promoter and distributor
7	*Formed Police Unit* (維和防暴隊)	0.51	producer, leading promoter and distributor
8	*Moments We Shared* (雲邊有個小賣部)	0.50	producer, leading promoter and distributor
9	*The Last Dance* (破•地獄)	0.21	producer
10	*The Sinking of the Lisbon Maru* (里斯本丸沉沒)	0.05	leading promoter and distributor

As of the date of this announcement, the Group has approximately 40 key films scheduled for release. Among them, around 20 are investment projects pending release and around 20 are self-developed and co-produced projects. These films are either awaiting release scheduling (subject to market conditions) or are currently in the process of being scheduled. The Group has outlined the key films that have already been scheduled for release below.

No.	**Film's Name**	**State**	**Mode**
1	*Scare out* (驚蟄無聲)	filming	producer, leading promoter and distributor
2	*Dongji Island* (東極島)	scheduled for release	producer, leading promoter and distributor
3	*Shooting Stars* (群星閃耀時)	scheduled for release	producer, leading promoter and distributor
4	*I Know Who You Are* (抓特務)	scheduled for release	producer, leading promoter and distributor
5	*Blades of the Guardians* (鏢人：風起大漠)	scheduled for release	producer, leading promoter and distributor
6	*Welcome to the Chinese Restaurant* (歡迎來龍餐館)	scheduled for release	producer and joint distributor
7	*A Cool Fish 2/3* (無名之輩 2/3)	scheduled for release	producer and joint distributor
8	*7 Days* (7天)	scheduled for release	producer, leading promoter and distributor
9	*Keep Real* (特立獨行)	scheduled for release	producer, leading promoter and distributor
10	*The Shadow's Edge* (捕風捉影)	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 has launched partnerships with producers, directors and screenwriters, aimed at increasing the production of high-quality film content for the industry. To date, several projects have either moved into pre-production or begun filming. Additionally, the Group has launched the "HINA International Young Director Program (海納國際青年導演發展計劃)", which invites Mr. Zhang Yimou, Mr. Huang Jianxin and Mr. Bill Kong to serve as main mentors. The program is dedicated to nurturing young directors through a series of activities, including masterclasses, short film screenings, roundtable discussions, and on-set trainings. As of the date of this announcement, this program has enrolled a total of 58 young directors, many of whom have begun joining production crews to gain on-set experience. In parallel, the Group has established the "Alibaba Pictures Scholarship" at Hong Kong Baptist University, with a view to fostering collaboration on film and television projects.

(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. As of the date of this announcement, the Group has built and commenced operation of four virtual filming studios in locations such as Hengdian and Zhouzhuang in the People's Republic of China (the "PRC" or "China" or "Mainland China"). During the Reporting Period, virtual filming techniques were applied in the production of several film and drama series projects, including the films "*Shooting Stars* (群星閃耀時)" and "*My Family* (根本停不下來)" as well as the drama series "*Pull Strings*" (師兄太穩健). This significantly reduced set construction costs. Going forward, the Group plans to set up additional virtual filming studios across various regions, aiming to promote the application of virtual filming and support the film and television sector's industrial upgrade.

In terms of the digital humans business, in addition to Leah (厘里), the first digital human launched by Alibaba Digital Media & Entertainment Group, the Group introduced five new digital humans, achieving commercial monetization through endorsements and customized collaborations. Notably, after signing a contract with 北京大麥文化傳播有限公司 (Beijing Damai Cultural Communication Co., Ltd.*), Leah not only embarked on its journey in the music industry as a virtual musician but also served as the marketing ambassador for Tmall's sports and outdoor brands during the "Double 11" shopping festival. Additionally, Leah appeared 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, showcasing China's leading application of digital human technology.

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 and scheduling analysis. 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 industry participants' work efficiency.

Amid a sluggish box office in the film market, the film business experienced an adverse impact on both revenue and profitability. During the Reporting Period, the Group's segment of film technology and investment, production, promotion and distribution platform recorded revenue of approximately RMB2,712 million, representing a decrease of 10% as compared with approximately RMB2,999 million for the Corresponding Period; the segment results recorded was approximately RMB73 million, representing a decrease of 91% as compared with approximately RMB812 million for the Corresponding Period.

II. DAMAI

Damai is the Group's core business in the live entertainment market. Damai ticketing platform for performances is an industry-leading ticketing platform. Meanwhile, Damai has achieved remarkable success in live entertainment investment and production, establishing itself as one of the top competitors in the live entertainment market.

(i) Damai ticketing platform business

As one of the Group's core businesses in the live event ticketing market, Damai maintained its leading position in the live event ticketing market during the Reporting Period. It has served numerous top-tier concerts hosted by domestic and international artists, such as Jason Zhang, Jay Chou, Stefanie Sun, Ed Sheeran, and Imagine Dragons. This has reinforced its reputation as the preferred ticketing platform. By providing ticketing support for nearly all major concerts in China, Damai delivered rapid growth in gross merchandise value (GMV) for two consecutive years. Additionally, Damai delivered over 3,800 high-profile projects in the segment of on-site event services. These projects have ensured secure and stable event operations without incidents and have garnered praise from partners. During the Reporting Period, Damai established in-depth cooperation with multiple top-tier venues across Mainland China, Hong Kong and Macau, securing its core competitive advantage in accessing key venues.

The Group continues to increase investment in core technology research and development, integrating computing power and upgrading cloud resources to enhance data processing capability and the functionality of its ticketing system. This ensures stable performance and seamless transactions under high-concurrency scenarios, even when large numbers of users are simultaneously scrambling for tickets, thereby reinforcing its leadership in ticketing services through a superior user experience. During the Reporting Period, over a thousand events saw peak concurrent ticket-buying users exceed 100,000 per second, marking a 63% growth compared to the Corresponding Period.

During the Reporting Period, Damai expanded into tourist attraction entertainment performance and broadened its reach to include more overseas projects, allowing domestic users to conveniently purchase tickets for international concerts. By driving further product upgrades, Damai successfully integrated a unified ticketing services platform for both film and live events, thereby covering a broader range of entertainment ticketing scenarios. This expansion aims to strengthen Damai's brand influence as the preferred platform for ticket purchases, underscoring its commitment to establishing itself as a leading comprehensive ticketing services provider.

(ii) Live entertainment content

In recent years, Damai business has continued to deepen its presence in the live entertainment content segment. As of the date of this announcement, Damai has established a total of six key performance content brands, including Xiami Music Entertainment, Mailive, "*Dang Ran You Xi* (當然有戲)" and "*Ku Xiao Mai* (酷小麥)". The live entertainment content business has been involved in the investment and production of over 120 IPs, spanning a diverse range of categories, including concerts, musical festivals, dramas, exhibitions and talk shows. Through years of hard work, Damai has established a strong brand presence through a variety of projects, including the 2024 Xiami Music & Arts Festival in Aranya (阿那亞蝦米音樂節); major concerts by artists such as Karen Mok, Roy Wang, and Rover Lu; theatrical productions such as "*The Summoning of Dunhuang* (受到召喚•敦煌)" and "*The Magic Hour* (魔幻時刻)"; as well as talk shows featuring Lan Hu and Xiao Lu. These high-quality performances and exquisite stage productions have brought the audience an exceptional viewing experience.

During the Reporting Period, the Group's Damai segment recorded revenue of approximately RMB2,057 million, representing an increase of 236% as compared with approximately RMB613 million for the Corresponding Period. The segment results recorded were approximately RMB1,230 million, representing an increase of 339% as compared with approximately RMB281 million for the Corresponding Period. This significant increase was attributable to the fact that the data for the Corresponding Period did not fully consolidate Damai's operating results.

III. IP MERCHANDISING

As a core segment, the IP merchandising business helps support the Group in expanding its presence within the entertainment industry. Its principal activities include:

(1) the AliFish sub-licensing business, which acquires multiple premium IPs from upstream copyright holders and sublicenses them to downstream merchants in exchange for licensing fees;

(2) joint operations of the Tmall pop toys category and IP-themed flagship e-commerce stores; and

(3) the "KOITAKE" business, which integrates pop toys IP with various films, drama series and variety shows to develop and commercialize pop toys.

As a leading IP licensing management and commercialization platform in China, Alifish has partnered with hundreds of domestic and international quality IPs, as well as thousands of brands and channel merchants since it was established in 2016. AliFish boasts an IP matrix that spans a broad range of categories, including 2D space, cultural heritage and innovation, film, television and variety shows, education, and sports. It has entered into contracts with numerous top-tier, globally-renowned IPs, such as Sanrio, Pokémon, Universal Studios, Crayon Shin-chan, and Chiikawa. With a focus on IP licensing, operation and commercialization, AliFish has developed a proprietary full-chain service model that encompasses IP material development and gallery design, supervision and approval processes, product supply to channels, and IP-centric integrated marketing. This model provides brand partners with comprehensive solutions for IP licensing and collaboration.

During the Reporting Period, the retail sales of licensed IP merchandise from Alifish saw a substantial year-over-year increase, driving an over 90% growth in AliFish's revenue compared to the Corresponding Period, which enabled copyright holders, merchants and other partners to meet their goals on diversified value enhancement. AliFish has drawn significant attention amid the rapid expansion of the 2D-related merchandise sector. Looking ahead, it will continue to strengthen its channels with a focus on e-commerce, leverage category operations to capture product trends, and incubate consumer-facing brands.

The Group has established a pop toy brand "KOITAKE", which integrates pop toys IP with numerous films, drama series and variety shows to create a host of distinctive pop toys. To date, "KOITAKE" has developed or signed contracts in respect of over 10 original pop-toy IPs and 2D-related IPs. Notable original pop-toy IPs include promising titles such as "Kayla-X (凱拉十世)" and "PiPi"; while 2D-related IPs include titles like "*The Demon Hunter* (滄元圖)" (an exclusive anime on Youku) and gaming IP "*Mr Love: Queen's Choice* (戀與製作人)". "KOITAKE" has also formed collaborations on contents from more than 40 films and television programs, including "*Love Game in Eastern Fantasy* (永夜星河)" (an exclusive drama series on Tencent Video), "*Moonlight Mystique* (白月梵星)" (an exclusive drama series on iQIYI), "*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 business segment generated revenue of approximately RMB1,433 million, representing an increase of 73% as compared with approximately RMB828 million for the Corresponding Period. The segment results increased by 75% to approximately RMB380 million from approximately RMB218 million for the Corresponding Period.

IV. DRAMA SERIES PRODUCTION

In the drama series production sub-segment, the Group continued to invest in high-quality content through its studio operations, aiming to create emotionally resonant and widely popular works that are well-received by both audiences and the market. During the Reporting Period, several critically acclaimed drama series produced by the Group, including "*Blossoms in Adversity* (惜花芷)", were successfully broadcast. Meanwhile, multiple titles, such as "*In the Name of Justice* (以法之名)", "*Unveil: Jadewind* (唐宮奇案之青霧風鳴)" and "*Wild Ambition Bloom* (灼灼韶華)", have completed filming and are awaiting release. At present, the drama studio has a pipeline of over 20 key projects, with more than 30 projects in active development.

During the Reporting Period, the Group's drama series production segment recorded revenue of approximately RMB500 million, representing a year-over-year decrease of 16% as compared with approximately RMB596 million for the Corresponding Period. The segment results recorded approximately RMB25 million, representing a year-over-year increase of 76% as compared with approximately RMB14 million for the Corresponding Period.

PROSPECTS

As a player in the entertainment industry, which is booming yet complicated and dynamic, the Group is confident about the future. Going forward, the Group is committed to building a comprehensive entertainment ecosystem and evolving into a diversified entertainment platform. Empowered by technological innovation, the Group strives to offer consumers a richer, more interactive, and immersive entertainment experience.

The Group will continue to advance the following strategic plans:

1. Content leadership: The Group will enhance production capacities in a diverse range of content categories, including films, TV dramas and live performances, while achieving end-to-end integration of virtual production technologies. The Group set out to foster IP synergy across films, live entertainment, TV dramas and derivatives, with a view to amplify commercial value and deliver a steady stream of quality content to the market.

2. User growth: The Group will accelerate the integration of film and performance ticketing services, increase its efforts to speed up user penetration, and launch a new Damai app. The Group will continue to enhance the privileges under and brand influence of the "Taomai VIP" membership program, aiming to cover all ticketing categories except transport tickets, and to establish a globally leading one-stop ticketing platform in terms of user scale and service breadth.

3. Commercial derivatives: The Group will continue to strengthen platform capabilities and its presence across IP development, merchandise channels and user engagement, thereby further scaling up our IP merchandising business.

4. Overseas expansion: Starting with the Guangdong – Hong Kong – Macao Greater Bay Area, the Group will expand its international footprint, tapping into Asian and global markets. The Group will introduce more premium global content to the Chinese audience, provide ticketing services in China for overseas performances, and integrate with leading venue systems worldwide.

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

FINANCIAL REVIEW

Revenue and Profit

During the Reporting Period, driven by its focused execution of the "content + technology" strategy and continued efforts to diversify its business structure, the Group recorded revenue of approximately RMB6,702 million, an increase of 33% year-over-year from approximately RMB5,036 million for the Corresponding Period. Adjusted EBITA rose by 61% year-over-year from approximately RMB504 million for the Corresponding Period to approximately RMB809 million, while net profit attributable to owners of the Company reached approximately RMB364 million, representing an increase of 28% year-over-year from approximately RMB285 million for the Corresponding Period.

During the Reporting Period, the Group recorded earnings per share (basic and diluted) of approximately RMB1.23 cents, achieving a year-over-year increase of 19% from approximately RMB1.03 cents for the Corresponding Period.

Selling, Marketing and Administrative Expenses

During the Reporting Period, selling and marketing expenses of the Group amounted to approximately RMB789 million, representing a year-over-year increase of 11%when compared with approximately RMB710 million for the Corresponding Period. The proportion of selling and marketing expenses in revenue decreased from 14% for the Corresponding Period to 12%, primarily due to the optimization of promotion strategies and the adoption of a more prudent approach to marketing expenses.

During the Reporting Period, the Group's administrative expenses increased from approximately RMB978 million for the Corresponding Period to approximately RMB1,237 million, representing an increase of 27% year-over-year, which was primarily attributable to the growth in operating expenses resulting from the acquisition of Damai business.

Net Finance Income

During the Reporting Period, the Group recorded net finance income of approximately RMB193 million, which included interest income on bank deposits and loss on foreign exchange. As the Group's cash reserves are held in multiple currencies, the exchange loss resulted mainly from the volatility of RMB against U.S. dollar ("USD") during the Reporting Period.

Material Investments

As of March 31, 2025, the Group held 20 investments in joint ventures and associates, all of which were accounted for using the equity method, with a total book value of approximately RMB915 million. The Group also held 11 investments in unlisted companies and one investment in listed companies, all of which were classified as financial assets at fair value through profit or loss, with a total book value of approximately RMB610 million.

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

As at March 31, 2025, there is no investment held by the Group with a value of 5% or more of the total assets of the Group.

The Group adopted a conservative investment strategy to manage its investment portfolio during the Reporting Period. As of March 31, 2025, the Group did not have any plans for material investments and capital assets

Financial Resources and Liquidity

As of March 31, 2025, the Group held cash and cash equivalents and bank deposits with maturity within one year of approximately RMB3,365 million (March 31, 2024: approximately RMB6,715 million), which were denominated in RMB, USD and Hong Kong dollar. As at March 31, 2025, the Group's short-termborrowings amounted to approximately RMB397 million (March 31, 2024: nil), which borne an interest rate ranging from 1.0% to 1.2% per annum. All the Group's borrowings were secured by discounted bills and will be settled within one year. The Group's borrowings are denominated in RMB. As of March 31, 2025, the Group had a net cash position with a gearing ratio (calculated as net borrowings over total equity, where net borrowings equal total borrowings net of cash and cash equivalents) of nil (March 31, 2024: nil). The Group actively and regularly reviews and manages its capital structure to maintain a balance between shareholder returns and a sound capital position. The Group may make adjustments, where necessary, to maintain an optimal capital structure and to reduce the cost of capital. Further, the Group may purchase wealth management products, where appropriate, in line with its treasury and investment policies, after taking into account, among other things, level of risk, return on investment, liquidity and term of maturity.

Foreign Exchange Risks

While the majority of the Group's production costs and administrative costs are denominated and settled in RMB, the Group requires foreign currencies for some of its offshore investments and collaborations with studios outside Mainland China. The Group will continue to closely monitor its capital needs and manage foreign exchange risks accordingly. As of March 31, 2025, the Group did not have a foreign currency hedging policy nor had it used any currency hedging instruments or financial instruments for hedging purpose, but will closely monitor its foreign currency exposure in a cost-effective manner.

Charge on Assets

As of March 31, 2025, the Group did not have any indebtedness secured by assets (March 31, 2024: nil).

Contingent Liabilities

As of March 31, 2025, the Group did not have any material contingent liabilities (March 31, 2024: nil).

Material Acquisitions and Disposals

On July 23, 2024, 北京阿里巴巴影業文化有限公司 (Beijing Alibaba Pictures Culture Co., Ltd.*) ("Beijing Alibaba"), an indirect wholly-owned subsidiary of the Company entered into a sale and purchase agreement with 浙江東陽美拉傳媒有限公司 (Zhejiang Dongyang Meila Media Company Limited*) ("Dongyang Meila"), 北京美拉文化傳媒有限公司 (Beijing Meila Media Company Limited*), 海南美拉傳媒有限公司 (Hainan Meila Media Company Limited*) and 華誼兄弟傳媒股份有限公司 (Huayi Brothers Media Corporation*) ("Huayi Brothers"), whereby Beijing Alibaba agreed to purchase, and Huayi Brothers agreed to sell, 70% of the entire equity interest in Dongyang Meila at a total consideration of RMB350,000,000, for the purpose of setting-off the loan amounting to RMB350,000,000 due and owed by Huayi Brothers to the Group (the "Acquisition"). The Acquisition was completed in November 2024. Details of the Acquisition are set out in the announcement of the Company 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 March 31, 2025, the Group had 1,733 employees (March 31, 2024: 1,455 employees). The total employee benefit expenses of the Group were approximately RMB885 million for the Reporting Period (March 31, 2024: approximately RMB880 million). The remuneration policies of the Group are determined based on prevailing market rates and the performance of the Group and individual employees. These policies are reviewed on a regular basis. The Group strongly believes that its staff are an invaluable asset and play a vital role in its business. Therefore, the Group recognizes the importance of maintaining a good relationship with employees. In addition to salary, the Group also provides its employees with other fringe benefits, including among others, year-end bonuses, discretionary bonuses, contributions to provident and social security funds, medical benefits and training. The Group further offers various remunerative tools, such as share options under the Company's share option schemes, and awarded shares under the Company's share award scheme.

Subsequent Events

There has been no important event that might affect the Group since March 31, 2025, and up to the date of this announcement.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Continuing operations			
Revenue	3	**6,702,326**	5,035,713
Cost of sales and services	6	**(4,224,196)**	(3,018,670)
Gross profit		**2,478,130**	2,017,043
Selling and marketing expenses	6	**(789,313)**	(710,002)
Administrative expenses	6	**(1,237,422)**	(977,868)
Reversal of impairment losses/(impairment losses) on financial assets, net		**112,270**	(52,635)
Other income	4	**39,821**	57,366
Other gains/(losses), net	5	**45,249**	(24,224)
Operating profit		**648,735**	309,680
Finance income	7	**239,314**	182,614
Finance expenses	7	**(45,940)**	(781)
Finance income, net		**193,374**	181,833
Share of loss of investments accounted for using the equity method	10	**(120,488)**	(78,616)
Impairment of investments accounted for using the equity method	10	**(427,629)**	(112,552)
Profit before income tax		**293,992**	300,345
Income tax credit	8	**92,400**	58,610
Profit from continuing operations		**386,392**	358,955
Loss from discontinued operation		**–**	(61,486)
Profit for the year		**386,392**	297,469
Profit attributable to:			
Owners of the Company		**363,576**	284,790
Non-controlling interests		**22,816**	12,679
Profit attributable to owners of the Company:			
Continuing operations		**363,576**	334,583
Discontinued operation		**–**	(49,793)
Earnings per share from continuing operations attributable to owners of the Company for the year *(expressed in RMB cents per share)*	9		
– Basic		**1.23**	1.21
– Diluted		**1.23**	1.21
Earnings per share attributable to owners of the Company for the year *(expressed in RMB cents per share)*	9		
– Basic		**1.23**	1.03
– Diluted		**1.23**	1.03

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Profit for the year		**386,392**	297,469
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Share of other comprehensive (loss)/income of associates	10	**(2,338)**	6,120
Currency translation differences attributable to owners of the Company		**48,204**	110,996
Items that may not be reclassified to profit or loss			
Currency translation differences attributable to non-controlling interests		**294**	1,158
Other comprehensive income for the year, net of tax		**46,160**	118,274
Total comprehensive income for the year		**432,552**	415,743
Total comprehensive income for the year attributable to:			
– Owners of the Company		**409,442**	401,906
– Non-controlling interests		**23,110**	13,837
Total comprehensive income for the year		**432,552**	415,743
Total comprehensive income for the year attributable to owners of the Company:			
– Continuing operations		**409,442**	451,699
– Discontinued operation		**–**	(49,793)
		409,442	401,906

CONSOLIDATED BALANCE SHEET

		As of March 31,	
		2025	2024
	Note	***RMB'000***	*RMB'000*
Assets			
Non-current assets			
Property, plant and equipment		**115,328**	38,423
Investment properties		**396,498**	443,546
Goodwill		**3,844,125**	3,554,882
Intangible assets		**458,189**	234,004
Right-of-use assets		**230,150**	6,566
Deferred income tax assets		**198,690**	94,718
Investments accounted for using the equity method	10	**914,748**	1,672,220
Film and TV rights and investments		**2,652**	2,894
Bank deposits		**4,239,925**	1,217,522
Financial assets at fair value through profit or loss		**610,148**	700,629
Trade and other receivables, and prepayments	11	**350,170**	400,820
		11,360,623	8,366,224
Current assets			
Inventories		**41,093**	31,100
Film and TV rights and investments		**3,602,389**	2,228,853
Trade and other receivables, and prepayments	11	**4,323,253**	3,412,739
Current income tax recoverable		**9,567**	–
Structured deposits		**797,847**	706,196
Bank deposits		**856,912**	2,296,932
Restricted cash		**1,891**	4,159
Cash and cash equivalents		**2,505,808**	4,413,697
		12,138,760	13,093,676
Total assets		**23,499,383**	21,459,900

		As of March 31,	
		2025	2024
	Note	***RMB'000***	*RMB'000*
Liabilities			
Non-current liabilities			
Deferred income tax liabilities		**121,057**	56,925
Lease liabilities		**229,429**	58,408
Trade and other payables, and accrued charges	12	**5,287**	–
		355,773	115,333
Current liabilities			
Borrowings		**396,685**	–
Trade and other payables, and accrued charges	12	**5,406,606**	5,094,022
Contract liabilities		**623,027**	415,029
Current income tax liabilities		**17,168**	1,089
Lease liabilities		**35,275**	5,897
Film investments from business partners		**199,549**	7,650
		6,678,310	5,523,687
Total liabilities		**7,034,083**	5,639,020
Equity			
Equity attributable to owners of the Company			
Share capital		**6,078,702**	6,026,151
Reserves		**10,148,858**	9,696,245
		16,227,560	15,722,396
Non-controlling interests		**237,740**	98,484
Total equity		**16,465,300**	15,820,880
Total equity and liabilities		**23,499,383**	21,459,900

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 March 31, 2025, 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.

These consolidated financial statements are presented in Renminbi ("RMB") unless otherwise stated.

2 SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and change in accounting policies

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS Accounting Standards) as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

HKFRS Accounting Standards comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards
- Hong Kong Accounting Standards
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants.

The financial statements have been prepared on a historical cost basis, except for certain financial assets are measured at fair value.

During the year ended March 31, 2024, the Company disposed certain subsidiaries operating the film screening business, which was regarded as discontinued operation during the year ended March 31, 2024 and the related revenue, expenses and income tax are presented as a single amount in the statement of profit or loss under "Loss from discontinued operation".

Change in segment information

During the financial year ended March 31, 2025, the Group has changed its identification of reportable business segments. In the previous year, the Group aggregated its operating segments into five reportable segments, namely "Film investment, production, promotion and distribution", "Film ticketing and technology platform", "Damai", "Drama series production" and "IP Merchandising and innovation initiatives" in accordance with its then internal management and reporting structures. In order to reflect a more accurate market positioning of the Group, the Group changed its internal management and reporting structures in the financial year ended March 31, 2025 and reaggregated its operating segments into "Film technology and investment, production, promotion and distribution platform", "Damai", "IP merchandising" and "Drama series production". The represented segment information is consistent with the reports provided to and reviewed by the chief operating decision-maker ("CODM") for performance assessment and resources allocation after the change of internal management restructuring. The comparative segment information has been restated. Further information is detailed in Note 3 below.

(a) New amendment to standards or interpretations adopted by the Group

The Group has applied the following new and amended standards for its annual reporting period commencing April 1, 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to HKAS 1;

- Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause – Hong Kong Interpretation 5 (Revised);

- Lease Liability in Sale and Leaseback – Amendments to HKFRS 16; and

- Supplier Finance Arrangements – Amendments to HKAS 7 and HKFRS 7.

As a result of the adoption of the amendments to HKAS 1, the Group changed its accounting policy for the classification of borrowings as below:

"Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a substantive right to defer settlement of the liability for at least 12 months after the reporting period."

This new policy did not result in a change in the classification of the Group's borrowings in current period and in prior periods.

The other amendments or interpretations listed above did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current year or future years.

(b) New and amended standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the financial year ended March 31, 2025 and have not been early adopted by the Group.

		Effective for annual periods beginning on or after
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
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
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

These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions, except for HKFRS 18 Presentation and Disclosure in Financial Statements.

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported.

- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

  - management-defined performance measures;

  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and

  - for the first annual period of application of HKFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.

The Group will apply the new standard from its mandatory effective date of April 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending March 31, 2027 will be restated in accordance with HKFRS 18.

3 REVENUE AND SEGMENT INFORMATION

The CODM 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 year ended March 31, 2025, the Group reaggregated its operating segments into 4 reportable segments due to the change of internal management and reporting structures and the comparative segment information has been restated to conform with the current presentation:

– Film technology and investment, production, promotion and distribution platform: mainly comprises investment, production, promotion and distribution of films, and ticketing and technology platform services provided by Tao Piao Piao, Yunzhi, and Beacon AI.

– Damai: engaged in the full life cycle of live performances from the venue operations to the organization, investment, production and promotion of the performance contents, and the ticketing of performances, on-site services, ticketing issuance system.

– IP merchandising: backed by the Group's licensing and marketing capabilities, the Group integrated resources within or outside the Alibaba Ecosystem to provide comprehensive distribution channels connecting with both corporate customers and individual consumers ("IP2B2C").

– Drama series production: the investment and production of drama series.

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

	For the year ended March 31, 2025				
	Film technology and investment, production, promotion and distribution platform *RMB'000*	**Damai** *RMB'000*	**IP merchandising** *RMB'000*	**Drama series production** *RMB'000*	**Total** *RMB'000*
Segment revenue					
Revenue from contract with customers under HKFRS 15					
– recognized at a point in time	**1,540,437**	**2,057,205**	**1,367,284**	**499,919**	**5,464,845**
– recognized over time	**1,171,372**	**–**	**62,869**	**–**	**1,234,241**
	2,711,809	**2,057,205**	**1,430,153**	**499,919**	**6,699,086**
Film and TV related investment income	**–**	**–**	**3,240**	**–**	**3,240**
Total segment revenue from continuing operations	**2,711,809**	**2,057,205**	**1,433,393**	**499,919**	**6,702,326**
Including: revenue recognized that was included in the contract liabilities balance at the beginning of the year	**78,564**	**11,137**	**317,328**	**8,000**	**415,029**

	For the year ended March 31, 2024 (restated, Note 2)				
	Film technology and investment, production, promotion and distribution platform *RMB'000*	Damai *RMB'000*	IP merchandising *RMB'000*	Drama series production *RMB'000*	Total *RMB'000*
Segment revenue					
Revenue from contract with customers under HKFRS 15					
– recognized at a point in time	1,976,394	394,277	756,400	596,124	3,723,195
– recognized over time	1,023,065	218,308	68,742	–	1,310,115
	2,999,459	612,585	825,142	596,124	5,033,310
Film and TV related investment income	–	–	2,403	–	2,403
Total segment revenue from continuing operations	2,999,459	612,585	827,545	596,124	5,035,713
Including: revenue recognized that was included in the contract liabilities balance at the beginning of the year	90,248	–	79,751	406	170,405

Segment revenue and results

	For the year ended March 31, 2025				
	Film technology and investment, production, promotion and distribution platform	Damai	IP merchandising	Drama series production	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Segment revenue	**2,711,809**	**2,057,205**	**1,433,393**	**499,919**	**6,702,326**
Cost of sales and services	**(1,953,528)**	**(748,482)**	**(1,047,670)**	**(474,516)**	**(4,224,196)**
Allocated selling and marketing expenses	**(685,072)**	**(78,440)**	**(5,374)**	**–**	**(768,886)**
Segment results	**73,209**	**1,230,283**	**380,349**	**25,403**	**1,709,244**
Unallocated selling and marketing expenses					**(20,427)**
Administrative expenses					**(1,237,422)**
Reversal of impairment losses on financial assets, net					**112,270**
Other income					**39,821**
Other gains, net					**45,249**
Finance income					**239,314**
Finance expenses					**(45,940)**
Share of loss of investments accounted for using the equity method					**(120,488)**
Impairment of investments accounted for using the equity method					**(427,629)**
Profit before income tax					**293,992**

	For the year ended March 31, 2024 (restated, Note 2)				
	Film technology and investment, production, promotion and distribution platform	Damai	IP merchandising	Drama series production	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Segment revenue	2,999,459	612,585	827,545	596,124	5,035,713
Cost of sales and services	(1,551,907)	(322,364)	(562,734)	(581,665)	(3,018,670)
Allocated selling and marketing expenses	(635,651)	(9,656)	(47,047)	–	(692,354)
Segment results	811,901	280,565	217,764	14,459	1,324,689
Unallocated selling and marketing expenses					(17,648)
Administrative expenses					(977,868)
Impairment losses on financial assets, net					(52,635)
Other income					57,366
Other losses, net					(24,224)
Finance income					182,614
Finance expenses					(781)
Share of loss of investments accounted for using the equity method					(78,616)
Impairment of investments accounted for using the equity method					(112,552)
Profit before income tax					300,345

During the years ended March 31, 2025 and 2024, all of the segment revenue reported above was from external customers and there were no inter-segment sales.

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 or provided to the Board of Directors of the Company and therefore information of separate segment assets and liabilities is not presented.

Most of the Group's segment revenue is derived from the Mainland of PRC except certain revenue from film technology and investment, production, promotion and distribution platform and Damai.

As of March 31, 2025 and 2024, the Group's non-current assets, other than financial instruments and deferred income tax assets, were substantially located in the Mainland of the PRC.

For the year ended March 31, 2025, no single customer contributed 10% or more of the Group's revenue (2024: approximately 13% of the total revenues of the Group were derived from one external customer).

4 OTHER INCOME

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Interest income on loan receivables	**27,339**	35,376
Local government grants	**3,873**	9,611
Rental income	**3,069**	1,185
Refund of service fee for withholding IIT	**2,787**	1,464
Additional deduction of input VAT	**–**	7,031
Sundry income	**2,753**	2,699
	39,821	57,366

5 OTHER GAINS/(LOSSES), NET

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Change in fair value of listed investment	**36,525**	(22,469)
Change in fair value of structured deposits	**22,305**	12,655
Net gains on disposal of film and TV rights and investments	**13,829**	9,748
Other payable waived	**10,586**	–
Net gains/(losses) on disposal of property, plant and equipment and investment properties	**2,251**	(1,309)
Change in fair value of film and TV investments, measured at fair value	**1,992**	11,151
Gain on disposal of a joint venture	**1,991**	–
Change in fair value of unlisted investments	**(41,408)**	(33,150)
Others	**(2,822)**	(850)
	45,249	(24,224)

6 EXPENSE BY NATURE

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Cost of inventories, intellectual property licenses and other services recognized as cost of sales and services	**2,416,677**	1,030,214
Film and TV rights recognized as cost of sales and services	**1,640,981**	1,679,568
Employee benefit expense	**885,189**	879,733
Marketing and promotion expenses	**789,313**	710,002
Payment processing and other service fees	**169,129**	109,310
Technology service fees	**88,702**	83,359
Amortization of intangible assets	**35,557**	20,039
SMS platform service and customer service support fees	**35,152**	12,649
Depreciation of property, plant and equipment	**34,646**	15,521
Depreciation of investment property	**32,223**	4,031
Travel and entertainment fees	**30,943**	27,712
Depreciation of right-of-use assets	**5,069**	14,316
Auditor's remunerations		
– Audit services	**4,670**	4,430
Rental expense for short-term and low-value leases	**2,386**	1,862
Others	**80,294**	113,794
Total cost of sales and services, selling and marketing expenses and administrative expenses	**6,250,931**	4,706,540

Note:

The amount of 'Film and TV rights recognized as cost of sales and services' included an impairment loss on film and TV rights of RMB152,608,000 for the year ended March 31, 2025 (2024: RMB204,643,000).

7 FINANCIAL INCOME AND EXPENSES

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Finance income		
– Interest income on bank deposits	**239,314**	180,516
– Exchange gain, net	**–**	2,098
	239,314	182,614
Finance expenses		
– Exchange loss, net	**(39,661)**	–
– Interest expenses on bank borrowings	**(3,858)**	–
– Interest expenses on lease liabilities	**(2,421)**	(781)
	(45,940)	(781)
Finance income, net	**193,374**	181,833

8 INCOME TAX CREDIT

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Current income tax expense	**(8,473)**	(48,463)
Deferred income tax credit	**100,873**	107,073
	92,400	58,610

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

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

Provision for the PRC enterprise income tax is calculated based on the statutory tax rate of 25% (The year ended March 31, 2024: 25%) on the assessable income of each of the group companies, except that: (1) two subsidiaries of the Group are taxed at preferential tax rates of 15% (The year ended March 31, 2024: two subsidiaries of the Group are taxed at preferential tax rates of 15%) under the relevant PRC tax rules and regulations; (2) one subsidiary of the Group, incorporated in Horgos, Xinjiang Province, is exempted from income taxes 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 Group are small low-profit enterprises, followed by a reduced tax rate of 20% (The year ended March 31, 2024: 20%).

9 EARNINGS PER SHARE

(a) Basic

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

	For the year ended March 31,	
	2025	2024
Profit from continuing operations attributable to owners of the Company *(RMB'000)*	**363,576**	334,583
Loss from discontinued operations attributable to owners of the Company *(RMB'000)*	**–**	(49,793)
Weighted average number of ordinary shares in issue less shares held for share award scheme *(thousands)*	**29,467,845**	27,651,787
Basic earnings per share for profit attributable to the owners of the Company *(expressed in RMB cents)*		
From continuing operations	**1.23**	1.21
From discontinued operations	**–**	(0.18)
Total basic earnings per share	**1.23**	1.03

(b) Diluted

For the years ended March 31, 2025 and 2024, 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 granted to employees. The Group also has share options in issuance, however, as the exercise price was much higher than the average share price of the Company, the inclusion of the share options would be anti-dilutive.

	For the year ended March 31,	
	2025	2024
Profit from continuing operations attributable to the owners of the Company *(RMB'000)*	**363,576**	334,583
Loss from discontinued operations attributable to the owners of the Company *(RMB'000)*	**–**	(49,793)
Weighted average number of ordinary shares in issue less shares held for share award scheme *(thousands)*	**29,467,845**	27,651,787
Bonus element of the unvested awarded shares assumed vested *(thousands)*	**198,130**	97,389
Weighted average number of ordinary shares for calculation of diluted earnings per share *(thousands)*	**29,665,975**	27,749,176
Diluted earnings per share for profit attributable to the owners of the Company *(expressed in RMB cents)*		
From continuing operations	**1.23**	1.21
From discontinued operations	**–**	(0.18)
Total diluted earnings per share	**1.23**	1.03

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
At beginning of the year	**1,672,220**	1,827,249
Capital injection	**6,810**	–
Transfers to financial assets at fair value through profit or loss *(Note a)*	**(189,780)**	–
Disposal of investment in a joint venture	**(28,009)**	–
Share of loss of investments *(Note b)*	**(120,488)**	(78,616)
Share of other comprehensive (loss)/income of associates	**(2,338)**	6,120
Share of changes of other reserves of associates	**2,628**	(471)
Reduction	**(3,000)**	–
Impairment *(Note c)*	**(427,629)**	(112,552)
Currency translation differences	**4,334**	30,490
At end of the year	**914,748**	1,672,220

(a) During the year ended March 31, 2025, certain investments were no longer eligible for using the equity method considering the latest arrangements thus the Group transferred the related carrying value from investments accounted for using the equity method to financial assets at fair value through profit or loss.

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

The financial year end date of the Group is March 31, which is different from those of the associates and joint ventures of the Group. Except Bona Film Group Co., Limited ("Bona Film") which is listed on Shenzhen Stock Exchange and could provide its financial statements as of March 31, 2025 before the results announcement of the Group, the financial information of other associates and joint ventures as of March 31, 2025 and 2024 are not available. As a result, the Group records its share of profit or loss of investments accounted for using the equity method for those associates and joint ventures on one quarter in arrear basis for the years ended March 31, 2025 and 2024.

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

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

In respect of the recoverable amount determined with reference to the value in use assessment result, the estimated cash flows used in the assessments were based on assumptions, such as long-term growth rates, pre-tax discount rates, forecasted revenue and gross margin, with reference to the business plans and prevailing market conditions. As of March 31, 2025, the pre-tax discount rates were 16.5%-17.3%. In respect of the recoverable amount determined with reference to the fair value less costs of disposals assessment result, the estimated fair values were based on the active market quotes as of March 31, 2025.

Based on the assessment results, the Group recognized an impairment loss of RMB427,629,000 for the investments accounted for using the equity method of the Group for the year ended March 31, 2025 (2024: RMB112,552,000).

11 TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS

	As of March 31, 2025			As of March 31, 2024		
	Current	**Non-current**	**Total**	Current	Non-current	Total
	RMB'000	***RMB'000***	***RMB'000***	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables *(Note a)*						
– Related parties	**1,371,218**	**–**	**1,371,218**	1,187,094	–	1,187,094
– Third parties	**1,300,436**	**–**	**1,300,436**	776,962	–	776,962
Less: allowance for impairment of trade receivables	**(172,320)**	**–**	**(172,320)**	(124,254)	–	(124,254)
Trade receivables – net	**2,499,334**	**–**	**2,499,334**	1,839,802	–	1,839,802
Notes receivable	**87,954**	**–**	**87,954**	–	–	–
Prepayments for licensed IPs	**195,846**	**–**	**195,846**	133,285	–	133,285
Prepayment for property, plant and equipment	**–**	**84,007**	**84,007**	–	4,412	4,412
Prepaid TV and film deposits	**67,548**	**22,776**	**90,324**	12,500	34,000	46,500
Prepayments for entertainment events	**59,264**	**–**	**59,264**	96,321	–	96,321
Other prepayments	**123,545**	**–**	**123,545**	118,490	–	118,490
Other receivables arising from:						
– Receivables from related parties	**115,864**	**20,335**	**136,199**	55,372	–	55,372
– Loan receivables	**345,947**	**195,397**	**541,344**	413,354	338,707	752,061
– Receivables in relation to other film and TV investments	**273,384**	**–**	**273,384**	266,646	–	266,646
– Receivables in respect of reimbursed film distribution expenses	**242,187**	**–**	**242,187**	308,365	–	308,365
– Receivables in respect of live performance expenses	**216,127**	**–**	**216,127**	334,198	–	334,198
– Deductible VAT input	**152,206**	**–**	**152,206**	180,366	–	180,366
– Interest income receivables	**63,247**	**–**	**63,247**	58,222	–	58,222
– Receivables from non-controlling interest	**47,610**	**–**	**47,610**	–	–	–
– Others	**168,862**	**28,491**	**197,353**	92,137	23,701	115,838
Less: allowance for impairment of prepayments and other receivables	**(335,672)**	**(836)**	**(336,508)**	(496,319)	–	(496,319)
Other receivables and prepayments – net	**1,735,965**	**350,170**	**2,086,135**	1,572,937	400,820	1,973,757
Total trade and other receivables, and prepayments	**4,323,253**	**350,170**	**4,673,423**	3,412,739	400,820	3,813,559

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

Note:

(a) Trade receivables

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 gross trade receivables based on recognition date:

	As of March 31,	
	2025	2024
	RMB'000	*RMB'000*
0 – 90 days	**1,062,632**	467,787
91 – 180 days	**168,535**	686,900
181 – 365 days	**433,165**	129,529
Over 365 days	**1,007,322**	679,840
	2,671,654	1,964,056

12 TRADE AND OTHER PAYABLES, AND ACCRUED CHARGES

	As of March 31,	
	2025	2024
	RMB'000	*RMB'000*
Trade payables *(Note a)*		
– Related parties	**104,059**	101,002
– Third parties	**597,789**	363,742
	701,848	464,744
Notes payable	**14,992**	480,000
Other payable and accrued charges:		
Amounts due to related parties	**209,080**	171,931
Payables in relation to distribution of entertainment events tickets	**2,846,145**	2,808,251
Payables in relation to distribution of films	**873,021**	533,535
Payroll and welfare payable	**237,317**	230,125
Accrued marketing expense	**193,808**	134,008
Other tax payable	**93,071**	78,456
Amounts received on behalf of cinema ticketing system providers	**63,232**	49,573
Professional fees payable	**43,617**	45,997
Accrued construction expense	**23,352**	–
Deposit from customers	**9,627**	12,278
Amounts received on behalf of cinemas	**8,979**	7,140
Others	**93,804**	77,984
	4,695,053	4,149,278
Total trade and other payables, and accrued charges	**5,411,893**	5,094,022
Less：non-current portion	**(5,287)**	–
Current portion	**5,406,606**	5,094,022

(a) Trade payables

As of March 31, 2025 and 2024, the aging analysis of the trade payables based on invoice date is as follows:

	As of March 31,	
	2025	2024
	RMB'000	*RMB'000*
0 – 90 days	**543,717**	361,612
91 – 180 days	**79,188**	49,195
181 – 365 days	**39,312**	26,579
Over 365 days	**39,631**	27,358
	701,848	464,744

13 DIVIDEND

The Board of Directors of the Company has resolved not to recommend the payment of a dividend for the year ended March 31, 2025 (2024: nil).

14 BUSINESS COMBINATION

(a) Acquisition of Zhejiang Dongyang Meila Media Company Limited ("Dongyang Meila")

On July 23, 2024, Beijing Alibaba Pictures Culture Co., Ltd.("Beijing Alibaba"), being an indirect wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with Huayi Brothers Media Corporation ("Huayi Brothers"), pursuant to which, Beijing Alibaba agreed to purchase, and Huayi Brothers agreed to sell, 70% of the entire equity interest in Dongyang Meila at a total consideration of RMB350,000,000, subject to the terms and conditions of the Sale and Purchase Agreement, for the purpose of setting-off the loan amounting to RMB350,000,000 due and owed by Huayi Brothers to the Group. The above acquisition was completed in November 2024.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	RMB'000
Purchase consideration:	
Amount of the loan owed by Huayi Brothers that was settled by the acquisition	**350,000**

The assets and liabilities recognized as a result of the acquisition are as follows:

	Fair value
	RMB'000
Cash and cash equivalents	**104,885**
Trade and other receivables, and prepayments	**144,672**
Film and TV rights	**222,955**
Property, plant and equipment	**954**
Right-of-use assets	**2,153**
Intangible assets	**21**
Deferred income tax assets	**6,517**
Trade and other payables, and accrued charges	**(17,583)**
Deferred income tax liabilities	**(10,968)**
Contract liabilities	**(48,585)**
Lease liabilities	**(2,153)**
Film investments from business partners	**(103,351)**
Net identifiable assets acquired	**299,517**
Less: Non-controlling interests	**(89,855)**
Add: goodwill	**140,338**
Net assets acquired	**350,000**

(b) Acquisition of Beijing Tianhao Shengshi Entertainment Culture Company Limited ("Tianhao Shengshi")

On April 3, 2024, Zhejiang Dongyang Alibaba Pictures Co., Ltd.("Dongyang Alibaba"), being an indirect wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with Hainan Tianhao Baochuan Entertainment Culture Development Centre (Limited Partnership) and Mr. Zhou Hao (together the "Seller"), pursuant to which, Dongyang Alibaba agreed to purchase, and the Seller agreed to sell, 51% of the entire equity interest in Tianhao Shengshi at a total consideration of RMB200,000,000, subject to the terms and conditions of the Sale and Purchase Agreement. This acquisition was completed in January 2025.

Note: Since all of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of this acquisition are less than 5%, the entering into of this acquisition and the transactions contemplated under the Sale and Purchase Agreement do not constitute a notifiable transaction for the Company under Charter 14 of the Listing Rules.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	RMB'000
Purchase consideration:	
Cash consideration	**200,000**

The assets and liabilities recognized as a result of the acquisition are as follows:

	Fair value ***RMB'000***
Cash and cash equivalents	**79,653**
Trade and other receivables, and prepayments	**142,623**
Film and TV rights	**166,528**
Property, plant and equipment	**8,661**
Right-of-use assets	**15,678**
Deferred income tax assets	**8,018**
Intangible assets: Customer and supplier relationship	**258,400**
Trade and other payables, and accrued charges	**(342,492)**
Deferred income tax liabilities	**(64,600)**
Contract liabilities	**(174,585)**
Lease liabilities	**(15,678)**
Net identifiable assets acquired	**82,206**
Less: non-controlling interests	**(31,111)**
Add: goodwill	**148,905**
Net assets acquired	**200,000**

FINAL DIVIDEND

The Board has resolved that no final dividend will be declared for the year ended March 31, 2025 (For the year ended March 31, 2024: nil).

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (the "Shareholders") and to enhance corporate value and accountability. It has adopted the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). During the Reporting Period, the Company has complied with all applicable code provisions as set out in 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 and chief executive officer and Mr. Fan Luyuan currently performs both two roles. The Board considers that vesting the roles of both chairman 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 for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules. 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.

REVIEW OF ANNUAL RESULTS

The consolidated annual results of the Group for the Reporting Period have been reviewed by the audit committee of the Company.

The financial figures in respect of the Group's consolidated balance sheet as at March 31, 2025, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended March 31, 2025 as set out in this announcement have been compared by the Group's external auditor, PricewaterhouseCoopers ("PwC"), to the amounts set out in the Group's audited consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by PwC in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC on this announcement.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares as defined in the Listing Rules (if any)) during the Reporting Period.

As at the year ended March 31, 2025, there were no treasury shares (as defined in the Listing Rules) held by the Company.

PUBLICATION OF FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The final results announcement is published on the websites of the HKEXnews operated by Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.alibabapictures.com), respectively. The annual report of the Group for the Reporting Period will be sent to the Shareholders and published on the above websites in accordance with the Listing Rules in due course.

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

Hong Kong, May 19, 2025

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

* *For identification purposes only*