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

(Incorporated in Bermuda with limited liability)

(Stock Code: 1060)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2026

The board (the "Board") of directors (the "Directors") of Damai Entertainment Holdings Limited (the "Company", together with its subsidiaries, the "Group") is pleased to announce the unaudited interim results of the Group for the six months ended September 30, 2026 (the "Reporting Period") together with the unaudited comparative figures for the six months ended September 30, 2025 (the "Corresponding Period").

FINANCIAL HIGHLIGHTS

	For the six months ended September 30,		
	2026	2025	Change
	RMB'000	*RMB'000*	*%*
	(Unaudited)	*(Unaudited)*	
Revenue	**3,731,099**	4,047,366	(7.8)
Profit attributable to owners of the Company	**517,089**	519,534	(0.5)
Adjusted EBITA	**404,315**	549,709	(26.4)

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the Reporting Period, the Group achieved total revenue of approximately RMB3,731 million, representing a year-over-year decrease of 7.8% as compared with approximately RMB4,047 million for the Corresponding Period. Net profit attributable to owners of the Company reached approximately RMB517 million, decreasing by 0.5% year-over-year from approximately RMB520 million for the Corresponding Period. Adjusted earnings before interest, taxes and amortization ("adjusted EBITA", a non-HKFRS financial indicator) amounted to approximately RMB404 million, representing a year-over-year decrease of 26.4% as compared with approximately RMB550 million for the Corresponding Period.

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 and gain or loss on disposal of investments in listed and unlisted companies, gain or loss on disposal of subsidiaries, income tax expense, gain or loss on and impairment of equity method investments, certain non-cash expenses, consisting of share-based compensation expense, amortization and impairment of intangible assets arising from business combinations, impairment of goodwill, allowance for impairment of long-term assets and others, which, in management's view, are not reflective of the Group's core operating performance during the Reporting Period.

The table below sets forth key performance indicators of the Group's financial results and a reconciliation from operating profit to adjusted EBITA for the Reporting Period and the Corresponding Period, along with the performance highlights of the four operating segments of live content and technology business; IP merchandizing; film content and technology business; and drama series production presented in accordance with the principles applied in the previous financial year (for the year ended March 31, 2026).

	For the six months ended September 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Operating profit	**433,685**	526,005
Add:		
Share-based compensation	**21,499**	32,261
Amortization of intangible assets arising on business combinations [Note 1]	**26,832**	26,844
Gain on deemed disposal of a subsidiary	**–**	(26,502)
Gains on disposal of subsidiaries	**(1,036)**	–
Gain on dilution of investment in an associate	**–**	(4,554)
Gain on deemed disposal of investments accounted for using the equity method	**(286,788)**	–
Gains on disposal of investments accounted for using the equity method	**(3,516)**	(4,010)
Change in fair value of listed and unlisted investments	**213,639**	(335)
Adjusted EBITA (unaudited)	**404,315**	549,709

Note 1: Among the total amortization expenses of intangible assets of approximately RMB28.0 million and approximately RMB28.0 million for the Reporting Period and the Corresponding Period, amortization expenses of intangible assets arising on business combinations amounted to approximately RMB27.0 million and approximately RMB27.0 million, respectively.

Segment Information

	For the six months ended September 30,					
	Segment revenue			Segment results [Note 1]		
	2026	2025	Change	**2026**	2025	Change
	RMB'000	*RMB'000*	*%*	***RMB'000***	*RMB'000*	*%*
	(Unaudited)	(Unaudited)		**(Unaudited)**	(Unaudited)	
Live content and technology business	**1,571,123**	1,338,591	17%	**832,931**	754,222	10%
IP merchandizing	**1,179,201**	1,160,238	2%	**272,929**	234,695	16%
Film content and technology business	**781,693**	1,064,273	-27%	**(43,396)**	95,224	n.a.
Drama series production	**199,082**	484,264	-59%	**19,240**	37,827	-49%
Total	**3,731,099**	4,047,366	-8%	**1,081,704**	1,121,968	-4%

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

I. LIVE CONTENT AND TECHNOLOGY BUSINESS

China's live entertainment market continued its growth momentum, with national box office revenue from live performances recording steady growth for the fourth consecutive year. According to the Briefing on the Development of the National Performance Market in the First Half of 2026 published by the China Association of Performing Arts, box office revenue from live performances for the first half of 2026 (from January to June) amounted to RMB30.408 billion, representing a year-over-year increase of 9.41%. During the Reporting Period, the gross merchandise value (GMV) of performance ticketing transactions on the Damai platform maintained double-digit growth, further consolidating its industry-leading position.

The growth in the GMV of the Damai platform was mainly attributable to two factors. Firstly, the overall scale of the offline live performance market expanded. Secondly, the Damai platform continued to enhance its ticketing systems, user operations and on-site service capabilities, resulting in an increase in the number of venues and organizers choosing to cooperate with the platform. As of the date of this announcement, the Damai platform had provided ticketing services for major concert tours of a number of renowned artists, including Xue Zhiqian (薛之謙), Phoenix Legend (鳳凰傳奇), Wang Sulong (汪蘇瀧), Zhou Shen (周深) and Xiao Zhan (肖戰). During the Reporting Period, the Damai platform supported thousands of events with more than 100,000 concurrent ticket-purchasing users within seconds, with the carrying capacity of its system reaching the top level in the global ticketing industry. The platform served users on more than 36 million occasions and 600 key organizers, covered over 400 cities in China and overseas, and cooperated with more than 8,000 venues. It also established long-term partnerships with dozens of renowned venues in China and overseas, including the National Stadium (Bird's Nest), the Mercedes-Benz Arena in Shanghai and the Hangzhou Olympic Sports Centre. In addition, it provided on-site services for approximately 3,000 large-scale live events, ensuring orderly operations throughout and stable delivery without any material safety incidents.

In terms of categories, the Damai platform achieved rapid development in segments such as stand-up comedy, sports and esports, further establishing the advantages of its vertical category brands.

In addition to ticketing services, during the Reporting Period, the Group integrated online traffic with offline commercialization scenarios to establish a diversified revenue stream. Revenue from commercialization increased by over 100% year-over-year.

In terms of content production, the Group continued to extend upstream along the industry chain and further enhanced its content portfolio. In addition to maintaining its leading position in the talk show segment, the Group expanded its innovative content deployment by developing artists' milestone celebration events, expanding cross-sector artist performances and launching integrated "variety show + live performance" initiatives, such as the Bai Lu (白鹿) 10th Anniversary "Moments of Light" Concert (拾光音樂會) and the Heartbeats Offline Fan Meeting (怦然心動線下見面會). These initiatives covered a diverse range of categories, including large-scale concerts, music festivals, talk shows and dramas, thereby continuously strengthening the Group's content supply capabilities.

As of the date of this announcement, the Group had successfully organized a number of large-scale concerts and music festivals, including key projects such as the Xiao Zhan (肖戰) "Here comes our Exit (出口•我們)" Concert Tour, the Wang Junkai (王俊凱) "When the Tides Overflow" Concert Tour (當•潮汐漫溢巡迴演唱會), the Zhao Lei (趙雷) 2026 Bird's Nest Concert and the Xiami Music Festival (蝦米音樂節). The Group also participated extensively in the production and operation of diversified content, including talk shows, further consolidating its influence in the live entertainment content sector.

Looking forward, while consolidating its leading advantages in the sectors in which it operates, the Group will continue to focus its efforts on the following areas:

(1) Deepen long-term strategic cooperation with domestic and overseas venues, thereby consolidating the channel advantages of the Damai platform across key venues;

(2) Accelerate expansion upstream along the industry chain into the content segment, continue to incubate proprietary project IPs, and ensure a stable supply of content;

(3) On this basis, further expand offline entertainment commercialization scenarios, diversify its revenue streams and build long-term competitive advantages within the industry;

(4) Continue to strengthen professional capabilities in promotion and distribution services. Taking promotion and distribution efficiency and professional services as dual engines, improve the overall ticket sales rate and continuously improve service efficiency;

(5) Continue to upgrade the service experience for both B-end and C-end users, centering on user experience, continue to optimize the full closed-loop process from content discovery and ticket purchasing to attending offline performances, and create a new performance consumption space that integrates content, services and interaction – thereby making it easier for users to discover quality performances and more willing to attend live events, allowing B-end partners to achieve more precise service reach, and ultimately realizing continuous enhancements in both user stickiness and transaction conversion;

(6) With respect to the international performance business, focus on the Southeast Asian market, expand the user base, optimize the cost structure and improve operational efficiency.

During the Reporting Period, the Group's live content and technology business segment recorded revenue of approximately RMB1,571 million, representing an increase of 17% as compared with approximately RMB1,339 million for the Corresponding Period. The segment results recorded were approximately RMB833 million, representing an increase of 10% as compared with approximately RMB754 million for the Corresponding Period. The aforementioned growth was primarily attributable to the year-on-year increase in the GMV of the Damai platform, as well as the improvement in commercialization efficiency across multiple scenarios, driving simultaneous enhancements in both segment revenue and profitability.

II. IP MERCHANDIZING

The IP merchandizing business is a key component of the Group's strategy to extend its entertainment content value chain, with a focus on a business portfolio centered around Alifish. Alifish encompasses two principal businesses, namely IP sub-licensing and IP retail brand operations, connecting upstream copyright holders with downstream brand owners and channel merchants to achieve the long-term operation and maximization of the commercial value of IPs.

(i) Sub-licensing Business

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

For upstream copyright holders, Alifish implements localized operation strategies for introduced overseas IPs to expand their commercial value in the Chinese market and extend their longevity. Currently, Alifish has entered into agreements with a number of globally renowned premium IPs, including Sanrio Family, Chiikawa, Crayon Shin-chan and Universal Studios, helping them maximize their commercial value in the Chinese market.

For downstream brand owners, Alifish provides full-chain services, including IP selection strategies, development of IP materials and galleries, supervision and approval processes, and integrated marketing for IPs, thereby creating comprehensive IP licensing collaboration solutions for brand owners. During the Reporting Period, Alifish collaborated with brand partners including Fujifilm, Laifen, Usmile, L'Oréal, Flower Knows, Converse, Burton and F426 on multiple licensing projects, extensively covering well-known brands and emerging brands across various industries, fully demonstrating Alifish's service capabilities in IP commercialization.

Looking ahead, the Group will continue to optimize its IP portfolio and enter into agreements with leading IPs to further consolidate its upstream IP portfolio. At the same time, on the basis of maintaining stable cooperation with existing customers, the Group will continue to expand its customer base and reinforce the foundation for business growth.

(ii) IP Retail Brand Operations Business

During the Reporting Period, Alifish, together with upstream copyright holders and other operating partners, opened a number of Chiikawa city flagship stores and pop-up stores, launching first stores in Hangzhou, Nanjing, Sanya, Guangzhou and Shenzhen, as well as carrying out pop-up events in Beijing, Tianjin, Shenyang, Qingdao, Wuhan, Wuxi, Xiamen and other cities, all of which achieved satisfactory sales results. Meanwhile, Alifish has extended its business model from retail stores to experience-based formats. In September 2026, it opened a Chiikawa Ramen Buta in Shanghai, further enriching IP consumption scenarios. IP retail brand operations business has become one of the major drivers of Alifish's revenue growth.

Looking ahead, as an important component of the overall IP operation strategy, IP retail brand operations will continue to drive Alifish's revenue growth. At the same time, IP retail brand operations will further enrich the scenarios through which consumers engage with IPs, enabling IPs to reach consumers in a more multi-dimensional and diversified manner and supporting the sustained vitality of IPs.

(iii) Summary of Financial Results and Future Outlook

During the Reporting Period, this business segment recorded revenue of approximately RMB1,179 million, representing a 2% increase as compared with approximately RMB1,160 million for the Corresponding Period; and segment results of approximately RMB273 million, representing an increase of 16% as compared with approximately RMB235 million for the Corresponding Period. The year-on-year changes in revenue and segment results were primarily attributable to the influence of certain non-core businesses of the segment: such businesses had been closed down in previous periods. Excluding such influence, the revenue and segment results of the core IP business increased by 5% and 4%, respectively, maintaining healthy and stable growth.

Looking ahead, the Group will continue to deepen its presence in the IP ecosystem and build up full-chain service capabilities in marketing, retail and offline operations to accommodate the commercialization needs of different IPs. In addition, the Group is expanding its proprietary IP development and retail businesses, continuously creating new growth opportunities for IP commercialization.

III. FILM CONTENT AND TECHNOLOGY BUSINESS

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

As for the film content business, against the backdrop of overall pressure on the current film market, the Group continued its prudent and steady investment strategy, focusing on films with small investment amounts, low risks and high-quality content. During the Reporting Period, the film Love Letter to Grandma (給阿嬤的情書), for which the Group acted as the principal promoter and distributor, generated box office revenue of approximately RMB2.0 billion and achieved both favorable word-of-mouth and box office success, which fully demonstrated the market appeal of high-quality content. Looking forward, the Group will continue to prudently evaluate investment opportunities in film content, focus on high-quality content as its foundation, and smoothly navigate the cycles of the film and television industry.

During the Reporting Period, the film content and technology business segment recorded revenue of approximately RMB782 million, representing a decrease of 27% as compared with approximately RMB1,064 million for the Corresponding Period, primarily due to a more focused film investment strategy and a decrease in the number of films produced and distributed; segment results turned from a profit of approximately RMB95 million for the Corresponding Period to a loss of approximately RMB43 million, primarily due to the influence of the lower-than-expected box office performance of certain content investment and production projects.

IV. DRAMA SERIES PRODUCTION

Through its drama series studio model, the Group has continued to produce premium works that have received widespread recognition from audiences and the market. As of the date of this announcement, several highly acclaimed drama series produced by the Group, including Where the Mask Ends (嫁金釵) and Ashes to Grown (翹楚), have been broadcast, and the filming of several other drama series, including Prosecutor (追訴), A Chan (阿禪) and Rolling World (醫生榮譽), has been completed and such series are awaiting release. At present, the drama studio has a pipeline of dozens of key projects, laying a solid foundation for continuous production.

During the Reporting Period, the Group's drama series production segment recorded revenue of approximately RMB199 million, representing a decrease of 59% from approximately RMB484 million for the Corresponding Period. The segment recorded a segment result of approximately RMB19 million, representing a decrease of 49% from approximately RMB38 million for the Corresponding Period. These decreases were primarily attributable to a lower number of drama series projects delivered during the Reporting Period as compared with the Corresponding Period, with revenue fluctuating correspondingly in accordance with the delivery schedule. Going forward, this business will continue to focus on the development of high-quality drama series content and advance the production and delivery of subsequent projects in an orderly manner.

PROSPECTS

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

The Group will continue to advance the following strategic plans:

(i) Consolidate the live performance business: By continuously enhancing the service experience for both B-end and C-end users, consolidate the fundamental base of the live performance business, continue to advance cooperation with key venues, and expand into more commercial scenarios to diversify revenue sources; in respect of the overseas business, maintain a strategic focus and steadily advance the overseas business;

(ii) Expand IP commercialization: Continuously solidify IP operation capabilities, continue to develop top-tier IPs, merchandizing channels and user bases, and achieve the extension from IP sub-licensing to proprietary IP operations, in order to further expand the scale of the IP merchandizing business;

(iii) Strengthen core content: Continuously enhance the core capabilities of the film business to further increase the revenue and profit contribution of the film business.

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

FINANCIAL REVIEW

Revenue and Profit

During the Reporting Period, driven by its focused execution of the diversified entertainment ecosystem platform strategy, the Group recorded revenue of approximately RMB3,731 million, a decrease of 7.8% year-over-year from approximately RMB4,047 million for the Corresponding Period. Adjusted EBITA decreased by 26.4% year-over-year from approximately RMB550 million for the Corresponding Period to approximately RMB404 million, while net profit attributable to owners of the Company reached approximately RMB517 million, representing a decrease of 0.5% year-over-year from approximately RMB520 million for the Corresponding Period.

During the Reporting Period, the earnings per ordinary share of the Company (the "Share(s)") decreased to RMB1.74 cents per Share (basic) and RMB1.72 cents per Share (diluted) from RMB1.75 cents per Share (basic) and RMB1.73 cents per Share (diluted) for the Corresponding Period.

Selling, Marketing and Administrative Expenses

During the Reporting Period, selling and marketing expenses of the Group amounted to approximately RMB267 million, representing a year-over-year decrease of 19.7% when compared with approximately RMB332 million for the Corresponding Period. The proportion of selling and marketing expenses in revenue decreased from 8.2% for the Corresponding Period to 7.1%, 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 RMB669 million for the Corresponding Period to approximately RMB888 million, representing an increase of 32.7% year-over-year, which was primarily attributable to the growth in labor and operating expenses resulting from the expansion of business.

Net Finance Income

During the Reporting Period, the Group recorded net finance income of approximately RMB114 million, which included interest income on bank deposits and foreign exchange gains. As the Group's cash reserves are held in multiple currencies, the exchange gain resulted mainly from the exchange-rate fluctuations during the Reporting Period.

Material Investments

As of September 30, 2026, the Group held 21 investments in joint ventures and associates, all of which were accounted for using the equity method, with a total book value of approximately RMB517 million. The Group also held one investment in a listed company and 15 investments in unlisted companies, all of which were classified as financial assets at fair value through profit or loss, with a total book value of approximately RMB1,011 million.

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

As of September 30, 2026, there was no investment held by the Group with a value of 5% or more of the total assets of the Group.

The Group adopted a conservative investment strategy to manage its investment portfolio during the Reporting Period. As of September 30, 2026, save as disclosed above, the Group did not have any plans for material investments and capital assets.

Financial Resources and Liquidity

As of September 30, 2026, the Group held cash and cash equivalents and bank deposits with maturity within one year of approximately RMB7,157 million (March 31, 2026: approximately RMB5,688 million), which were denominated in Renminbi ("RMB"), US dollars ("USD") and Hong Kong dollars ("HKD"). As of September 30, 2026, the Group did not have any borrowings (March 31, 2026: the Group did not have any borrowings). As of September 30, 2026, 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, 2026: 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 continuously makes adjustments, where necessary, to maintain an optimal capital structure and to reduce the cost of capital. Further, the Group may purchase wealth management products, where appropriate, in line with its treasury and investment policies, after taking into account, among other things, level of risk, return on investment, liquidity and term of maturity.

Foreign Exchange Risks

While the majority of the Group's production costs and administrative costs are denominated and settled in RMB, the Group requires foreign currencies for some of its offshore investments and collaborations with studios outside Chinese Mainland. The Group will continue to closely monitor its capital needs and manage foreign exchange risks accordingly. As of September 30, 2026, the Group did not have a foreign currency hedging policy and had not used any currency hedging or other financial instruments for hedging purposes. The Group will continue to monitor its foreign currency exposure in a cost-effective manner.

Charge on Assets

As of September 30, 2026, the Group did not have any indebtedness secured by assets (March 31, 2026: nil).

Contingent Liabilities

As of September 30, 2026, the Group did not have any material contingent liabilities (March 31, 2026: nil).

Material Acquisitions and Disposals

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

Employees and Remuneration Policies

As of September 30, 2026, the Group had 1,900 employees (September 30, 2025: 1,780 employees). The total employee benefit expenses of the Group were approximately RMB606 million for the Reporting Period (for the Corresponding Period: approximately RMB456 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 other benefits, year-end bonuses, discretionary bonuses, contributions to provident and social security funds, medical benefits and training. The Group further offers various remunerative incentives. The Group also offers share options and awarded shares under its share incentive schemes.

Subsequent Events

With effect from November 16, 2026:

(1) Mr. Fan Luyuan has resigned as an executive Director, the chairman of the Board and the chief executive officer of the Company;

(2) Mr. Xu Hong has been appointed as a non-executive Director and the chairman of the Board; and

(3) Mr. Shen Yan has been appointed as an executive Director and joint president of the Company.

For further details, please refer to the announcement of the Company dated November 16, 2026.

Save as disclosed above, there are no important events affecting the Group which have occurred since September 30, 2026 and up to the date of this announcement.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		For the six months ended September 30,	
		2026	2025
	Note	**(Unaudited)**	(Unaudited)
		RMB'000	*RMB'000*
Revenue	3	**3,731,099**	4,047,366
Cost of sales and services		**(2,389,333)**	(2,603,689)
Gross profit		**1,341,766**	1,443,677
Selling and marketing expenses		**(266,756)**	(332,150)
Administrative expenses		**(888,251)**	(669,412)
Impairment losses on financial assets, net		**(29,947)**	(29,503)
Other income	4	**28,486**	21,384
Other gains, net	5	**248,387**	92,009
Operating profit		**433,685**	526,005
Finance income	6	**120,768**	119,732
Finance expenses	6	**(6,461)**	(7,198)
Finance income, net		**114,307**	112,534
Share of profit/(loss) of investments accounted for using the equity method	9	**2,081**	(6,727)
Profit before income tax		**550,073**	631,812
Income tax expense	7	**(67,434)**	(115,979)
Profit for the period		**482,639**	515,833
Attributable to:			
Owners of the Company		**517,089**	519,534
Non-controlling interests		**(34,450)**	(3,701)
Earnings per share attributable to owners of the Company for the period			
(expressed in RMB cents per share)	8		
– Basic		**1.74**	1.75
– Diluted		**1.72**	1.73

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, 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Profit for the period		**482,639**	515,833
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Share of other comprehensive (loss)/income of associates	9	**(1,638)**	442
Currency translation differences attributable to owners of the Company		**(120,586)**	(76,970)
Items that may not be reclassified to profit or loss			
Currency translation differences attributable to non-controlling interests		**1**	(553)
Other comprehensive loss for the period, net of tax		**(122,223)**	(77,081)
Total comprehensive income for the period		**360,416**	438,752
Attributable to:			
Owners of the Company		**394,865**	443,006
Non-controlling interests		**(34,449)**	(4,254)
Total comprehensive income for the period		**360,416**	438,752

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	Note	**As of September 30, 2026 (Unaudited)** ***RMB'000***	As of March 31, 2026 (Audited) *RMB'000*
Assets			
Non-current assets			
Property, plant and equipment		**558,118**	560,153
Investment properties		**38,922**	40,175
Goodwill		**3,847,919**	3,847,919
Intangible assets		**381,106**	404,269
Right-of-use assets		**472,159**	270,370
Deferred income tax assets		**116,010**	123,318
Investments accounted for using the equity method	9	**517,124**	735,838
Term deposits		**1,801,154**	3,458,412
Financial assets at fair value through profit or loss		**1,010,679**	610,952
Trade and other receivables, and prepayments	10	**429,527**	427,508
		9,172,718	10,478,914
Current assets			
Inventories		**179,248**	117,384
Film and TV rights		**2,856,711**	2,991,488
Trade and other receivables, and prepayments	10	**4,569,369**	4,874,988
Current income tax recoverable		**1,870**	759
Structured deposits		**4,312,213**	1,728,011
Term deposits		**4,161,625**	2,078,392
Restricted cash		**41,413**	36,369
Cash and cash equivalents		**2,954,459**	3,573,632
		19,076,908	15,401,023
Total assets		**28,249,626**	25,879,937

	Note	**As of September 30, 2026 (Unaudited) *RMB'000***	As of March 31, 2026 (Audited) *RMB'000*
Liabilities			
Non-current liabilities			
Deferred income tax liabilities		**110,685**	124,179
Lease liabilities		**410,938**	232,803
Trade and other payables, and accrued charges	11	**68**	–
		521,691	356,982
Current liabilities			
Trade and other payables, and accrued charges	11	**8,439,223**	7,090,866
Contract liabilities		**1,688,164**	1,257,148
Current tax liabilities		**79,914**	44,533
Lease liabilities		**57,605**	45,532
		10,264,906	8,438,079
Total liabilities		**10,786,597**	8,795,061
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital		**6,138,571**	6,116,358
Reserves		**11,108,610**	10,716,052
		17,247,181	16,832,410
Non-controlling interests		**215,848**	252,466
Total equity		**17,463,029**	17,084,876
Total equity and liabilities		**28,249,626**	25,879,937

Notes to the interim condensed consolidated financial information

1 GENERAL INFORMATION

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

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda.

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). As of September 30, 2026, the Company is approximately 53.38% owned by Alibaba Group Holding Limited ("Alibaba Holding"), of which 13,488,058,846 shares are held by Ali CV Investment Holding Limited ("Ali CV") and 2,513,028,847 shares are held by Alibaba Investment Limited ("Alibaba Investment"). Ali CV is a wholly-owned subsidiary of Alibaba Investment which is in turn wholly-owned by Alibaba Holding.

This condensed consolidated interim financial information is presented in Renminbi ("RMB"), unless otherwise stated. These condensed interim financial statements were approved for issue on November 18, 2026.

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, 2026 has been prepared in accordance with Hong Kong Accounting Standard 34, "Interim financial reporting". The condensed consolidated interim financial information 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, 2026, which have been prepared in accordance with HKFRS Accounting Standards.

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

(a) New and amended standards adopted by the Group

The Group has applied the following amendments for the first time from April 1, 2026:

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7; and
- Contracts Referencing Nature-dependent Electricity – Amendments to HKFRS 9 and HKFRS 7.

The adoption of amendments above did not have any material impact on the Group's results for the six months ended September 30, 2026 and the Group's financial position as of September 30, 2026. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

(b) New standards and amendments not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for September 30, 2026 reporting periods and have not been early adopted by the Group. These standards, amendments and interpretations are not expected to have a material impact on the Group in the current or future reporting periods or on foreseeable future transactions, except for HKFRS 18 *Presentation and Disclosure in Financial Statements*.

The application of HKFRS 18 is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. Please see the details of the impact from the application of HKFRS 18 in the annual report for the year ended March 31, 2026.

3 REVENUE 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, 2026, the Group's operating and reportable segments are as follows:

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

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

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

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

	For the six months ended September 30, 2026 (Unaudited)				
	Live content and technology business *RMB'000*	**IP merchandizing** *RMB'000*	**Film content and technology business** *RMB'000*	**Drama series production** *RMB'000*	**Total** *RMB'000*
Segment revenue					
Revenue from contract with customers under HKFRS 15	**1,571,123**	**1,179,201**	**781,693**	**198,765**	**3,730,782**
Film and TV related investment income	**–**	**–**	**–**	**317**	**317**
Total segment revenue	**1,571,123**	**1,179,201**	**781,693**	**199,082**	**3,731,099**

	For the six months ended September 30, 2025 (Unaudited)				
	Live content and technology business *RMB'000*	IP merchandizing *RMB'000*	Film content and technology business *RMB'000*	Drama series production *RMB'000*	Total *RMB'000*
Segment revenue					
Revenue from contract with customers under HKFRS 15	1,338,591	1,160,238	1,064,273	483,838	4,046,940
Film and TV related investment income	–	–	–	426	426
Total segment revenue	1,338,591	1,160,238	1,064,273	484,264	4,047,366

For the six months ended September 30, 2026, all the revenue from the live content and technology business was recognized at a point in time.

For the six months ended September 30, 2026, revenue recognized at a point in time and over time from the IP merchandizing was RMB484,804,000 and RMB694,397,000, respectively.

For the six months ended September 30, 2026, revenue recognized at a point in time and over time from the film content and technology business is RMB479,266,000 and RMB302,427,000, respectively.

For the six months ended September 30, 2026, all the revenue from the drama series production was recognized at a point in time.

Segment revenue and results

	For the six months ended September 30, 2026 (Unaudited)				
	Live content and technology business *RMB'000*	**IP merchandizing** *RMB'000*	**Film content and technology business** *RMB'000*	**Drama series production** *RMB'000*	**Total** *RMB'000*
Segment revenue	**1,571,123**	**1,179,201**	**781,693**	**199,082**	**3,731,099**
Cost of sales and services	**(676,218)**	**(883,995)**	**(649,715)**	**(179,405)**	**(2,389,333)**
Allocated selling and marketing expenses	**(61,974)**	**(22,277)**	**(175,374)**	**(437)**	**(260,062)**
Segment results	**832,931**	**272,929**	**(43,396)**	**19,240**	**1,081,704**
Unallocated selling and marketing expenses					**(6,694)**
Administrative expenses					**(888,251)**
Impairment losses on financial assets					**(29,947)**
Other income					**28,486**
Other gains, net					**248,387**
Finance income					**120,768**
Finance expenses					**(6,461)**
Share of profit of investments accounted for using the equity method					**2,081**
Profit before income tax					**550,073**

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

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.

4 OTHER INCOME

	For the six months ended September 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Local government grants	**17,887**	4,494
Interest income on loan receivables	**5,205**	13,703
Sundry income	**5,394**	3,187
Total	**28,486**	21,384

5 OTHER GAINS, NET

	For the six months ended September 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Gain on deemed disposal of investments accounted for using the equity method *(Note a)*	**286,788**	–
Gains on the investments from business partners	**114,297**	5,998
Change in fair value of structured deposits	**32,079**	21,165
Net gains on disposal of film and TV rights	**12,909**	27,975
Write-back of long-outstanding payables	**14,992**	4,432
Gains on disposal of investments accounted for using the equity method	**3,516**	4,010
Gains on disposal of subsidiaries	**1,036**	–
Gain on deemed disposal of a subsidiary	**–**	26,502
Gain on dilution of investment in an associate	**–**	4,554
Change in fair value of listed investment	**(162,373)**	4,008
Change in fair value of unlisted investments	**(51,266)**	(3,673)
Net losses on disposal of property, plant and equipment and intangible assets	**(200)**	(1,978)
Others	**(3,391)**	(984)
Total	**248,387**	92,009

Note:

(a) In May 2026, the Group's board representative retired from the board of Bona Film Group Co., Ltd. ("Bona") and the related participating rights were also terminated. At the termination date, the Group still retained 3.76% of the issued shares of Bona. Management concluded that the Group no longer had significant influence on Bona.

The retained interest was measured at its fair value on the termination date. This amount became the initial carrying amount of the retained interest as a financial asset at fair value through profit or loss under HKFRS 9. The investment was previously accounted for using the equity method and a deemed disposal gain of RMB290,868,000 was recognized in other gains, net on the termination date. In addition, a loss of RMB4,080,000 previously recognized in other reserve was reclassified to profit or loss because the related loss would have been reclassified on disposal of the underlying assets or liabilities.

The fair value of the retained interest was categorised as level 1 of the fair value hierarchy and was determined using market price. Subsequent changes in the fair value of the retained interest are recognized in profit or loss.

6 FINANCE INCOME, NET

	For the six months ended September 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Finance income		
– Interest income on bank deposits	**102,689**	109,246
– Exchange gain, net	**18,079**	10,486
	120,768	119,732
Finance expenses		
– Interest expenses on lease liabilities	**(6,461)**	(4,746)
– Interest expenses on bank borrowings	**–**	(2,452)
	(6,461)	(7,198)
Finance income, net	**114,307**	112,534

7 INCOME TAX EXPENSE

	For the six months ended September 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current income tax expense	**73,620**	33,574
Deferred income tax (credit)/expense	**(6,186)**	82,405
	67,434	115,979

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

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

Provision for the PRC enterprise income tax is calculated based on the statutory tax rate of 25% (for the six months ended September 30, 2025: 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% (for the six months ended September 30, 2025: two subsidiaries of the Group are taxed at preferential tax rates of 15%) under the relevant PRC tax rules and regulations; and (2) certain subsidiaries of the Group are small low-profit enterprises, taxed at a reduced tax rate of 20% (for the six months ended September 30, 2025: 20%).

8 EARNINGS PER SHARE

	For the six months ended September 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB cents	*RMB cents*
Basic earnings per share	**1.74**	1.75
Diluted earnings per share	**1.72**	1.73

(a) Basic earnings

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

	For the six months ended September 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Profit attributable to owners of the Company *(RMB'000)*	**517,089**	519,534
Weighted average number of ordinary shares in issue less shares held for share award scheme *(thousands)*	**29,776,397**	29,627,246
Basic earnings per share *(RMB cents)*	**1.74**	1.75

(b) Diluted earnings

For the six months ended September 30, 2026 and 2025, diluted earnings per share are calculated based on the profit for the period attributable to owners of the Company and the weighted average number of ordinary shares outstanding after adjustment for unvested awarded shares granted to employees. The Group also has share options in issuance, however, as the exercise price was much higher than the average share price of the Company, the inclusion of the share options would be anti-dilutive.

	For the six months ended September 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Profit attributable to owners of the Company *(RMB'000)*	**517,089**	519,534
Weighted average number of ordinary shares in issue less shares held for share award scheme *(thousands)*	**29,776,397**	29,627,246
Bonus element of the unvested awarded shares assumed vested *(thousands)*	**284,537**	430,193
Weighted average number of ordinary shares for calculation of diluted earnings per share *(thousands)*	**30,060,934**	30,057,439
Diluted earnings per share *(RMB cents)*	**1.72**	1.73

9 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,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Beginning of the period	**735,838**	914,748
Addition	**39,085**	–
Addition due to deemed disposal of a subsidiary	**–**	36,000
Share of profit/(loss) of investments *(Note a)*	**2,081**	(6,727)
Gain on dilution of investment in an associate	**–**	4,554
Share of other comprehensive (loss)/income of associates	**(1,638)**	442
Share of changes of other reserves of associates	**1,012**	(5,044)
Disposed stakes in associates while retaining significant influence	**(38,042)**	(80,685)
Transfer to financial assets at fair value through profit or loss	**(211,458)**	–
Impairment *(Note b)*	**–**	–
Currency translation differences	**(9,754)**	(7,173)
End of the period	**517,124**	856,115

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 whereby it is permitted to include the attributable share of profit or loss of the associates or joint ventures based on the financial statements drawn up to a non-coterminous period end where the difference must be no greater than three months. Adjustments shall be made for the effects of significant transactions or events that occur between that date and the balance sheet date of the Group.

The financial year end date of the Group is March 31, which is different from all of the associates and joint ventures of the Group. The financial information of the associates and joint ventures as of September 30, 2026 is not available. As a result, the Group records its share of profit or loss of investments accounted for using the equity method for those associates and joint ventures on one quarter in arrear basis for the six months ended September 30, 2026.

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

When impairment indicators were identified, management determined the recoverable amounts, which was the higher of its fair value less costs of disposal 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 disposal calculations were undertaken, management estimated the fair value using market approach.

Based on the assessment results, the Group did not recognize any impairment loss for the investments accounted for using the equity method of the Group for the six months ended September 30, 2026 (for the six months ended September 30, 2025: nil).

10 TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS

	As of September 30, 2026			As of March 31, 2026		
	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	**864,657**	**–**	**864,657**	1,276,370	–	1,276,370
– Third parties	**1,507,248**	**–**	**1,507,248**	1,600,181	–	1,600,181
Less: allowance for impairment of trade receivables	**(205,481)**	**–**	**(205,481)**	(188,212)	–	(188,212)
Trade receivables – net	**2,166,424**	**–**	**2,166,424**	2,688,339	–	2,688,339
Notes receivable	**1,313**	**–**	**1,313**	6,890	–	6,890
Other receivables arising from:						
– Receivables from related parties	**73,266**	**53,221**	**126,487**	79,483	53,010	132,493
– Loan receivables	**285,302**	**230,106**	**515,408**	387,980	262,495	650,475
– Receivables in respect of live performance expenses	**553,640**	**–**	**553,640**	361,459	–	361,459
– Receivables in relation to other film and TV investments	**270,867**	**–**	**270,867**	257,778	–	257,778
– Receivables in respect of reimbursed film distribution expenses	**274,806**	**–**	**274,806**	266,301	–	266,301
– Interest income receivables	**73,561**	**–**	**73,561**	73,566	–	73,566
– Receivables from non-controlling interest	**53,610**	**37,690**	**91,300**	47,610	–	47,610
– Others	**189,913**	**60,687**	**250,600**	224,191	28,772	252,963
Less: allowance for impairment of other receivables	**(321,868)**	**(20,627)**	**(342,495)**	(317,369)	(12,732)	(330,101)
Other receivables – net	**1,453,097**	**361,077**	**1,814,174**	1,380,999	331,545	1,712,544
Deductible VAT input and prepayment of VAT	**304,988**	**–**	**304,988**	217,139	–	217,139
Prepayments for entertainment events	**278,574**	**–**	**278,574**	131,295	–	131,295
Prepayments for licensed IPs	**143,904**	**–**	**143,904**	212,366	–	212,366
Prepaid film and TV deposits	**25,375**	**25,472**	**50,847**	60,687	25,472	86,159
Prepayment for property, plant and equipment	**–**	**5,929**	**5,929**	–	30,406	30,406
Other prepayments	**195,694**	**37,049**	**232,743**	177,273	40,085	217,358
Prepayments	**948,535**	**68,450**	**1,016,985**	798,760	95,963	894,723
Total trade and other receivables, and prepayments	**4,569,369**	**429,527**	**4,998,896**	4,874,988	427,508	5,302,496

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

Note:

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

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

	As of September 30, 2026 (Unaudited) *RMB'000*	As of March 31, 2026 (Audited) *RMB'000*
0 – 90 days	**709,768**	1,206,791
91 – 180 days	**186,777**	121,594
181 – 365 days	**809,350**	659,504
Over 365 days	**666,010**	888,662
	2,371,905	2,876,551

11 TRADE AND OTHER PAYABLES, AND ACCRUED CHARGES

	As of September 30, 2026 (Unaudited) *RMB'000*	As of March 31, 2026 (Audited) *RMB'000*
Trade payables *(Note)*		
– Related parties	**54,387**	57,901
– Third parties	**775,566**	1,015,158
	829,953	1,073,059
Other payables and accrued charges:		
Amounts due to related parties	**290,356**	238,128
Payables in relation to distribution of entertainment events tickets and cinema tickets	**5,906,685**	3,989,093
Payables in relation to distribution of films	**528,014**	834,549
Film investments from business partners	**199,538**	264,101
Accrued marketing expense	**172,891**	196,082
Payroll and welfare payable	**147,182**	218,351
Other tax payable	**92,932**	94,417
Professional fees payable	**58,249**	60,908
Others	**213,491**	122,178
	7,609,338	6,017,807

	As of September 30, 2026 (Unaudited) *RMB'000*	As of March 31, 2026 (Audited) *RMB'000*
Total trade and other payables, and accrued charges	**8,439,291**	7,090,866
Less: non-current portion	**(68)**	–
Current portion	**8,439,223**	7,090,866

Note:

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

	As of September 30, 2026 (Unaudited) *RMB'000*	As of March 31, 2026 (Audited) *RMB'000*
0 – 90 days	**442,076**	514,383
91 – 180 days	**96,422**	202,518
181 – 365 days	**123,428**	206,999
Over 365 days	**168,027**	149,159
	829,953	1,073,059

12 DIVIDENDS

The Board of Directors of the Company has resolved not to declare an interim dividend for the six months ended September 30, 2026 (for the six months ended September 30, 2025: nil).

INTERIM DIVIDEND

The Board has resolved that no interim dividend will be declared for the Reporting Period (for the Corresponding Period: 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 code provisions as stipulated in the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("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. Mr. FAN Luyuan, appointed as the chief executive officer of the Company on August 27, 2017, has also acted as chairman of the Board (the "Chairman") since October 13, 2017. 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 a sufficient number of independent non-executive Directors (the "INED(s)").

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

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

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

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

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

REVIEW OF INTERIM RESULTS

The unaudited interim results of the Group for the Reporting Period have been reviewed by the audit committee of the Company (the "Audit Committee").

The interim results of the Group for the Reporting Period contained in this announcement 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.

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 defined in the Listing Rules).

As of September 30, 2026, the Company did not hold any treasury shares as defined in the Listing Rules.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the HKEXnews website operated by Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (www.damaiholdings.com). The interim report of the Group for the Reporting Period will be published on the above websites in accordance with the Listing Rules in due course.

By order of the Board
Damai Entertainment Holdings Limited
Xu Hong
Chairman

Hong Kong, November 18, 2026

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

* *For identification purposes only*