大麦娱乐

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

(Incorporated in Bermuda with limited liability)

(Stock Code: 1060)

REVISION OF ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTIONS

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References are made to (i) the 2023 Announcement in relation to, among other things, the existing continuing connected transactions contemplated under the Purchase Framework Agreement, and (ii) the 2025 Announcement in relation to the revision of the annual cap for the current financial year ending March 31, 2026.

Based on information currently available to the Directors, the Board anticipates that the Original Annual Cap will not be sufficient to meet the business needs of the Group for the current financial year ending March 31, 2026. Accordingly, on February 3, 2026, the Board proposed to revise the Original Annual Cap from RMB100 million to RMB150 million.

LISTING RULES IMPLICATIONS

As at the date of this announcement,

(1) Alibaba Holding is the ultimate shareholder of Alibaba Investment, which is a controlling shareholder and a connected person of the Company holding 16,001,087,693 Shares in aggregate, representing approximately 53.56% of the issued shares of the Company, among which (i) 13,488,058,846 Shares are held by Ali CV, the wholly-owned subsidiary of Alibaba Investment, and (ii) 2,513,028,847 Shares are held by Alibaba Investment;

(2) Alibaba Holding is indirectly holding more than 30% of the equity interest of Ant Group; and

(3) Alipay (Hangzhou) is a wholly-owned subsidiary of Ant Group.

Therefore, each of them is an associate of Alibaba Investment and thus a connected person of the Company. The transactions contemplated under the Purchase Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54(1) of the Listing Rules, if the Company proposes to revise the Original Annual Cap, the Company will have to re-comply with provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

As all applicable percentage ratios calculated with reference to the Revised Annual Cap are more than 0.1% but less than 5%, the transactions contemplated under the Purchase Framework Agreement (including the Revised Annual Cap) are subject to reporting, annual review and announcement requirements, but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

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References are made to (i) the 2023 Announcement in relation to, among other things, the existing continuing connected transactions contemplated under the Purchase Framework Agreement, and (ii) the 2025 Announcement in relation to the revision of the annual cap for the current financial year ending March 31, 2026.

Based on the Group's unaudited management accounts and operational data for the month ended December 31, 2025, it has come to the attention of the Board that the actual transaction amount under the Purchase Framework Agreement was approaching the existing annual cap in respect of the total fees payable by the Relevant Alipay Members to the Relevant Group Members in relation to the transactions contemplated thereunder for the financial year ending March 31, 2026 (the "Original Annual Cap"). The unaudited historical transaction amount in relation to the Purchase for the nine months ended December 31, 2025 already represents approximately 88% of the Original Annual Cap. As such, it is expected that the Original Annual Cap may be exceeded before March 31, 2026. Such increase in the actual transaction amount was mainly attributable to (i) the rise in demand of the new products recently launched by the Relevant Group Members, with increases in both product types and quantities, which drove up the demand for the Purchase; and (ii) the further increase in service fees chargeable by the Relevant Group Members.

In light of the above, the Board anticipates that the Original Annual Cap will not be sufficient to meet the business needs of the Group. Accordingly, on February 3, 2026, the Board proposed to revise the Original Annual Cap from RMB100 million to RMB150 million for the financial year ending March 31, 2026 (the "Revised Annual Cap").

The Revised Annual Cap is determined after taking into account:

(1) the unaudited historical transaction amount of approximately RMB88 million for the nine months ended December 31, 2026 (representing approximately 88% of the Original Annual Cap for the financial year ending March 31, 2026); and

(2) the anticipated increase in the transaction amount for the financial year ending March 31, 2026 of approximately RMB62 million, based on (i) an expected twofold increase in the types and quantities of the products under the business collaboration arrangements between the Relevant Group Members and the Relevant Alipay Members, driven by consumers' growing willingness to spend in the rapidly developing derivative markets; and (ii) the projected growth in the Purchase by the Relevant Alipay Members for the financial year ending March 31, 2026, which is expected to further increase the business demand for the Purchase.

As at the date of this announcement, the Original Annual Cap has not been exceeded.

The Directors (including the independent non-executive Directors) consider that the transactions contemplated under the Purchase Framework Agreement (including the Revised Annual Cap) are on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Save for the revision of the Original Annual Cap, the pricing policy and other terms of the Purchase Framework Agreement remain unchanged. Details of the terms of the Purchase Framework Agreement are set out in the 2023 Announcement and the 2025 Announcement, respectively.

LISTING RULES IMPLICATIONS

As at the date of this announcement,

(1) Alibaba Holding is the ultimate shareholder of Alibaba Investment, which is a controlling shareholder and a connected person of the Company holding 16,001,087,693 Shares in aggregate, representing approximately 53.56% of the issued shares of the Company, among which (i) 13,488,058,846 Shares are held by Ali CV, the wholly-owned subsidiary of Alibaba Investment, and (ii) 2,513,028,847 Shares are held by Alibaba Investment;

(2) Alibaba Holding is indirectly holding more than 30% of the equity interest of Ant Group; and

(3) Alipay (Hangzhou) is a wholly-owned subsidiary of Ant Group.

Therefore, each of them is an associate of Alibaba Investment and thus a connected person of the Company. The transactions contemplated under the Purchase Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54(1) of the Listing Rules, if the Company proposes to revise the Original Annual Cap, the Company will have to re-comply with provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

As all applicable percentage ratios calculated with reference to the Revised Annual Cap are more than 0.1% but less than 5%, the transactions contemplated under the Purchase Framework Agreement (including the Revised Annual Cap) are subject to reporting, annual review and announcement requirements, but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As each of Mr. Fan Luyuan and Mr. Meng Jun holds positions in Alibaba Holding or its subsidiaries, and Mr. Li Jie is currently taking up a management role in a subsidiary of Alibaba Holding, they are deemed or may be perceived to have a material interest in the transactions contemplated under the Purchase Framework Agreement. Accordingly, they have abstained from voting on the related Board resolutions. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, other than those Directors, no other Directors have any material interest in the Purchase Framework Agreement and the transactions contemplated thereunder (including the annual caps related thereto), or are required to abstain from voting on the resolutions of the Board approving the same.

INFORMATION ABOUT THE PARTIES

The Company and Shouquanbao

The Company was incorporated in Bermuda and the Shares are listed and traded on the Main Board of the Stock Exchange. The Company is an investment holding company and the Group focuses on developing the full business potential of integration and innovative applications of the Internet and traditional film and television industries. The core business of the Company includes four major segments, namely, "Live content and technology business", "IP merchandizing", "Film content and technology business" and "Drama series production".

Shouquanbao, being a limited liability company established under the laws of the PRC and a consolidated entity of the Company, is principally engaged in provision of advertising services, sales of entertainment-related merchandise and derivative commodities and operations of the Alifish Platform, an IP trading platform of Alibaba Group.

Alibaba Holding, Alipay (Hangzhou) and Ant Group

Alibaba Holding is a company incorporated in the Cayman Islands with its American depositary shares, each representing eight ordinary shares, listed on the New York Stock Exchange (stock symbol: BABA), and its ordinary shares listed on the Main Board of the Stock Exchange (stock codes: 9988 (HKD counter) and 89988 (RMB counter)). Alibaba Group's mission is to "make it easy to do business anywhere". Alibaba Group aims to build the future infrastructure of commerce and envisions that its customers will meet, work and live at Alibaba, and that it will be a good company that lasts for 102 years.

Alipay (Hangzhou), being a limited liability company established under the laws of the PRC and a wholly-owned subsidiary of Ant Group, operates Alipay app.

Ant Group is a joint stock limited liability company established in the PRC and together with its ecosystem partners is engaged in businesses that provide inclusive, convenient digital life and digital financial services to consumers and small and medium-sized enterprises, and introduce new technologies and products to support the digital transformation of industries and facilitate collaboration. Working together with global partners, Ant Group enables merchants and consumers to make and receive payments and remit around the world. As at the date of this announcement, Hangzhou Junhan Equity Investment Partnership (Limited Partnership)* (杭州君瀚股權投資合夥企業(有限合夥)) ("Junhan") and Hangzhou Junao Equity Investment Partnership (Limited Partnership)* (杭州君澳股權投資合夥企業(有限合夥)) ("Junao") held approximately 31% and 22% of the total issued shares of Ant Group, respectively. Hangzhou Xingtao Enterprise Management Consultancy Co., Ltd.* (杭州星滔企業管理諮詢有限公司) ("Xingtao") was the executive partner and general partner of Junhan; Hangzhou Yunbo Investment Consultancy Co., Ltd.* (杭州雲鉑投資諮詢有限公司) ("Yunbo") was the executive partner and general partner of Junao; and each of Xingtao and Yunbo was held by five individuals as to 20% each. The remaining issued shares in Ant Group were held as to approximately 33% by Taobao (China) Software Co., Ltd.* (淘寶(中國)軟件有限公司), an indirect wholly-owned subsidiary of Alibaba Holding, and as to approximately 14% by other minority shareholders.

DEFINITIONS

In this announcement, save as the context otherwise requires, the defined terms shall have the following meanings:

"2023 Announcement"	the announcement of the Company dated March 31, 2023 in relation to, among other things, the existing continuing connected transactions contemplated under the Purchase Framework Agreement
"2025 Announcement"	the announcement of the Company dated September 19, 2025 in relation to the revision of the annual cap for the existing continuing connected transactions contemplated under the Purchase Framework Agreement for the financial year ending March 31, 2026 from RMB36 million to RMB100 million
"Ali CV"	Ali CV Investment Holding Limited, a company incorporated in the Cayman Islands and a controlling shareholder of the Company, an indirect wholly-owned subsidiary of Alibaba Holding and a direct wholly-owned subsidiary of Alibaba Investment

"Alibaba Group"	Alibaba Holding and its subsidiaries
"Alibaba Holding"	Alibaba Group Holding Limited (阿里巴巴集團控股有限公司), a company incorporated in the Cayman Islands, with its American depositary shares (each representing eight ordinary shares) listed on the New York Stock Exchange (stock symbol: BABA) and its ordinary shares listed on the Main Board of the Stock Exchange (stock code: 9988 (HKD counter) and 89988 (RMB counter)) and the ultimate controlling shareholder of the Company
"Alibaba Investment"	Alibaba Investment Limited, a company incorporated in the British Virgin Islands and a controlling shareholder of the Company and a direct wholly-owned subsidiary of Alibaba Holding
"Alipay (Hangzhou)"	支付寶(杭州)信息技術有限公司 (Alipay (Hangzhou) Information Technology Co., Ltd.*), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of Ant Group
"Ant Group"	Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), a joint stock company established under the laws of the PRC with limited liability and an associate of Alibaba Holding
"associate"	has the meaning ascribed to it under the Listing Rules
"Board"	board of Directors
"Company"	Damai Entertainment Holdings Limited (大麥娛樂控股有限公司), a company incorporated in Bermuda with limited liability and the Shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 1060)
"connected person"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company

"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Original Annual Cap"	has the meaning ascribed to it under the section headed "REVISION OF ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTIONS" in this announcement
"percentage ratio(s)"	has the meaning ascribed to it under the Listing Rules
"PRC" or "China"	the People's Republic of China and for the purposes of this announcement, excluding Hong Kong, Macao Special Administrative Region of the PRC and Taiwan
"Products"	derivative commodities and any other products that can be purchased by the Relevant Alipay Members from the Relevant Group Members
"Purchase"	the purchase of the Products by the Relevant Alipay Members from the Relevant Group Members
"Purchase Framework Agreement"	the framework agreement dated March 31, 2023 entered into between Shouquanbao and Alipay (Hangzhou) relating to the Purchase
"Relevant Alipay Members"	Alipay (Hangzhou) and/or any of its affiliates
"Relevant Group Members"	Shouquanbao and/or any of its affiliates
"Revised Annual Cap"	has the meaning ascribed to it under the section headed "REVISION OF ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTIONS" in this announcement

"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of HK$0.25 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Shouquanbao"	阿里巴巴授權寶(天津)文化傳播有限公司 (Alibaba Shouquanbao (Tianjin) Culture Communication Co., Ltd.*), a company established under the laws of the PRC with limited liability and a consolidated entity of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"%"	per cent

By order of the Board
Damai Entertainment Holdings Limited
Fan Luyuan
Chairman & Chief Executive Officer

Hong Kong, February 3, 2026

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

* *For identification purposes only*