
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **East Buy Holding Limited**, you should at once hand this circular together with the enclosed form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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The logo for East Buy, featuring the word "EASTBUY" in a bold, orange, sans-serif font. A small green leaf-like shape is positioned between the 'A' and 'S' in "EAST".

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EAST BUY HOLDING LIMITED

東方甄選控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1797)

**(1) CONNECTED TRANSACTION IN RELATION TO
SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE;
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee and
Independent Shareholders**

The logo for Gram Capital Limited, featuring a stylized lowercase 'g' inside a circle.

Gram Capital Limited
嘉林資本有限公司

The notice convening the EGM to be held at the Company's headquarters in Beijing, Level 18, South Wing, 2 Haidian East Third Road, Haidian District, Beijing, China, on Wednesday, 7 February 2024 at 10 a.m. is set out in this circular. The circular, together with the form of proxy, are published on the websites of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (ir.eastbuy.com).

Whether or not you are able to attend the EGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (*i.e.*, not later than 10 a.m. on Monday, 5 February 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting if you so wish.

19 January 2024

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2018 Scheme”	the share option scheme adopted by the Company on 13 July 2018 and subsequently amended on 29 September 2018, before the initial listing of Shares on the Stock Exchange; this scheme does not constitute a share scheme under Chapter 17 of the Listing Rules and the Company will no longer make new grants under this scheme
“2019 Scheme”	the share option scheme of the Company that took effect upon the initial listing of Shares on the Stock Exchange in 2019; this scheme does not constitute a share scheme under the revised Chapter 17 of the Listing Rules (which took effect on 1 January 2023) and the Company will no longer make new grants under this scheme
“2023 Scheme”	the share incentive scheme of the Company adopted on 9 March 2023; this scheme does constitute a share scheme under the revised Chapter 17 of the Listing Rules (which took effect on 1 January 2023)
“Board”	the board of Directors
“China” or “PRC”	The People’s Republic of China, for the purpose of this circular only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Company”	East Buy Holding Limited 東方甄選控股有限公司, a company incorporated in the Cayman Islands as an exempted company with limited liability on 7 February 2018, the shares of which are listed on the Main Board of the Stock Exchange (SEHK: 1797)
“connected person(s)”	has the meaning ascribed to it by the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting to be convened by the Company for the purpose of considering and approving the Subscription Agreement (and the Subscription)
“Group”	the Company and its subsidiaries (including consolidated affiliated entities)

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board comprising all independent non-executive Directors (namely, Mr. Lin Zheyang, Mr. Tong Sui Bau, and Mr. Kwong Wai Sun Wilson), established by the Company to advise the Independent Shareholders in respect of the Subscription
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited 嘉林資本有限公司, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription
“Last Trading Day”	23 November 2023, being the trading day immediately before the date of the Subscription Agreement
“Latest Practicable Date”	16 January 2024
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Yu”	Mr. Yu Minhong, a Director and chairman of the Board, the Chief Executive Officer of the Company, and a director and chairman of the board of New Oriental
“New Oriental” or “Subscriber”	New Oriental Education & Technology Group Inc. (新東方教育科技(集團)有限公司*), a company incorporated in the Cayman Islands as an exempted company with limited liability on 16 March 2006, the shares of which are secondary listed on the Main Board of the Stock Exchange under Chapter 19C of the Listing Rules (SEHK: 9901) and the American depositary receipts are listed on the New York Stock Exchange (NYSE: EDU)
“New Oriental Group”	New Oriental and its subsidiaries, but excluding the Group

DEFINITIONS

“ Outstanding Scheme Awards ”	94,225,839 awards (share options and share awards) that are granted but outstanding or unvested as at the Latest Practicable Date, of which 64,280,839 are share options and 29,945,000 are share awards; with each award representing one Share
“ SFO ”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“ Share ”	ordinary share of the Company with par value of US\$0.00002 each
“ Share Schemes ”	the 2018 Scheme, 2019 Scheme and 2023 Scheme
“ Shareholder(s) ”	holder(s) of shares in the Company; and “ Independent Shareholders ” are all Shareholders other than any Shareholder who has a material interest in the Subscription, and would be required under the Listing Rules to abstain from voting on the resolutions approving the Subscription; for the avoidance of doubt, Independent Shareholders do not include New Oriental or Tigerstep
“ Stock Exchange ”	The Stock Exchange of Hong Kong Limited
“ Subscription ”	subscription of new Shares in accordance with the terms of the Sub-scription Agreement
“ Subscription Agreement ”	subscription agreement between the Company and Subscriber, the material terms of which are summarised in the Subscription Announcement and in this circular
“ Subscription Announcement ”	the announcement of the Company dated 24 November 2023 in relation to the Subscription and published on the websites of the Stock Exchange and the Company
“ Tigerstep ”	Tigerstep Developments Limited, a company incorporated under the laws of the British Virgin Islands, and a connected person of the Company
“ Wider New Oriental Group ”	the Group and New Oriental Group

* *for identification purposes only.*

The figures in this circular are based on the exchange rates of RMB1 to US\$0.1397, RMB1 to HK\$1.087, US\$1 to HK\$7.7826, based on the selling rate published on the Bank of China website on 23 November 2023 and as agreed in the Subscription Agreement.

LETTER FROM THE BOARD

EASTBUY

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EAST BUY HOLDING LIMITED

東方甄選控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1797)

Executive Directors:

Mr. Yu Minhong (*Chairman of the Board;*
Chief Executive Officer)

Mr. Yin Qiang (*Chief Financial Officer*)

Non-executive Director:

Ms. Sun Chang

Independent non-executive Directors:

Mr. Lin Zheyang

Mr. Tong Sui Bau

Mr. Kwong Wai Sun Wilson

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

Head Office:

Level 18, South Wing

2 Haidian East Third Road

Haidian District

Beijing, China

Principal Place of Business

in Hong Kong:

Level 40, Dah Sing Financial Centre

248 Queen's Road East

Wan Chai, Hong Kong

19 January 2024

To Shareholders

Dear Sirs/Mesdames,

**(1) CONNECTED TRANSACTION IN RELATION TO
SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE;**

AND

(2) NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

Reference is made to the Subscription Announcement. The purpose of this circular is to provide you with further information in respect of the Subscription and the notice of EGM.

LETTER FROM THE BOARD

2. THE SUBSCRIPTION

Reference is made to the Subscription Announcement, whereby the Company announced that, the Board approved the entry into of the Subscription Agreement with Subscriber, pursuant to which, Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to Subscriber, 51,352,277 subscription shares at the subscription price of HK\$31.75 per Share (equivalent to approximately US\$4.08 per Share), for an aggregate subscription amount of RMB1.5 billion (equivalent to an agreed amount of HK\$1,630,434,783 or US\$209,497,207).

The Subscription will be subject to approval by Independent Shareholders at the EGM, and if approved, the share issuance for the Subscription will be made under specific mandate.

Subscription Agreement

Below is a summary of the material terms of the Subscription Agreement:

Date: 24 November 2023

Parties: (a) Company
(b) Subscriber

Subscription: 51,352,277 subscription shares (being ordinary shares of the Company with a par value US\$0.00002 each) at the subscription price of HK\$31.75 per Share (equivalent to approximately US\$4.08 per Share), for an aggregate subscription amount of RMB1.5 billion (equivalent to an agreed amount of HK\$1,630,434,783 or US\$209,497,207), payable in cash on or before the closing date.

Conditions: Closing is conditional upon:

- (a) approval by Independent Shareholders;
- (b) the Listing Committee of the Stock Exchange approving the listing of, and permission to deal in, the subscription shares; and
- (c) there being no breach of the Subscription Agreement, and no restriction under applicable laws or legislation preventing the consummation of the Subscription Agreement.

Closing: Closing is anticipated to take place on or before 30 June 2024 (or a later date agreed between the parties). In the event the above conditions are not fulfilled on or before 30 June 2024 (or a later date agreed between the parties), the Subscription Agreement will terminate with immediate effect.

LETTER FROM THE BOARD

Subscription Shares

The 51,352,277 subscription shares, represent approximately:

	% issued share capital of the Company as at Latest Practicable Date	% issued share capital of the Company as enlarged by the subscription shares only
Subscription shares	5.05%	4.81%

Based on the closing price of the Shares of HK\$31.75 per Share on the Last Trading Day, the subscription shares have a market value of HK\$1,630,434,783, and the aggregate nominal value of the subscription shares is approximately US\$1,027.

The subscription shares will be allotted and issued on the closing date with full legal and beneficial title and rights then attaching to them, and free of any restrictions on transfer, voting or entitlement to dividends.

Subscription Price

The subscription price of HK\$31.75 per Share (equivalent to approximately US\$4.08 per Share) per Share represents:

- (a) the closing price of HK\$31.75 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 20.95% over the closing price of HK\$26.25 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (c) a premium of approximately 5.87% over the average closing price of approximately HK\$29.99 per Share for the last five consecutive trading days up to and including the Last Trading Day;
- (d) a premium of approximately 7.08% over the average closing price of approximately HK\$29.65 per Share for the last ten consecutive trading days up to and including the Last Trading Day; and
- (e) a premium of approximately 954.82% over the Company's audited consolidated net asset value per Share as at 31 May 2023 of approximately RMB2.77 (corresponding to approximately HK\$3.01).

The subscription price was determined after arm's length negotiations between the Company and Subscriber and corresponds to the closing price per Share as quoted on the Stock Exchange on the Last Trading Day.

LETTER FROM THE BOARD

Ranking of the subscription shares

The subscription shares, when issued and fully paid up, will rank *pari passu* in all respects among themselves and with the Shares in issue as at the date of the allotment and issue of the subscription shares, and in particular will rank in full for all dividends and other distributions declared, made or paid at any time after closing.

Reasons and benefits for the Subscription

New Oriental is the parent company of the Group. The Directors are of the view that the Subscription is beneficial to the Company, for the primary reasons that:

- (a) the Subscription provides a valuable opportunity for the Company to raise funds to further strengthen its capital base and financial position, which in turn, would provide the Company with greater financial flexibility to further develop and grow its business.
- (b) the Subscription enables New Oriental the opportunity to further consolidate its majority shareholding in the Company, particularly in light of present and anticipated future dilution of New Oriental's shareholding percentage in the Company from share issuances under the Company's share incentive plans. It is beneficial to both New Oriental and the Company that New Oriental remains the parent company of the Group, given New Oriental's strong and long-established brand reputation in China, the existing synergy and business collaboration between the two groups, and the inherent benefits to the value of both brands for the two groups to continue their strong alliance with, and affinity towards, one another. To further elaborate on this:
 - The Company originated from, and continues to form part of, the wider New Oriental Group. Whilst the Company is shifting towards a pure-play private label products and livestreaming e-commerce business, its business model is founded upon the same values of distributing Chinese history, culture and wellness to the general population, and building bridges of connection between rural locations and cities. The foundation of the Group's business (and its success to date) remains to be disseminating quality products and information in an educational, entertaining and engaging manner. Therefore, there is a natural synergy between the Group and New Oriental Group. New Oriental Group is a market-leader in education and tutorial services, and it trains and consistently develops exceptional teachers (and teaching staff) in their respective fields, excelling in content creation (for curriculums) and content delivery (through various offline and online mediums) in the education space. Content creation and content delivery are also quintessential to the Group's success. Accordingly, there is a natural and inherent synergy and overlap in mission, subject matter, skillset, and business mindset.

LETTER FROM THE BOARD

- Against this context, the Group and New Oriental Group share resources to benefit from an economy of scale, and the groups collaborate in business with one another to benefit from the business/operational strengths and expertise of the other. These include: (a) cross-promotional activities such as advertising services and traffic-direction services; (b) procurement of goods and services (such as New Oriental Group providing products to sell on the Group's livestreaming e-commerce channels, or training resources to help cultivate the Group's talent pool); and (c) provision of goods and services (such as the Group selling products from its e-commerce catalogue to New Oriental Group). For more information, please see the Company's announcement dated 25 August 2023 and page 36 of the Company's annual report for the financial year ended 31 May 2023 in relation to continuing connected transactions between the two groups.
 - Given the inherent synergies/overlap and collaborations discussed above, a strengthening of the relationship between the two groups through this subscription would be beneficial to both the Group and New Oriental Group. The Group will benefit from New Oriental Group's continued support and from being affiliated with the "New Oriental" brand (which remains a market-leader in the education field in China and is synonymous with wisdom, quality and being a "wholesome family-oriented" brand); whilst New Oriental benefits from the Group's increase in valuation and funding/resources, which in turn, flows back to the wider New Oriental Group.
- (c) the Subscription also represents New Oriental's belief and support in the future growth and long-term sustainability of the Group, and in particular, in the further growth of the Group's private label products and livestreaming business.

Additional information for Shareholders

Director confirmation and material interests in the Subscription

The Directors (other than (i) the independent non-executive Directors, whose opinions are set out in "Letter from the Independent Board Committee" in this circular below; and (ii) Mr. Yu, who has abstained from opining and voting on the Subscription) consider the terms of the Subscription (and the Subscription Agreement) to be fair and reasonable, and the Subscription (and the Subscription Agreement) to be on normal commercial terms or better for the Company, and in the interests of the Company and its Shareholders as a whole.

Aside from Mr. Yu, who is a director and chairman of the board of both the Company and New Oriental and who has accordingly elected to abstain from participating and voting at the Board meeting held to consider the Subscription, none of the other Directors have a material interest in the Subscription.

LETTER FROM THE BOARD

Effect on the shareholding of the Company

As at the Latest Practicable Date, the Company has 1,016,535,486 Shares in issue and 94,225,839 Shares that may be issued to satisfy Outstanding Scheme Awards.

The following table illustrates the shareholding structure of the Company as at the Latest Practicable Date and as enlarged by the Subscription:

	As at the Latest Practicable Date		Upon closing of the Subscription and assuming no other change in share capital since the Latest Practicable Date (including no issuances to satisfy the Outstanding Scheme Awards)		Upon closing of the Subscription and assuming no other change in share capital since the Latest Practicable Date (other than with full issuance to satisfy the Outstanding Scheme Awards)	
	Number of Shares	Approximate % ⁽⁵⁾	Number of Shares	Approximate % ⁽⁵⁾	Number of Shares	Approximate % ⁽⁵⁾
Subscriber	557,160,500	54.81%	608,512,777	56.98%	608,512,777	52.36%
Abstaining Shareholder						
Mr. Yu Minhong ⁽¹⁾	27,182,832	2.67%	27,182,832	2.55%	51,378,117	4.42%
Other connected Persons						
Mr. Sun Dongxu ⁽²⁾	3,343,000	0.33%	3,343,000	0.31%	14,982,000	1.29%
Mr. Yin Qiang ⁽³⁾	–	–	–	–	4,700,000	0.40%
Ms. Sun Chang ⁽⁴⁾	151,000	0.01%	151,000	0.01%	181,000	0.02%
Sub-total	587,837,332	57.82%	639,189,609	59.85%	679,753,894	58.49%
Other Shareholders	428,698,154	42.18%	428,698,154	40.15%	482,359,708	41.51%
Total	1,016,535,486	100.00%	1,067,887,763	100.00%	1,162,113,602	100.00%

Notes:

- (1) This is held by Tigerstep, a controlled corporation of Mr. Yu. Additionally, Mr. Yu is interested in: (i) 16,695,285 and 6,000,000 Shares underlying share options granted to Mr. Yu under the 2018 Scheme and 2019 Scheme, respectively; and (ii) 1,500,000 Shares underlying share awards granted to Mr. Yu under the 2023 Scheme; none of which have been issued as of the Latest Practicable Date.
- (2) Mr. Sun was a former director of the Company who was on the Board within the past 12 months of this circular; Mr. Sun resigned from the Board on 22 December 2023. This is based on the best information of the Directors and based on the latest public information available as of the Latest Practicable Date.
- (3) Mr. Yin is a Director. Mr. Yin is additionally interested in: (i) 2,100,000 Shares and 2,000,000 Shares underlying share options granted to Mr. Yin under the 2018 Scheme and 2019 Scheme, respectively; and (ii) 600,000 Shares underlying share awards granted to Mr. Yin under the 2023 Scheme; none of which have been issued as of the Latest Practicable Date.
- (4) Ms. Sun is a director, who is interested in these Shares through First Bravo Asia Limited, a controlled corporation of Ms. Sun. Additionally, Ms. Sun is interested in 30,000 Shares underlying share awards granted to Ms. Sun under the 2023 Scheme, none of which have been issued as of the Latest Practicable Date.
- (5) The percentages in this table are approximations due to rounding to two decimal places.

As shown in the table above, there will not be any change in control in the Company as a result of the completion of the Subscription.

LETTER FROM THE BOARD

3. INFORMATION ABOUT THE PARTIES TO THE SUBSCRIPTION

**The Company and
the Group:**

The Company is the holding company of the Group and the Shares of which are listed on the Main Board of the Stock Exchange (SEHK: 1797).

The Group operates in the internet technology sector. As at the date of this circular, the Group operates private label products and livestreaming e-commerce businesses (notably, through the livestreaming channel “East Buy (東方甄選)” across various platforms.

**New Oriental
Group:**

New Oriental is a comprehensive educational services provider that operates a network of schools, learning centres and bookstores across China, and its American depository shares are listed on the New York Stock Exchange (NYSE: EDU) and its shares are listed on the Stock Exchange (SEHK: 9901). New Oriental is the parent and controlling shareholder of the Group. To the best knowledge of the Company, New Oriental has one substantial shareholder, being Tigerstep, which held approximately 11.8% of New Oriental’s issued share capital as of the date of New Oriental’s Form 20-F (published on the website of the U.S. Securities Exchange Commission on 25 September 2023).

4. USE OF PROCEEDS

Estimated proceeds

The gross proceeds of the Subscription will be approximately HK\$1,630 million. The net proceeds, after deduction of all relevant expenses incidental to the Subscription, are estimated to be approximately HK\$1,628 million, corresponding to a net issue price of approximately HK\$31.71 per subscription share. The net proceeds amount is subject to change and the actual net proceeds recorded will be based on actual expenses incurred.

LETTER FROM THE BOARD

Use of proceeds

The Company intends to apply the net proceeds of the Subscription in the matter set out below:

Source	Approximate % of proceeds from source	Proposed use	Expected timing for use of proceeds
Subscription	50%	Operating and expanding the Group's business, comprising:	5 years from completion of the Subscription.
	– 10%	<i>Marketing and sales</i>	
	– 10%	<i>Talent onboarding and retention</i>	
	– 10%	<i>Research and development</i>	
	– 20%	<i>Other general business growing, investing and operating activities</i>	
	40%	General treasury management and/or administrative purposes	
	10%	General working capital	

Aside from the Company has not carried out any other capital raising activities involving the issue of equity securities during the 12 months immediately preceding the date of the Subscription.

5. LISTING RULES IMPLICATIONS

The Subscription concerns New Oriental, a substantial shareholder of the Company. Accordingly, the Subscription constitutes a connected transaction under Chapter 14A of the Listing Rules, and is subject to the announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The subscription shares will be allotted and issued pursuant to a specific mandate to be obtained from the Independent Shareholders at the EGM. Following this, the Company will make an application to the Stock Exchange for the listing of, and permission to deal in, the subscription shares on the Main Board of the Stock Exchange.

LETTER FROM THE BOARD

6. INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all the independent non-executive Directors, namely, Mr. Lin Zheyang, Mr. Tong Sui Bau, and Mr. Kwong Wai Sun Wilson, has been established to consider, and to advise the Independent Shareholders, among other things, whether the Subscription is in the ordinary and usual course of business of the Company, fair and reasonable, on normal commercial terms (or better for the Company) and in the interests of the Company and its Shareholders as a whole. The opinion and recommendation from the Independent Board Committee is set out in “Letter from the Independent Board Committee” in this circular below.

7. INDEPENDENT FINANCIAL ADVISER

The Company has appointed Gram Capital as the Independent Financial Adviser to advise the Independent Board Committee and Independent Shareholders on the terms of the Subscription. The opinion and recommendation from Gram Capital are set out in “Letter from Gram Capital” in this circular below.

8. EGM

A notice convening the EGM to be held at the Company’s headquarters in Beijing, Level 18, South Wing, 2 Haidian East Third Road, Haidian District, Beijing, China on Wednesday, 7 February 2024 at 10 a.m., is set out in “Notice of Extraordinary General Meeting” in this circular below. The EGM will be convened for the purpose of considering and, if thought fit, approving the Subscription Agreement and the transactions contemplated thereunder.

Voting at the general meeting will be taken by poll (other than a resolution on a procedural or administrative matter, which may be voted on by a show of hands if allowed by the Chairperson of the EGM). After the EGM, the Company will publish an announcement disclosing the poll results in accordance with the Listing Rules.

As at the Latest Practicable Date, New Oriental holds 54.81% (557,160,500 Shares) of the issued shares of the Company, and Tigerstep, a controlled corporation of Mr. Yu, holds 2.67% (27,182,832 Shares) of the issued shares of the Company. New Oriental and Tigerstep will abstain from voting on the resolutions on this matter. To the best knowledge, information, and belief of the Directors, after making all reasonable enquiries, no other Shareholder will be required to abstain from voting on these resolutions at the EGM.

A proxy form for the EGM is enclosed with this circular, and also published on the websites of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (ir.eastbuy.com). Whether or not you are able to attend the EGM, please complete and sign the proxy form in accordance with the instructions therein and return the form to the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (*i.e.*, no later than 10 a.m. on Monday, 5 February 2024) or any adjournment thereof. Completion and return of the proxy form will not preclude the Shareholder from attending and voting in person at the EGM or any adjourned meeting should they so wish.

LETTER FROM THE BOARD

For determining the entitlement to attend and vote at the EGM, the Company's register of members will be closed on 6 February 2024 and 7 February 2024, during which no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of Shares should ensure that all transfer documents (accompanied by the relevant share certificate(s)) must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 5 February 2024.

9. RECOMMENDATIONS

The Board (including all the independent non-executive Directors, but excluding Mr. Yu, who has abstained from opining and voting on Subscription) is of the opinion that the terms of the Subscription Agreement (and the Subscription) are fair and reasonable, and that the Subscription is in the best interests of the Company and Shareholders as a whole, and would therefore recommend Shareholders to vote **in favour** of the resolution to be proposed at the EGM.

This circular does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

Shareholders and potential investors should note that the Subscription is subject to conditions to be fulfilled and that the Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

Yours faithfully,
For and on behalf of the Board
East Buy Holding Limited
Mr. YU Minhong
Chairman of the Board

EASTBUY

东 方 甄 选

EAST BUY HOLDING LIMITED

東方甄選控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1797)

19 January 2024

To the Independent Shareholders

Dear Sirs/Mesdames,

**CONNECTED TRANSACTION IN RELATION TO
SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE**

We refer to the circular of East Buy Holding Limited of which this letter forms part (“**this circular**”). Capitalised terms in this letter shall take the same meanings as those defined in this circular.

We, being the independent non-executive Directors, have been appointed as the Independent Board Committee to advise the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder. Gram Capital has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and Independent Shareholders in this regard.

We wish to draw your attention to (a) the contents of the letter from the Board set out in “Letter from the Board” in this circular above; and (b) the letter from Gram Capital set out in “Letter from Gram Capital” in this circular below containing advice from Gram Capital in respect of the Subscription.

The Subscription is a means of obtaining financing for the ongoing growth and operation of the Group’s business and is therefore considered by the Independent Board Committee to be entered into in the ordinary and usual course of business of the Group. After taking into account the factors and reasons considered by Gram Capital and its conclusion and advice, we concur with Gram Capital’s views and consider that the terms of the Subscription Agreement and the transaction contemplated thereunder are fair and reasonable, on normal commercial terms (or better for the Company), and in the interests of the Company and Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote **in favour** of the resolutions to be proposed at the EGM to approve the Subscription Agreement and the transaction contemplated thereunder.

Yours faithfully,
Independent Board Committee

Mr. Lin Zheyang

Mr. Tong Sui Bau

**Mr. Kwong Wai Sun
Wilson**

Independent Non-executive Directors

LETTER FROM GRAM CAPITAL

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

19 January 2024

To: *The independent board committee and the independent shareholders
of East Buy Holding Limited*

Dear Sir/Madam,

CONNECTED TRANSACTION IN RELATION TO SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 19 January 2024 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 24 November 2023, the Company and New Oriental entered into the Subscription Agreement, pursuant to which New Oriental conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue to New Oriental, 51,352,277 Shares at the subscription price of HK\$31.75 per Share (the “**Subscription Price**”), for an aggregate subscription amount of RMB1.5 billion (equivalent to an agreed amount of HK\$1,630,434,783) (i.e. the Subscription).

With reference to the Board Letter, the Subscription constitutes a connected transaction of the Company and is subject to, among others, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. Lin Zheyang, Mr. Tong Sui Bau and Mr. Kwong Wai Sun Wilson (being all independent non-executive Directors) has been formed to advise the Independent Shareholders on (i) whether the terms of Subscription are on normal commercial terms and are fair and reasonable; (ii) whether the Subscription is in the interests

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of the Company and the Shareholders as a whole and is conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Subscription at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as the independent financial adviser in relation to a discloseable and connected transaction, details of which are set out in the Company's circular dated 28 December 2023. Save for the aforesaid engagement, there was no other service provided by Gram Capital to the Company relating to any transaction of the Company with executed agreement during the past two years immediately preceding the Latest Practicable Date.

Notwithstanding the aforesaid engagement, we were not aware of any relationships or interests between Gram Capital and the Company, or any other parties during the past two years immediately preceding the Latest Practicable Date that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser.

Having considered the above and that (i) none of the circumstances as set out under the Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date; and (ii) the aforesaid past engagement was only an independent financial advisory engagement and will not affect our independence to act as the Independent Financial Adviser, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OPINION

In formulating our opinion to the Independent Board Committee and the Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Subscription. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

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The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, New Oriental or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Subscription. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources and such sources are reliable.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Subscription, we have taken into consideration the following principal factors and reasons:

Information on the Group

Based on the public information, as at the Latest Practicable Date, the Group operates private label products and livestreaming e-commerce business (notably, through the livestreaming channel “East Buy (東方甄選)” across various platforms, and the Education Business (namely, online college education and online education for institutional customers) (*Note: According to the Company’s announcement dated 21 November 2023, the Board approved the proposed disposal of the Education Business to New Oriental. Please refer to the aforesaid announcement and the Company’s circular dated 28 December 2023 for details*).

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Set out below is the audited consolidated financial information of the Group for the two years ended 31 May 2023 as extracted from the Company’s annual report for the year ended 31 May 2023 (the “**2023 Annual Report**”):

	For the year ended 31 May 2023 (“FY2023”)	For the year ended 31 May 2022 (“FY2022”)	Year-on-year change
	<i>RMB’000</i>	<i>RMB’000</i>	<i>%</i>
	<i>(audited)</i>	<i>(audited)</i>	
Revenue from continuing operations	4,509,849	600,526	650.98
– <i>Private label products and livestreaming e-commerce</i>	3,880,909	24,580	15,688.89
– <i>College education</i>	590,776	517,533	14.15
– <i>Institutional customers</i>	38,164	58,413	(34.67)
Gross profit from continuing operations	1,954,769	390,852	400.13
Profit/(loss) for the year	971,286	(533,964)	N/A

As illustrated in the above table, the Group’s revenue and gross profit from continuing operations for FY2023 were approximately RMB4,510 million and RMB1,955 million respectively, representing increases of approximately 650.98% and 400.13% respectively as compared to those for FY2022. As noted from the 2023 Annual Report, the Group’s revenue from private label products and livestreaming e-commerce business accounted for approximately 86.05% of the Group’s revenue for FY2023; while the Group’s gross profit from private label products and livestreaming e-commerce business account for approximately 75.88% of the Group’s gross profit for FY2023.

With reference to the 2023 Annual Report, the substantial increase in the Group’s revenue and gross profit from continuing operations for FY2023 were largely attributable to the Group’s development of its private label products and livestreaming e-commerce business and, as a result, the Group turnaround from loss-making for FY2022 to profit-making for FY2023.

With reference to the 2023 Annual Report, the Group’s total assets and net assets were approximately RMB3,853 million and RMB2,804 million as at 31 May 2023 respectively.

With reference to the 2023 Annual Report, the gross merchandise volume (the “**GMV**”) of the Group’s private label products and livestreaming e-commerce business was approximately RMB10 billion for FY2023; the number of followers of the Group’s private label products and livestreaming e-commerce business on Douyin was approximately 41.8 million for FY2023; and the number of paid orders of the Group’s private label products and livestreaming e-commerce business on Douyin was approximately 136.3 million for FY2023.

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With reference to the 2023 Annual Report, since 2021, the Group expanded its businesses in livestreaming e-commerce and established its platform “East Buy”, which has become a well-known platform for selling top-quality and value for money agricultural and other products. Not only does the platform offer an alternative channel for farmers and local companies to sell their high-quality agricultural and other products to a broader customer base, it also provides consumers with a platform which offers a wide range of high-quality products with transparency in pricing. Leveraging the Group’s deep understanding of customers’ needs, the Group select high-quality agricultural and other products for its customers through integrated supply chain management and diversified cooperation with various third parties. The Group creates value for consumers by providing various private label products under the East Buy brand, which are designed to be healthy and high-quality with good value for money. Through direct cooperation with producers and local enterprises, the Group aspires to promote high-quality product that have traditionally lacked sales channels and to improve the operational efficiency of the industry supply chain, so as to accelerate rural revitalisation and provide more valuable contributions in the long run.

Information on New Oriental

With reference to the Board Letter, New Oriental is a comprehensive educational services provider that operates a network of schools, learning centres and bookstores across China, and its American depository shares are listed on the New York Stock Exchange (NYSE: EDU) and its shares are listed on the Stock Exchange (SEHK: 9901).

As at the Latest Practicable Date, New Oriental holds approximately 54.8% of the issued shares of the Company and is a controlling shareholder of the Company.

Reasons for and benefits of the Subscription

With reference to the Board Letter, the Directors are of the view that the Subscription is beneficial to the Company, for the primary reasons that (a) the Subscription provides a valuable opportunity for the Company to raise funds to further strengthen its capital base and financial position, which in turn, would provide the Company with greater financial flexibility to further develop and grow its business; (b) the Subscription enables New Oriental the opportunity to further consolidate its majority shareholding in the Company, particularly in light of present and anticipated future dilution of New Oriental’s shareholding percentage in the Company from share issuances under the Company’s share incentive plans. It is beneficial to both New Oriental and the Company that New Oriental remains the parent company of the Group, given New Oriental’s strong and long-established brand reputation in China, the existing synergy and business collaboration between the two groups, and the inherent benefits to the value of both brands for the two groups to continue their strong alliance with and affinity towards one another; and (c) the Subscription also represents New Oriental’s belief and support in the future growth and long-term sustainability of the Group, and in particular, in the further growth of the Group’s private label products and livestreaming business.

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As illustrated in the section headed “Information on the Group” above, the Group’s financial performance improved significantly as a result of the commencement of the Group’s private label products and livestreaming e-commerce business.

Financing alternative

Upon our enquiry, the Directors advised us that they also considered other forms of fundraising methods for the Group, such as other equity financing (i.e. rights issue, open offer or placing) and debt financing (i.e. bank borrowings or debt issuance), before the entering into of the Subscription Agreement.

Debt financing would incur additional finance costs, increase gearing ratio of the Group and may be subject to lengthy due diligence and negotiation process with the lenders.

Rights issue and open offer may (i) incur additional costs, including underwriting commission (i.e. usually a percentage to the aggregated subscription price of underwritten shares) and other professional fees (such as professional fees for the preparation of listing documents, unaudited pro forma financial information on the net tangible assets, indebtedness statement and comfort letter on working capital sufficiency) as compared to the Subscription; and (ii) take a relatively longer timeframe as compared to subscription or placing of new shares as (a) if a general meeting is required, it would take time for shareholders to consider and vote on the rights issue or the open offer; and have at least 25 business days between the date of general meeting to approve the relevant rights issue or open offer and the despatch date of the share certificates for the fully-paid rights shares or the offer shares according to the “Guide on Trading Arrangement for Selected Types of Corporate Actions” issued by the Stock Exchange on 28 November 2008 (updated on 1 October 2020) (the “**Guide**”); or (b) if a general meeting is not required, at least 27 business days for rights issue or at least 31 business days for open offer between the date of publication of the relevant proposal for the rights issue or the open offer and the dispatch date of the share certificates for the fully-paid rights shares or the offer shares according to the Guide.

In respect of placing of shares, we noted from recent placing transactions announced by companies listed on the Stock Exchange that the placing price of most of these placing transactions represented discounts to the then closing price or average closing price of shares of the respective companies prior to the entering of these placing transactions, as opposed to the nil discount represented by the Subscription Price to the closing price on the Last Trading Day and the premiums represented by the Subscription Price over the average closing price of Shares for the five or ten consecutive trading days prior to and including the Last Trading Day. Furthermore, under placing arrangement, shares are placed to placees who are independent third parties, which is not conducive to further strengthen the Company’s capital base; while the Subscription demonstrated New Oriental’s belief and support in the future growth and long-term sustainability of the Group.

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As mentioned above, the Subscription enables New Oriental the opportunity to further consolidate its majority shareholding in the Company, particularly in light of present and anticipated future dilution of New Oriental's shareholding percentage in the Company from share issuances under the Company's share incentive plans.

Based on the above, we concur with the Directors that the Subscription is an appropriate fundraising means currently available to the Group.

Use of proceeds

With reference to the Board Letter, the net proceeds from the Subscription are estimated to be approximately HK\$1,628 million, which are intended to be applied by the Company as to (i) 50% for operating and expanding the Group's business (comprising 10% for marketing and sales; 10% for talent onboarding and retention; 10% for research and development; and 20% for other general business growing and operating activities); (ii) 40% for general treasury management and/or administrative purpose; and (iii) 10% for general working capital.

Operating and expanding the Group's business

We noted from the 2023 Annual Report that during FY2023, the Group invested heavily in its products, services and contents, and explore different opportunities and gain new experiences in all new development; and these developments laid a solid foundation for the long-term sustainable development of the Group in the future. With reference to the 2023 Annual Report, the Group is committed to provide customers with top-quality products and the Group will continue to (i) pursue the provision of excellent products and innovations; and (ii) invest in and emphasize on quality control, and follow scientific and strict quality management standards to continually improve the quality of the Group's private label products.

We consider the net proceeds from the Subscription intended to be applied to operating and expanding the Group's business (i.e. private label products and livestreaming business only immediately upon completion of the Group's education business disposal) to be reasonable based on the prospects of the livestreaming e-commerce industry as set out in the sub-sections below.

We also noted from the 2023 Annual Report that the Group is committed to seeking new opportunities while also bettering the development of its existing business. We consider the net proceeds intended to be used for other general business growing and operating activities also coincide with the Group's future operational strategies.

General treasury management and/or administrative purposes

In respect of the net proceed from the Subscription intended to be applied for general treasury management purpose, we noted from the 2023 Annual Report that the Group's investment in wealth management products (accounted under financial assets at fair value through profit or loss) increased from approximately RMB359 million as at 31 May 2022 to

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approximately RMB1,037 million as at 31 May 2023. With reference to the 2023 Annual Report, as at 31 May 2023, the Group's wealth management products represented unguaranteed investments that were purchased from various banks with expected rate of return ranging from 2.17% to 3.00% per annum, with maturity period ranging from 1 day to 180 days.

As also advised by the Directors, the Group's success depends on its ability to attract, retain and motivate qualified personnel. The remuneration policy and package of the Group's employees are periodically reviewed. Apart from pension funds and in-house training programmes, discretionary bonuses, share awards and share options may be awarded to employees according to assessment of individual performance. In addition to the existing Share Schemes, the Group may establish new incentive plan in the future, which shall further increase the Group's funding needs as the source of underlying shares may be from secondary market. Furthermore, we understood from the Directors that the Company may also conduct repurchase of Shares in the future to stabilize future share price and safeguard the Shareholders' interests in case of, including but not limited to, any adverse changes in the market.

According to the 2023 Annual Report, the Group granted 30,459,000 awards to Directors and employments for FY2023, assuming the cost price represented closing price of the Shares as at date of grant (i.e. HK\$29.00 per Share), the cost for purchase of such underlying Shares would have been approximately HK\$883 million should the source of such Shares be secondary market.

In light of the above, we consider the net proceeds from the Subscription intended to be applied to general treasury management and/or administrative purposes to be reasonable.

General working capital

In respect of the net proceeds from the Subscription intended to be applied to general working capital, we noted from the 2023 Annual Report that the Group's cash movements in working capital, in particular, inventories, trade and other receivables and trade payables, increased substantially for FY2023 as compared to those for FY2022. As advised by the Directors, the Group's working capital requirements had increased as a result of the Group's business transformation from a leading online provider of extracurricular education services (which often receive payment for education services in full before providing the services) to private label products and livestreaming e-commerce company.

We also searched for recent comparable subscription transactions (i.e. Comparable Transactions (as defined below) conducted by listed companies on the Stock Exchange and noted that the most of the Comparable Transactions (as defined below) allocated certain portion of the net proceeds to replenish general working capital.

In light of the above, we consider the net proceeds from the Subscription intended to be applied to general working capital to be reasonable.

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Overview of livestreaming e-commerce industry in the PRC

We noted from an article “How China’s emerging digital channels are transforming engagement for the digitally native consumer” published by Ernst & Young, China on 21 June 2021 that COVID-19 pandemic played a significant role in the rise of livestreaming e-commerce in the PRC. During the COVID-19 pandemic, with physical stores and traditional shopping experience limited or restricted, consumers turned to online platforms for their shopping needs; livestreaming e-commerce provided a unique and engaging way for consumer to discover and purchase products while maintaining social distancing measures.

Number of internet users for the use of livestreaming e-commerce in the PRC

Set out below are statistics on the number of internet users for the use of livestreaming e-commerce in the PRC for the four years ended 31 December 2022 and up to 30 June 2023, being the latest available four full years and up to the latest period statistics published by the China Internet Network Information Center (www.cnnic.cn):

	As at March 2020	As at December 2020	As at December 2021	As at December 2022	As at June 2023
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(Note)

**Number of internet users
for the use of
livestreaming e-commerce
in the PRC (approximately
in million)**

	265	388	464	515	526
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Note: Relevant statistics for December 2019 was not available and the statistics for March 2020 were published instead.

As shown in the above table, the number of internet users for the use of livestreaming in the PRC recorded year-on-year increase for each of the year 2020, 2021 and 2022. The number of internet users for the use of livestreaming e-commerce in the PRC increased from approximately 265 million users as at March 2020 to approximately 526 million users as at June 2023, representing a compound annual growth rate of approximately 23.5%.

Transaction value of livestreaming e-commerce in the PRC

Set out below are the gross merchandise value of livestreaming e-commerce in the PRC and transaction value of livestreaming e-commerce on Douyin (a popular Chinese short video and livestreaming platform; and the Group’s GMV from Douyin represented a large proportion of the Group’s GMV) in the PRC for the five years ended 31 December 2022, being the latest

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available five years statistics published by the Statista (according to the website of Statista, Statista, established in 2007, is a global data and business intelligence platform with an extensive collection of statistics, reports, and insight on over 80,000 topics from 22,500 sources in 170 industries):

	2018	2019	2020	2021	2022
Gross merchandise value of livestreaming e-commerce in the PRC (approximately RMB billion)					
	135	444	1,285	2,362	3,500
<i>Year-on-year growth</i>		228.9%	189.4%	83.8%	48.2%
Transaction value of livestream commerce on Douyin in the PRC (approximately RMB billion)					
	10	40	500	800	1,500
<i>Year-on-year growth</i>		300%	1,150%	60%	87.5%

As shown in the above table, both the gross merchandise value of livestreaming e-commerce in the PRC and the transaction value of livestreaming commerce on Douyin in the PRC recorded exponential growth during the five years ended 31 December 2022. The gross merchandise value of livestreaming e-commerce in the PRC increased from approximately RMB135 billion for the year 2018 to approximately RMB3,500 billion for the year 2022, representing a compound annual growth rate of approximately 125.6%; while the transaction value of livestream commerce on Douyin in the PRC increased from approximately RMB10 billion for the year 2018 to approximately RMB1,500 billion for the year 2022, representing a compound annual growth rate of approximately 250.0%.

Livestreaming e-commerce of agricultural products

According to report “The 52nd Statistical Report on China’s Internet Development” published by the China Internet Network Information Center on 28 August 2023, for the first half of 2023, the national rural online retail sales reached RMB1,120 billion, representing a year-on-year increase of 12.5%; and the national online retail sales of agricultural products was approximately RMB270 billion, representing a year-on-year increase of 13.1%, reflecting the good momentum of rural e-commerce. The aforesaid increases were driven by among other things:

- (i) the gradual improvement of delivery network in counties and rural areas in the PRC, which enhanced the circulation of e-commerce;

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- (ii) the increasing number of agricultural e-commerce merchants in the PRC, the number of agricultural e-commerce merchants in the PRC reached approximately 17.3 million, including 5.73 million of livestreaming e-commerce merchants which accounted for approximately 33.1% of the number of agricultural e-commerce merchants in the PRC; and
- (iii) the direct procurement model adopted by e-commerce merchants, which enables them to control the quality of agricultural products from the source. Many e-commerce platforms have proactively established bases and entered into contracts at the source of agricultural products, empowering the agricultural supply chain through methods such as direct sourcing from the origin and leveraging digital management and operational practices.

Having considered the statistics reflecting the outlook of the livestreaming e-commerce industry in the PRC as set out above, we are of the view that the outlook of the livestreaming e-commerce industry in the PRC is positive.

In light of the above, we consider that the Subscription is conducted in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole.

Principal terms of the Subscription

Set out below is the principal terms of the Subscription Agreement, details of which are set out under the section headed “2. The Subscription” of the Board Letter.

Date

24 November 2023

Parties

- (a) Company
- (b) New Oriental (as the Subscriber)

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Subscription shares and subscription price

51,352,277 subscription shares (being ordinary shares of the Company with a par value of US\$0.00002 each) at the subscription price of HK\$31.75 per Share (equivalent to approximately US\$4.08 per Share), for an aggregate subscription amount of RMB1.5 billion (equivalent to an agreed amount of HK1,630,434,783 or US\$209,497,207), payable in cash on or before the closing date.

With reference to the Board Letter, the 51,352,277 subscription shares represented (i) approximately 5.05% of the issued Shares of the Company as at the Latest Practicable Date; and (ii) approximately 4.81% of the issued Shares as enlarged by the subscription shares. The subscription shares, when issued and fully paid up, will rank *pari passu* in all respects among themselves and with the Shares in issue as at the date of the allotment and issue of the subscription shares, and in particular will rank in full for all dividends and other distributions declared, made or paid at any time after closing.

With reference to the Board Letter, the Subscription Price represents:

- (i) a premium of approximately 20.95% over the closing price of HK\$26.25 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) the closing price of HK\$31.75 per Share as quoted on the Stock Exchange on the Last Trading Day (the “**Nil Premium/Discount**”);
- (iii) a premium of approximately 5.87% over the average closing price of approximately HK\$29.99 per Share for the last five consecutive trading days up to and including the Last Trading Day (the “**5 Days Premium**”);
- (iv) a premium of approximately 7.08% over the average closing price of approximately HK\$29.65 per Share for the last ten consecutive trading days up to and including the Last Trading Day (the “**10 Days Premium**”);
- (v) a premium of approximately 954.82% over the Company’s audited consolidated net asset value as at 31 May 2023 of approximately RMB2.77 (equivalent to approximately HK\$3.01) per Share.

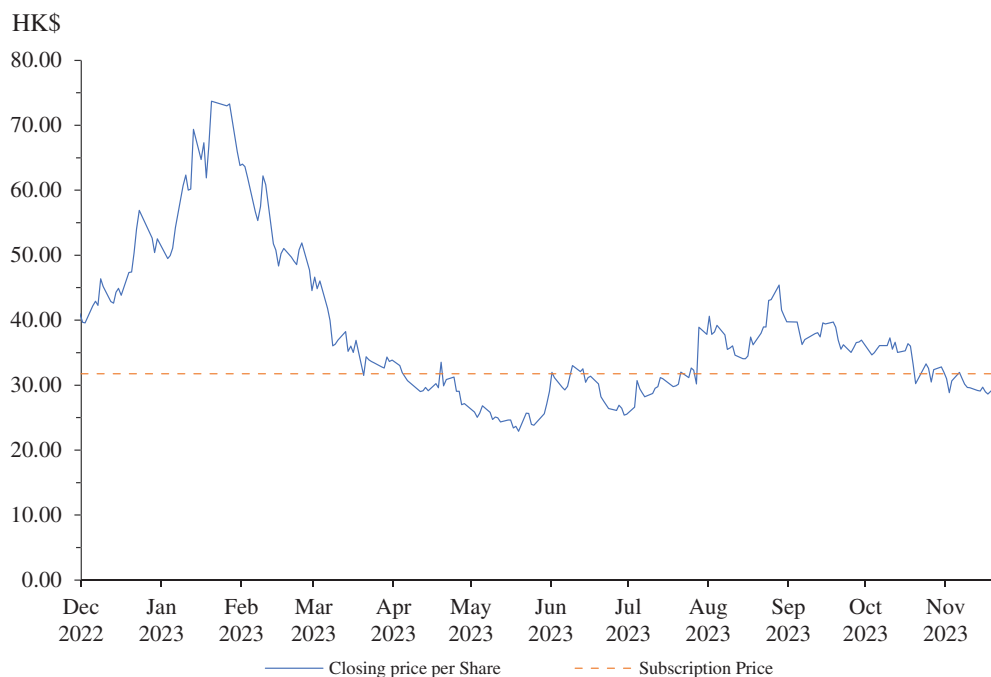
With reference to the Board Letter, the Subscription Price was determined after arm’s length negotiations between the Company and Subscriber and corresponds to the closing price per Share as quoted on the Stock Exchange on the Last Trading Day.

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Share price performance

Set out below is a chart showing the movement of the closing prices of Shares during the period from 1 December 2022 up to and including the Last Trading Day (the “**Review Period**”), being approximately one-year period prior to the Last Trading Day, which as a commonly adopted period for analysis and the duration of such period (i.e., the number of trading days) is sufficient for us to perform a thorough analysis on the historical closing price of Shares. The comparison of the daily closing price of Shares and the Subscription Price is illustrated as follows:

Historical daily closing price per Share



Source: the Stock Exchange's website

During the Review Period, the lowest and highest closing price of Shares as quoted on the Stock Exchange were HK\$22.90 per Share as quoted on 19 May 2023 and HK\$73.70 per Share as quoted on 20 January 2023, respectively. The Subscription Price of HK\$31.75 per Share is within the range of the lowest and highest closing price of Shares and represented the closing price of Shares on the Last Trading Day.

The closing prices per Share formed a general increasing trend from the start of the Review Period until reaching the highest closing price per Shares on 20 January 2023. Thereafter, the closing prices per Share formed a general decreasing trend and reached the lowest closing price per Share on 19 May 2023. From 22 May 2023 up to and including the Last Trading Day, the closing price per Share fluctuated between HK\$23.85 per Share and HK\$45.40 per Share.

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Despite the majority of the closing prices per Share were higher than the Subscription Price from the start of the Review Period until 19 May 2023 (when the closing price per Share reached its lowest during the Review Period), the closing prices per Share formed a general decreasing trend after reaching its highest closing price and the Subscription Price is higher than the closing price per Share for 56 trading days out of 127 trading days during such period. The Subscription Price is close to the then recent closing price per Share prior to the Last Trading Day.

Comparable transactions

As part of our analysis, we also identified subscription of new shares under specific mandate for cash consideration during the six-month period from 23 May 2023 up to and including the Last Trading Day, which is sufficient for us to identify sizeable samples of comparable transactions for analysis, with the following criteria: (i) the comparable transactions were not lapsed or terminated up to the Latest Practicable Date; (ii) the comparable transactions were not issuance of A shares, as announced by companies listed on the Stock Exchange; (iii) the comparable transactions were not subject to Takeovers Code implication; and (iv) the trading of shares of the listed issuer relating to the comparable transactions were not halted/suspended for over one month (the “**Comparable Transactions**”). We found 11 transactions which met the said criteria and they are exhaustive. Shareholders should note that although the businesses, operations, market capitalisation and prospects of the Company are not the same as the subject companies of the Comparable Transactions, the Comparable Transactions can demonstrate the recent market practices of subscription transactions conducted by Hong Kong listed companies.

Company name (stock code)	Date of announcement	Market capitalisation of the subject company <i>(approximately HK\$ million)</i>	Premium/(discount) of the subscription price over/to the closing price per share on the date of subscription agreement or last trading day if trading of share was halted/suspended on the aforesaid date (%)	Premium/(discount) of the subscription price over/to the average closing price per share for the five consecutive trading days prior to and including the date of subscription agreement or last trading day if trading of share was halted/suspended on the aforesaid date (%)	Premium/(discount) of the subscription price over/to the average closing price per share for the ten consecutive trading days prior to and including the date of subscription agreement or last trading day if trading of share was halted/suspended on the aforesaid date (%)
Creative China Holdings Limited (8368)	19 June 2023	97.0	(17.69)	(18.63)	(14.88)
China Ruyi Holdings Limited (136)	4 July 2023	19,409.0	(17.53)	(16.84)	(15.70)
NVC International Holdings Limited (2222)	9 July 2023	300.1	16.90	23.15	21.52

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Company name (stock code)	Date of announcement	Market capitalisation of the subject company <i>(approximately HK\$ million)</i>	Premium/(discount) of the subscription price over/to the average closing price per share for the five consecutive trading days prior to and including the date of subscription agreement or last trading day if trading of share was halted/suspended on the aforesaid date <i>(%)</i>	Premium/(discount) of the subscription price over/to the average closing price per share for the ten consecutive trading days prior to and including the date of subscription agreement or last trading day if trading of share was halted/suspended on the aforesaid date <i>(%)</i>	Premium/(discount) of the subscription price over/to the average closing price per share for the ten consecutive trading days prior to and including the date of subscription agreement or last trading day if trading of share was halted/suspended on the aforesaid date <i>(%)</i>
Summi (Group) Holdings Limited (756)	10 July 2023	168.9	(9.46)	(9.46)	(9.70)
Applied Development Holdings Limited (519)	26 July 2023	205.4	(17.07)	(20.19)	(20.47)
CT Vision S.L. (International) Holdings Limited (994)	28 July 2023	342.4	(11.11)	(10.71)	(10.41)
Digital Domain Holdings Limited (547)	19 October 2023	1,221.8	5.61	3.19	(3.90)
Virtual Mind Holding Company Limited (1520)	20 October 2023	186.4	8.70	7.30	5.71
InvesTech Holdings Limited (1087)	7 November 2023	24.6	(9.52)	(9.52)	(23.23)
Creative China Holdings Limited (8368)	10 November 2023	279.2	(10.17)	(7.99)	(9.09)
OSL Group Limited (formerly known as BC Technology Group Limited) (863)	13 November 2023	2,157.2	(22.76)	(4.81)	(1.12)
		Maximum	16.90	23.15	21.52
		Minimum	(22.76)	(20.19)	(23.23)
		Average	(7.65)	(5.87)	(7.39)
		Median	(10.17)	(9.46)	(9.70)
Subscription		32,215.8	Nil	5.87	7.08

Source: the Stock Exchange's website

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According to the above table, we noted that the subscription prices of the Comparable Transactions:

- ranged from a discount of approximately 22.76% to a premium of approximately 16.90%, with average discount of approximately 7.65% and median discount of approximately 10.17% to/over the respective closing prices of the shares on the last trading day prior to the entering into of the agreement in relation to the respective subscription (the “**LTD Discount/Premium Market Range**”). The Nil Premium/Discount is within the LTD Discount/Premium Market Range and above both average and median of the LTD Discount/Premium Market Range;
- ranged from a discount of approximately 20.19% to a premium of approximately 23.15%, with average discount of approximately 5.87% and median discount of approximately 9.46% to/over the respective average closing prices of the shares for the five consecutive trading days prior to and including the last trading day prior to the entering into of the agreement in relation to the respective subscription (the “**5 Days Discount/Premium Market Range**”). The 5 Days Premium is within the 5 Days Discount/Premium Market Range and above both average and median of the 5 Days Discount/Premium Market Range; and
- ranged from a discount of approximately 23.23% to a premium of approximately 21.52%, with average discount of approximately 7.39% and median discount of approximately 9.70% to/over the respective average closing prices of the shares for the ten consecutive trading days prior to and including the last trading day prior to the entering into of the agreement in relation to the respective subscription (the “**10 Days Discount/Premium Market Range**”). The 10 Days Premium is within the 10 Days Discount/Premium Market Range and above both average and median of the 10 Days Discount/Premium Market Range.

Conclusion

Having considered the following factors:

- (i) the Subscription Price is within the range of the lowest and highest closing price of Shares and is close to the then recent closing prices of Shares prior to the Last Trading Day;
- (ii) the Nil Premium/Discount is within the LTD Discount/Premium Market Range and above both average and median of the LTD Discount/Premium Market Range;
- (iii) the 5 Days Premium is within the 5 Days Discount/Premium Market Range and above both average and median of the 5 Days Discount/Premium Market Range;

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- (iv) the 10 Days Premium is within the 10 Days Discount/Premium Market Range and above both average and median of the 10 Days Discount/Premium Market Range; and
- (v) most of the subscription prices of the Comparable Transactions represented discount to their respective closing prices of the shares and their average closing prices of shares for the five consecutive trading days and ten consecutive trading days prior to the last trading day in relation to the entering into of the respective subscription of new shares, while the Subscription Price represented Nil Premium/Discount, 5 Days Premium and 10 Days Premium,

we are of the view that the Subscription Price is fair and reasonable.

Conditions and closing

Closing of the Subscription is conditional upon certain conditions, details of which are set out under the sub-section headed “Conditions” of the section headed “2. The Subscription” of the Board Letter. With reference to the Board Letter, closing of the Subscription is anticipated to take place on or before 30 June 2024 (or a later date agreed between the parties). In the event the conditions of the Subscription are not fulfilled on or before 30 June 2024 (or a later date agreed between the parties), the Subscription Agreement will terminate with immediate effect.

Taking into account the above principal terms of the Subscription (including the Subscription Price being fair and reasonable), we consider that the terms of the Subscription are fair and reasonable.

Possible dilution effect on the shareholding interests of Independent Shareholders

According to the table set out under the sub-section headed “Effect on the shareholding of the Company” of the section headed “2. The Subscription” of the Board Letter, the shareholding interests held by existing other Shareholders would be diluted by approximately 2.0 percentage points as a result of the Subscription on the assumption that no other change in the share capital of the Company since the Latest Practicable Date. We consider the said level of dilution to the shareholding interests of other Shareholders as a result of the Subscription to be acceptable.

LETTER FROM GRAM CAPITAL

RECOMMENDATION

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the Subscription are on normal commercial terms and are fair and reasonable; and (ii) the Subscription is conducted in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the EGM to approve the Subscription and we recommend the Independent Shareholders to vote in favour of the resolution(s) in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 25 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable inquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date and in accordance with the records of the Company maintained in accordance with the SFO and the Listing Rules, the interests and short positions of the Directors or chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executive of the Company are taken and deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) the contained in the Listing Rules were as follows:

Directors’ and the chief executive’s interests in the Company

Director or chief executive	Nature of interest	Relevant entity	Number of Shares	Approximate percentage of interest in the Company ⁽¹⁾
Mr. Yu Minhong ⁽²⁾	Beneficial owner		24,195,285 ^(L)	2.38%
	Interest in a controlled corporation	Tigerstep	27,182,832 ^(L)	2.67%
Mr. Yin Qiang ⁽³⁾	Beneficial owner		4,700,000 ^(L)	0.46%
Ms. Sun Chang ⁽⁴⁾	Beneficial owner		30,000 ^(L)	0.00%
	Interest in a controlled corporation	First Bravo	151,000 ^(L)	0.01%

Notes:

- (1) The percentages are based on 1,016,535,486 Shares in issue as of the Latest Practicable Date. “(L)” denotes a long position in the Shares.
- (2) Represents: (i) 16,695,285 and 6,000,000 Shares underlying share options granted to Mr. Yu under the 2018 Scheme and 2019 Scheme, respectively; (ii) 1,500,000 Shares underlying share awards granted to Mr. Yu under the 2023 Scheme; and (iii) 27,182,832 Shares held by Tigerstep, a controlled corporation of Mr. Yu.

- (3) Represents: (i) 2,100,000 Shares and 2,000,000 Shares underlying share options granted to Mr. Yin under the 2018 Scheme and 2019 Scheme, respectively; and (ii) 600,000 Shares underlying share awards granted to Mr. Yin under the 2023 Scheme.
- (4) Represents: (i) 30,000 Shares underlying share awards granted to Ms. Sun under the 2023 Scheme; and (ii) 151,000 Shares held by First Bravo Asia Limited, a controlled corporation of Ms. Sun.

Directors' and chief executive's interest in the underlying shares of associated corporations of the Company

New Oriental

Name of Director or chief executive	Nature of interest	Total number of shares	Approximate percentage of shareholding in New Oriental ⁽¹⁾
Mr. Yu Minhong ⁽¹⁾	Interest in a controlled corporation; beneficiary of a trust	202,072,160 ^(L)	12.2%

Note:

- (1) Mr. Yu is the Director, Chairman of the Board and Chief Executive Officer of the Company, as well as a director and chairman of the board of New Oriental. According to the best knowledge of our Directors and latest publicly available information of New Oriental as of the Latest Practicable Date, being that published on the SEC website on 25 September 2023 (being the Form 20-F), this represents: (i) 169,235,000 common shares held by Tigerstep, a company wholly-owned by Mr. Yu, and (ii) 3,283,716 American depository shares ("ADS", with each representing ten common shares of New Oriental), which consist of 3,215,054 ADSs held by Tigerstep and 68,662 ADSs held by Mr. Yu.

Associated corporation (other than New Oriental):

Name of Director	Nature of interest	Associated corporation	Registered capital amount (RMB)	Approximate percentage of shareholding in associated corporation
Mr. Yu Minhong	Beneficial owner	Beijing Century Friendship Education Investment Co., Ltd. ("Century Friendship") ⁽¹⁾	9,900,000 ^(L)	99%
	Interest in a controlled corporation	New Oriental China ⁽¹⁾	50,000,000 ^(L)	100%
	Interest of controlled limited partnership	Huoguoosi Oriental New Venture Equity Investment Partnership) (L.P.) ("New Venture") ⁽²⁾	50,000,000 ^(L)	50%

Notes:

- (1) Century Friendship and New Oriental China are controlled through a series of contractual arrangements by, and are therefore treated as subsidiaries of New Oriental. Mr. Yu holds a 99% equity interest in Century Friendship, which in turn, holds the entire equity interests in New Oriental China. New Oriental China holds a 100% equity interest in, and has entered into contractual arrangements with Beijing Xuncheng.
- (2) New Venture is held by the Company as to more than 20%, and is held by New Oriental China as to 50%. Mr. Yu holds a 99% equity interest in Century Friendship, which in turn, holds the entire equity interests in New Oriental China.
- (3) “(L)” denotes a long position in the Shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company and their respective associates had or is deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which the Director and chief executives of the company are taken or deemed to have taken under such provisions of the SFO); or were required, pursuant to section 352 of the SFO, or which will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTOR INTERESTS

Interest in service contracts

As at the Latest Practicable Date, none of the Directors had entered, or was proposing to enter, into any service contract with any member of the Group (excluding contracts expiring or determinable by such member of the Group within one year without payment of compensation other than statutory compensation).

Interest in competing business

As at the Latest Practicable Date, none of the Directors or their respective close associates is or was interested in any business apart from the Group’s business, that competes or is likely to compete, either directly or indirectly, with the Group’s business.

Interest in assets

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 May 2023, being the date of which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

Interests in contract or arrangement

As at the Latest Practicable Date, there is no contract or arrangement subsisting in which any of the Directors is materially interested and which is significant in relation to the business of the Group.

4. LITIGATION

As at the Latest Practicable Date, no member of the Group was or is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was or is known to the Directors to be pending or threatened by or against any members of the Group.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial position or trading position of the Group since 31 May 2023, being the date to which the latest published audited financial statements of the Company were made up.

The Company refers to its circular dated 28 December 2023 on the proposed disposal of its education business, and the poll results published 18 January 2024 announcing that the proposal had been approved by Shareholders; for the reasons set out in that circular, the Directors do not consider this change to be materially adverse, and rather would be beneficial, to the Group.

6. EXPERT AND CONSENT

The following is the qualification of the experts or professional advisers who have given opinion or advice contained in this circular:

Name	Qualification
Gram Capital Limited	A licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, Gram Capital has given and has not withdrawn their written consent to the issue of this circular with the inclusion of their letter and references to their name in the form and context in which they appear.

As at the Latest Practicable Date, Gram Capital: (a) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (b) was not interested, directly or indirectly, in any assets which have been or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 May 2023, being the date to which the latest published audited accounts of the Company were made up.

7. DOCUMENTS ON DISPLAY

A copy of the Subscription Agreement will be available on the websites of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (ir.eastbuy.com) from the date of this circular up to 14 days thereafter.

NOTICE OF EXTRAORDINARY GENERAL MEETING

EASTBUY

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EAST BUY HOLDING LIMITED

東方甄選控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1797)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of East Buy Holding Limited (“**Company**”) will be held at the Company’s headquarters in Beijing, Level 18, South Wing, 2 Haidian East Third Road, Haidian District, Beijing, China on Wednesday, 7 February 2024 at 10 a.m. for the purpose of considering, and if thought fit, passing with or without modifications, the resolution set out below, to be passed as an ordinary resolution.

Reference is made to the circular of the Company dated 19 January 2024, a copy of which is published on the websites of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (ir.eastbuy.com) (the “**Circular**”). Unless otherwise defined, capitalised words used in this notice shall have the same meanings as those defined in the Circular.

ORDINARY RESOLUTION

1. “**THAT**

- (a) the Subscription Agreement (and the transactions contemplated thereunder), together with any ancillary documents for the purpose of, and which are part and parcel with, the Subscription (the details of which are described in the Circular, and in particular, the section headed “Letter from the Board – 2. The Subscription” of the Circular) be hereby confirmed, approved or ratified, as the case may be;
- (b) the Board be granted a specific mandate to allot and issue the subscription shares specified under the Subscription Agreement in accordance with the terms and conditions of the Subscription Agreement; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) any Director be and is hereby authorised to do such acts and things, to sign and execute all such documents (in case of execution of documents under seal, to do so by any two Directors or any Director together with the secretary of the Company) and to take such steps as he/she may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Subscription Agreement or any transactions contemplated thereunder and all other matters incidental thereto or in connection therewith, and to agree to and make such variations, amendments or waivers of any of the matters relating thereto or in connection therewith.”

By order of the Board
East Buy Holding Limited
Mr. YU Minhong
Chairman of the Board

Hong Kong, 19 January 2024

Notes:

1. The resolution at the EGM will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint more than one proxy to attend and vote instead of that shareholder. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held that shareholder.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the EGM (*i.e.*, not later than 10 a.m. on Monday, 5 February 2024 (Hong Kong time)) or the adjourned meeting (as the case may be). To be effective, all proxy appointments must be lodged with Computershare Hong Kong Investor Services Limited before the deadline. Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the EGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed on 6 February 2024 and 7 February 2024, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 5 February 2024.
5. In the case of joint holders of Shares, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of vote(s) of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company.
6. A circular containing further details concerning proposed ordinary resolution set out in this notice will be sent to all Shareholders together with this notice.
7. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the Board comprises the following members: Mr. YU Minhong and Mr. YIN Qiang, as executive Directors; Ms. SUN Chang as non-executive Director; and Mr. LIN Zheyang, Mr. TONG Sui Bau, and Mr. KWONG Wai Sun Wilson, as independent non-executive Directors.