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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)**

## **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MAY 2025**

The Board of East Buy Holding Limited is pleased to announce the consolidated results of our Group for the Reporting Period, being the financial year ended 31 May 2025. These annual results have been audited by our Company's external auditor, Deloitte Touche Tohmatsu, and reviewed by the Audit Committee.

In this announcement: (a) "we", "us", and "our" refer to the Company and where the context otherwise requires, the Group; and (b) our consolidated financial statements are presented in Renminbi unless otherwise stated, which is our Group's primary functional currency, and presented figures are approximations that are rounded to the nearest whole number or one decimal place, as appropriate.

### **FINANCIAL HIGHLIGHTS**

	FY2025			FY2024		
	Continuing RMB'000	Discontinued RMB'000	Combined total RMB'000	Continuing RMB'000	Discontinued <sup>(1)</sup> RMB'000	Combined total RMB'000
Revenue	4,392,071	-	4,392,071	6,525,551	547,013	7,072,564
Profit before tax	60,745	-	60,745	433,725	1,588,354 <sup>(2)</sup>	2,022,079
Profit for the year <sup>(3)</sup>	6,191	-	6,191	249,145	1,470,363 <sup>(2)</sup>	1,719,508
Profit for the year attributable to:						
– Owners of our Company	5,735	-	5,735	249,140	1,470,363 <sup>(2)</sup>	1,719,503
– Non-controlling interests	456	-	456	5	-	5
Earnings per share						
– Basic (RMB)	0.01	-	0.01	0.24	1.44	1.68
– Diluted (RMB)	0.01	-	0.01	0.23	1.38	1.61
Non-IFRS measure: Adjusted profit for the year (unaudited) <sup>(4)</sup>	173,546	-	173,546	709,394	1,471,316 <sup>(2)</sup>	2,180,710
Non-IFRS measure: Adjusted EBITDA (unaudited) <sup>(5)</sup>	98,893	-	98,893	773,760	130,830	904,590

*Notes:*

- (1) The discontinued figures in FY2024 were from 1 June 2023 to 29 February 2024. The disposal of education business was completed on 1 March 2024, on which date control of education businesses passed to the acquirer, New Oriental Group.
- (2) It includes the gain on disposal of education business in FY2024. The gain on disposal of education business, net income tax expense was RMB1.3 billion.
- (3) If we have excluded the financial impact from the disposal of Time with Yuhui on 25 July 2024 (the “**Disposal of Time with Yuhui**”), which is the one-off expense incurred and profit generated by Time with Yuhui, the net profit from continuing operations was RMB135.4 million in the Reporting Period. For details of the Disposal of Time with Yuhui, please refer to the announcement of the Company dated 25 July 2024.
- (4) Adjusted profit (“**Adjusted Profit**”) for the year represents profit for the year less loss on fair value changes of financial assets at FVTPL (non-current) and loss on disposal of a financial asset at FVTPL (non-current), plus share-based compensation expenses for the financial year.
- (5) Adjusted EBITDA (“**Adjusted EBITDA**”) (or earnings before interest, taxes, depreciation, and amortisation) represents profit for the year plus income tax expenses, share-based compensation expenses, finance costs, impairment losses recognised under expected credit loss model, net, depreciation of property and equipment, depreciation of right-of-use assets, less other income, gains and losses for the financial year.

## **BUSINESS OVERVIEW AND OUTLOOK**

### **Our business**

We have positioned ourselves as a private label products and livestreaming e-commerce platform that focuses on carefully selecting premium products for our customers, an outstanding product and technology company that continually provides agricultural products as its core product under our private label brand, “East Buy” (東方甄選), and a cultural communication company that provides customers with a pleasant experience. Through the provision of high-quality products and services, the promotion of traditional Chinese culture and positive values, we hope to contribute and provide every customer and viewer with a better, healthier, and high-quality life.

Since 2021, we have expanded our businesses in private label products and livestreaming e-commerce and established “East Buy”, which has become a well-known online platform for selling top-quality and good value for money agricultural and other products. Not only does the platform offer an alternative channel for farmers and local companies to sell 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 our deep understanding of customers’ needs, we select quality agricultural and other products for our customers through our integrated supply chain management and diversified cooperation with various third parties. We create 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, including fruits and vegetables, meat and poultry, baked goods, cereals, oils and ready-to-eat foods, seafood, dairy products, nutritional and health-care food, pet food, and daily necessities, etc. Through direct cooperation with producers and local enterprises, we aspire to promote quality products that have traditionally lacked sales channels and to improve the operational efficiency of the industry supply chain, so as to accelerate rural revitalisation and contribute long-term value to the relevant upstream and downstream industry.

Being consistent with our Company's history, we continue to stand by a "customer-centric" long-term development strategy. Through innovative livestreaming activities and providing premium services, we provide our customers with a unique and entertaining shopping experience that involves the sharing of knowledge, wisdom and Chinese culture and history. We have an established team of talented livestreamers and have adopted a multi-channel strategy to reach a wider consumer base. We have set up various livestreaming channels, including East Buy Beautiful Life (東方甄選美麗生活) and East Buy Private Label (東方甄選自營產品) on Douyin (抖音), which focus on different product categories to continually create positive, unique and interesting content to attract and retain user viewership, while at the same time, promote traditional Chinese culture and share knowledge with consumers. During the Reporting Period, we have adopted a multi-platform strategy and sold our private label products on various platforms, such as Taobao (淘寶), JD.com (京東), Pinduoduo (拼多多), REDnote (小紅書), Mini program (微信小程序), Wechat Mini store (微信小店) and our own APP. Our Company has also established a membership system which has provided members with unique and exclusive membership services and offered members with lower prices on a limited selection of nationally-branded and private label products in a wide range of merchandise categories on our own APP since October 2023. The "East Buy" brand has become increasingly prominent in the industry, quickly becoming synonymous with "quality, accessibility, and lifestyle culture" in China, particularly as related to agricultural and other daily necessities products, and thereby, our brand is gaining millions of loyal viewers/followers and returning customers.

The key operating metrics in the livestreaming e-commerce business are summarised below:

	<u>FY2025</u>	<u>FY2024</u>
<b>Key operating data</b>		
GMV (RMB) (billion) <sup>(1)</sup>	<b>8.7</b>	14.3
Number of paid orders on Douyin (million)	<b>91.6</b>	181.1
Number of paid membership subscriptions on East Buy's APP (thousand)	<b>264.3</b>	198.6

*Note:*

(1) Includes the paid GMV from all sales channels such as Douyin, Taobao and our own APP, etc.

## **Business developments**

### ***Our financial performance***

FY2025 is a momentous year for East Buy, signifying the third anniversary of our establishment since business transition. Despite the numerous unforeseen hardships we have encountered over these three years, our collective efforts have enabled us to achieve remarkable development.

Total net revenues from continuing operations (i.e., private label products and livestreaming e-commerce businesses) decreased by 32.7% from RMB6.5 billion for FY2024 to RMB4.4 billion for FY2025. The net profit from continuing operations for FY2025 turned positive from a loss in the first half of FY2025, realizing a net profit of RMB6.2 million as compared to a net profit of RMB249.1 million for FY2024. As there was the Disposal of Time with Yuhui during the Reporting Period, if we have excluded the financial impact from the Disposal of Time with Yuhui, which is the one-off expense incurred and profit generated by Time with Yuhui, the net profit from continuing operations increased by 30.0% from RMB104.2 million for FY2024 to RMB135.4 million for FY2025.

The progress and challenges we faced in FY2025 reinforced the foundational business model of East Buy. East Buy has always been adhering to its initial brand philosophy which focuses on “health, high quality and good value for money” (健康、高品質、高質價比), while maintaining our consumer-centric approach. We have further strengthened the development of our private label products and have launched a cumulative 732 SPUs in private label products as of 31 May 2025 (FY2024: 488 SPUs). We have expanded our product categories from the initial category of fresh food and snacks to a more diversified product range. Compared with our past focus on traffic-oriented needs, we pay more attention to the actual needs of families and concentrate resources on those business areas with high user access frequency and stable demand, such as daily consumer goods, food and household items. We are pleased that our private label products have become a major growth driver and contributed approximately 43.8% of total GMV for FY2025.

During the Reporting Period, East Buy has successfully launched several private label product lines, such as nutritional and healthcare foods, pet foods, and clothing, which are highly competitive in the market, and has achieved excellent performance. The nutritious and healthy food products under our “East Buy” (東方甄選) brand have shown a strong growth momentum, among which are soft candies, probiotics, fish oil, and prickly pear juice grew rapidly. At the same time, daily consumables such as eggs, grilled sausages, toast, milk have become the common choice of many families due to their reliable quality and broad applicability, and their market recognition continues to increase.

Additionally, we have a strong presence in the farmlands across the 28 provinces in China, where we can directly connect high-quality fruit production areas with consumer markets ensuring nationwide distribution of regional fruits. Citrus, apples, kiwis, tomatoes, and sweet potatoes, among other products, have become phenomenal sellers. For its outstanding contributions to the promotion of agricultural products, the Company has been awarded honorary titles, such as “Quality Supplier” and “Promotion Ambassador” by the Agricultural and Rural Bureaus of Xinjiang, Sichuan, Shaanxi, Shandong, Hunan, and Hubei provinces, among others. It has also been recognized by the Turpan Municipal Agricultural and Rural Bureau in Xinjiang as an outstanding unit for promoting the development of high-quality fruit and supporting rural revitalization, and for the Group’s positive role in rural revitalization and agricultural upgrading.

In FY2025, we made a comprehensive layout centered on a livestreaming platform that focuses on carefully selecting premium products for customers, and a long-term positioning centered around private label products under the East Buy brand. In terms of product exposure, the product traceability live broadcast is promoted on different Douyin account and WeChat channel, so that more users can have a deep understanding of the quality and culture of the products, forming a unique impression for our private label products under the East Buy brand.

The Company has continued to adopt the multi-platform, multi-matrix strategy to expand its reach for a wider consumer base and increase brand awareness and influence. While continuing enriching the products and services in livestreaming channels, we also opened online shop channels in different platforms, e.g. Mini program, Wechat Mini store, Tmall, JD.com, Pinduoduo, REDnote. In addition, leveraging on New Oriental's Learning Centers, we began to explore offline channels such as setting up vending machines in the learning centers. The layout and development in the Company's APP strategy have been advancing at a rapid pace. Currently, East Buy's APP continued to bring in more well-known brands and blockbuster products, enriching its product categories. And in each product category, we have carefully selected at least one to two high-quality products to ensure that different consumers demands can be met. Thus, the average contribution per individual user has also been steadily increasing, which fully demonstrates the high stickiness and loyalty of our users. We have held a variety of marketing activities to continuously increase the number of members and their activity levels. Building on our existing paid membership base, we also introduced a "Family and Friends Card" to enhance user experience while attracting more new users.

In the APP, the GMV and average order value of private label products are increasing steadily. The proportion of the private label products from our APP in the total GMV of such private label products has grown from 16.3% in FY2024 to 28.8% in FY2025. This not only reflects our progress in supply chain management, but also proves the trust that users, especially paying members, have in our East Buy brand. In the future, we will further expand the variety and number of our private label products and continue to improve the satisfaction and repeated purchase rate of our private label products.

By continuously enriching the product portfolio (including external brands and our private label products) and providing personalised shopping experience, East Buy's APP user satisfaction rate has reached a height – 98.7% (FY2024: 97.3%). We expect to offer not only products, but also one-stop shopping solutions for families which recommend the most suitable products based on customers' purchasing habits and hobbies. We believe such online supermarket model based on user trust is particularly valuable in the current market environment.

We have spared no effort to strengthen the distribution service system. On March 15, 2025, East Buy's first cold storage warehouse, "East Buy Central China Warehouse No. 1" officially commenced operations and began operating smoothly in Zhengzhou. This warehouse marks a significant milestone in the Company's supply chain layout. Leveraging our superior geographical location, we have integrated logistics resources and expanded our direct express delivery routes to effectively shorten logistics transit time to provide consumers with a faster delivery experience, which marks a further upgrade of the supply chain system for East Buy's private label products, laying a solid foundation for continuously optimizing service quality and enhancing market competitiveness.

Further, we have built a more comprehensive organisational structure to support the rapid development of our businesses, and cultivated more excellent talents in the professional field. As of 31 May 2025, the total number of personnel in our private label products and livestreaming e-commerce team reached 1,401, of which 1,070 were full time employees and 331 were part time employees. We also had 643 personnel dedicated to our supply chain and product, of which 496 were full time employees and 147 were part time employees. We have emphasised on talent training, strengthening organisational structure building, and advocating a unified set of values to ensure that our employees can maximise their potential in their respective positions and collectively contribute to the Company's long-term development.

As a result of the above strategic implementation, our GMV for FY2025 was RMB8.7 billion. While the GMV from Douyin represented a large majority of our GMV, our GMV from APP represented 15.7% of total GMV. The total number of paid orders from our third-party products and our private label products on Douyin for FY2025 has reached approximately 91.6 million.

## **FUTURE OUTLOOK BEYOND THE REPORTING PERIOD**

With the conclusion of FY2025, we are embracing a new beginning and continue to be committed to providing users with high-quality products and services. Our strategic positioning is firm and clear. In the future, we will continue to strive to become a livestreaming platform that focuses on carefully selecting premium products for our customers, an outstanding product and technology company that continually provides agricultural products as its core product under our private label, "East Buy", and a cultural communication company that provides customers with pleasant experience. We firmly believe in our mission of promoting public welfare and creating value for society.

Going forward, we will focus our efforts in the following key areas:

### ***Pursuing ultimate product quality***

Quality is the primary focus of East Buy. We will continue to adhere to high standards of product selection and strictly control the quality of each product. Whether it is our private label products or co-branded products, we will implement a stringent review mechanism to ensure that every product received by consumers meets or exceeds expectations of individuals, especially in basic categories related to people's livelihood.

Since 2021, we have been developing private label product business, adhering to the "customer-centric" long-term development strategy and continuously strengthening its capabilities in end-to-end management and control from the source to after-sales service. To date, the Company has established a system of private label products covering multiple categories such as fruits and vegetables, dairy and bakery products, nutritional and healthcare products, and daily necessities. It will continue to deepen capacity building in supply chain management, quality control, and other areas, striving to respond to consumers' expectations for high-quality products and trustworthy brands through stable and transparent mechanisms, practical and effective processes, and continuously optimized services.



Going forward, East Buy will continue to improve and refine the management system for suppliers of its private-label products, formulate strict internal norms, and establish an institutional framework covering access, review, and hierarchical management. It will also continuously advance full-process management measures, including qualification review, on-site factory inspections, product standard formulation, production-following supervision, unannounced inspections, and annual reviews, to steadily enhance the compliance and stability of the supply chain. Centering on the entire product lifecycle, we will build a quality control system that covers key links such as raw material selection, product design, production and processing, packaging and transportation, as well as sales and usage, striving to integrate “high standards” into every step. Meanwhile, the Company will also explore optimizing packaging design based on sustainable concepts, extend product lifecycles, and gradually promote green and high-quality consumption patterns.

### ***Strengthening the APP and membership system***

Since its establishment, our APP has been committed to providing users with high-quality products and services. To date, it has become an important bridge connecting loyal user groups with high-quality products. We will continue to optimise user experience, especially our members, and ensure that every user can enjoy satisfactory services. We hope that the number of paid members will continue to increase in the long term.

In the future, we will expand the user coverage of our APP by developing new user acquisition channels to increase monthly active users (MAU) and registered members. The Group will also undergo membership enhancements by refining and improving the membership system with expanded benefits and privileges, including provision of renewal gifts for members, introducing the “Family and Friends Card” as a free gift, allowing membership perks for orders placed on WeChat Mini Store, initiating one-click membership activation at checkout and exclusive member flash sales, etc, in order to elevate membership experience.

Moreover, we will continuously optimize the APP’s product offerings: by onboarding more domestic and international premium brands, effectively enriching the product assortment and expanding the range of categories available for members to purchase.

We will continue to upgrade our East Buy APP and Mini Program, continuously improving and unlocking new product capabilities. The Group has built a community forum through its APP and a book club to meet users’ content interaction needs within the APP, provide a direct engagement platform between East Buy and users, serve as a hub for new product launches and discussions, and enrich community interaction formats. The Company believes that the above improvements ensure a smoother, more engaging, and value-driven experience for our users.

### ***Innovative livestreaming e-commerce model and content ecology***

We are well aware of the importance of knowledge dissemination and cultural transmission and will continue to invest into creation of innovative content and livestreaming format. During the Reporting Period, we continued to actively promote the development of cultural content. While promoting distinctive agricultural products, we created innovative livestreaming content through different channels. During the Reporting Period, East Buy successively held nineteen outdoor livestreaming events in such as Guizhou, Xinjiang, Inner Mongolia, Sichuan, Ningxia, Yunnan etc, to showcase local customs and distinctive culture while promoting specialty products.

In terms of product exposure, we encourage product managers to participate in live broadcasts and will continue to explore and enrich the stories behind each of our products, using livestreaming to broadcast the production and design process to our followers and users. Our traceability livestreaming sessions ensure that users can better understand and build trust in our private label products.

For the livestreaming channel in our own APP, the Group will further carry out a number of enhancements and introduce new features to boost engagement and interactivity, including setting up livestream customer leaderboards for the ranking of top viewers, live polls, emoji interactions, live chat and bullet comments for audience participation during livestreaming sessions. The Company believes that these upgrades make livestreaming sessions more entertaining in order to attract more users.

### ***Technology infrastructure, Big Data and AI:***

The Group has invested and will continually invest in core technology innovation to enhance platform stability and scalability. Through optimising system architecture and data governance for greater load capacity and expansion, ensuring smooth performance during traffic peaks. Further, the Group is of the view that the high accessible and high performance infrastructure guarantees uninterrupted core operations and boosts efficiency. The upgraded data management and resource allocation, integrated large-scale AI models can also fuel business growth and innovation. The Group will build an algorithmic platform to provide strategic improvements based on analysis of key recommendation scenarios from the East Buy APP. These advancements deliver a seamless, high-speed user experience while laying a future-proof foundation for expansion. Through cutting-edge technology, the Group has made use of the data gathered to make better business decisions.

### ***Strengthening food safety and social responsibility***

Amid the transformation of the business landscape, we will continue to strive with great effort. We will always bear in mind the original aspiration and mission of the establishment of East Buy, and constantly select and create high-quality products and ultimate services for our users. In view of the widespread social concern over food safety in consumption market in recent years, East Buy understands its responsibility for ensuring food safety. We will continue to adhere to the principle of high standards in product selection and strive to address social pain points, especially stand out in basic categories related to people's livelihood. We believe that through unremitting efforts, East Buy will become one of the most trusted brands of Chinese families, leading the healthy development of the industry.

“A better life is all in East Buy” (“美好生活，盡在東方甄選”). This is our commitment and our motivation to move forward. Looking to the future, East Buy will continue to uphold its original aspirations, continue to innovate, provide users with better products and services, and work together to create a better life.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Revenue

Our revenue from continuing operations decreased by 32.7% from RMB6.5 billion for FY2024 to RMB4.4 billion for FY2025 among which our revenue from our APP increased from RMB0.9 billion for FY2024 to RMB1.1 billion for FY2025. If excluding the revenue amount generated by the livestreaming channel of Time with Yuhui, our total revenues from continuing operations decreased by 30.9% from RMB6.1 billion for FY2024 to RMB4.2 billion for FY2025.

### *Private label products and livestreaming e-commerce business*

Revenue from our private label products and livestreaming e-commerce segment decreased by 32.7% from RMB6.5 billion for FY2024 to RMB4.4 billion for FY2025, among which revenue from our private label products amounted to approximately RMB3.5 billion. During the Reporting Period, we have been working on strengthening the supply chain management system, expanding our product categories, and increasing the number of products offerings and SPUs.

### Cost of revenue, gross profit and gross margin

Our total cost of revenue from continuing operations decreased by 38.2% from RMB4.8 billion in FY2024 to RMB3.0 billion for FY2025, primarily due to the decrease in cost of inventories and logistics cost for private label products as a result of decrease in the GMV.

Our gross profit from continuing operations decreased by 17.0% from RMB1.7 billion for FY2024 to RMB1.4 billion for FY2025. Our gross profit margin from continuing operations increased from 25.9% for FY2024 to 32.0% for FY2025, primarily due to the healthy development of our private label products and livestreaming e-commerce business.

### Other income, gains and losses

Our other income, gains and losses from continuing operations increased by 28.1% from RMB138.1 million for FY2024 to RMB176.9 million for FY2025, primarily due to the changes in fair value of FVTPL.

### Selling and marketing expenses

Our selling and marketing expenses from continuing operations increased by 4.2% from RMB866.1 million for FY2024 to RMB902.1 million for FY2025, primarily due to the increase in advertising expenses.

### Research and development expenses

Our research and development expenses from continuing operations decreased by 3.5% from RMB131.6 million for FY2024 to RMB127.0 million for FY2025, primarily due to a decrease in share option expense during the Reporting Period.

## **Administrative expenses**

Our administrative expenses from continuing operations increased by 22.5% from RMB395.6 million for FY2024 to RMB484.8 million for FY2025, primarily due to the distribution of all remaining undistributed profits from Time with Yuhui as disclosed in the announcement of the Company dated 25 July 2024.

## **Share of results of associates**

Our share of results of associates decreased from a gain of RMB3.8 million for FY2024 to a loss of RMB0.7 million for FY2025, primarily due to the change from profit to loss in Beijing Shidai Yuntu Book Co., Ltd. (北京時代雲圖圖書有限責任公司).

## **Income tax expenses**

Our income tax expenses from continuing operations were RMB54.6 million for FY2025, compared to RMB184.6 million for FY2024, primarily due to the decrease in net profit during the Reporting Period.

## **Net profit for the year**

As a result of the above, our net profit from continuing operations decreased from RMB249.1 million for FY2024 to RMB6.2 million for FY2025. If we excluded the financial impact from the Disposal of Time with Yuhui, which are the one-off expense incurred and profit generated by Time with Yuhui, the net profit from continuing operations increased by 30.0% from RMB104.2 million for FY2024 to RMB135.4 million for FY2025.

## **Non-IFRS measures**

To supplement our financial information presented in accordance with IFRS, we also use Adjusted Profit for the year and Adjusted EBITDA as non-IFRS measures, which are not required by, or presented in accordance with IFRS. We believe that these non-IFRS measures facilitate comparison of operating performance from period to period by eliminating potential impacts of items that our management does not consider to be indicative of our operating performance. We also believe these measures provide useful information to investors and others in understanding and evaluating our consolidated statements of profit or loss in the same manner as they have assisted our management. Please note, however, our presentation of Adjusted Profit and Adjusted EBITDA may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our consolidated statements of profit or loss or financial condition as reported under IFRS.

We define Adjusted profit for the year represents profit for the year less loss on fair value changes of financial assets at FVTPL (non-current), and loss on disposal of a financial asset at FVTPL (non-current), plus share-based compensation expenses for the year. We define Adjusted EBITDA as profit for the year plus income tax expense, share-based compensation expenses, finance costs, impairment losses recognised under expected credit loss model, net, depreciation of property and equipment, depreciation of right-of-use assets, less other income, gains and losses for the year.

The following table reconciles our net profit from continuing operations for the year to Adjusted Profit from continuing operations for the year:

	<b>FY2025</b> <b>RMB'000</b> <b>(unaudited)</b>	<b>FY2024</b> <b>RMB'000</b> <b>(unaudited)</b>
<b>Reconciliation of profit for the year to Adjusted Profit for the year:</b>		
Net profit from continuing operations	<b>6,191</b>	249,145
Add:		
Share-based compensation expenses	<b>160,653</b>	416,955
Less:		
Loss on disposal of a financial asset at FVTPL (non-current)	–	(23)
Loss on fair value changes of financial assets at FVTPL (non-current)	<b>(6,702)</b>	(43,271)
<b>Adjusted Profit from continuing operations for the year</b>	<b>173,546</b>	709,394

The following table reconciles our profit from continuing operations for the year to Adjusted EBITDA from continuing operations for the year:

	<b>FY2025</b> <b>RMB'000</b> <b>(unaudited)</b>	<b>FY2024</b> <b>RMB'000</b> <b>(unaudited)</b>
<b>Reconciliation of net profit from continuing operations for the year to Adjusted EBITDA</b>		
Net profit	<b>6,191</b>	249,145
Add:		
Income tax expense	<b>54,554</b>	184,580
Share-based compensation expenses	<b>160,653</b>	416,955
Finance costs	<b>2,932</b>	2,159
Impairment losses recognised under expected credit loss model, net of reversal	<b>2,708</b>	4,713
Depreciation of property and equipment	<b>15,840</b>	20,328
Depreciation of right-of-use assets	<b>32,959</b>	33,957
Less:		
Other income, gains and losses	<b>176,944</b>	138,077
<b>Adjusted EBITDA from continuing operations for the year</b>	<b>98,893</b>	773,760

## OTHER INFORMATION ABOUT OUR FINANCIAL PERFORMANCE

### Liquidity and capital resources

During the Reporting Period, we met our cash requirements primarily from cash and cash equivalents and proceeds from the 2020 Subscription. We had cash and cash equivalents of RMB2.5 billion as at 31 May 2025 compared to RMB2.3 billion as at 31 May 2024. We had term deposits of RMB0.6 billion as at 31 May 2025, compared to RMB1.1 billion as at 31 May 2024. We also had financial assets (current) at FVTPL of RMB2.0 billion as at 31 May 2025, compared to RMB1.3 billion as at 31 May 2024. Thus, total monetary capital was RMB5.1 billion as at 31 May 2025. Cash and cash equivalents were represented by bank balances and cash; and bank balances and cash comprised of cash and short-term deposits with an original maturity of three months or less. Financial assets (current) at FVTPL comprised of wealth management products.

During the Reporting Period, we primarily used cash to fund required working capital and other recurring expenses to support the expansion of our operations. Going forward, we believe that our liquidity requirements will be satisfied by using funds from a combination of internally generated cash and net proceeds from our 2020 Subscription.

As at the end of FY2025, our gearing ratio was 16.0%, compared with 24.0% at the end of FY2024, calculated as total liabilities divided by total assets.

### Cash flow

The following table sets forth our cash flows for the two comparable years:

	<b>FY2025</b> <b>RMB'000</b>	<b>FY2024</b> <b>RMB'000</b>
Net cash from operating activities	<b>89,292</b>	856,088
Net cash from investing activities	<b>195,495</b>	202,753
Net cash (used in) financing activities	<b>(53,121)</b>	(14,768)
Net increase in cash and cash equivalents	<b>231,666</b>	1,044,073
Cash and cash equivalents at the beginning of the financial year	<b>2,262,464</b>	1,165,137
Effect of exchange rate changes	<b>5,409</b>	53,254
<b>Cash and cash equivalents at the end of the financial year</b>	<b>2,499,539</b>	2,262,464

### *Net cash from operating activities*

Our net cash from operating activities primarily consists of our profit before tax for the financial year adjusted by non-cash items, non-operating items and changes in working capital. Our net cash generated from operating activities in FY2025 was RMB89.3 million. The difference between cash generated from operating activities before tax and interest of RMB127.1 million and the profit before tax of RMB60.7 million was mainly due to: (i) a RMB7.6 million of loss on disposal of a subsidiary; (ii) a RMB113.8 million decrease in inventories and a RMB65.2 million decrease in trade and other receivables due to the decrease in GMV during the Reporting Period; and (iii) excluding the effect of share-based compensation expenses of RMB160.7 million.

### ***Net cash from investing activities***

Our net cash from investing activities in FY2025 was approximately RMB195.5 million, primarily attributable to proceeds from disposal of financial assets at fair value through profit or loss of RMB2.4 billion, withdrawal of term deposits of RMB1.6 billion and net cash inflow on RMB527.7 million on disposal of education business, which was partially offset by purchases of financial assets at fair value through profit or loss of RMB3.1 billion and placement of term deposits of RMB1.1 billion.

### ***Net cash used in financing activities***

Our net cash used in financing activities in FY2025 was approximately RMB53.1 million, primarily attributable to payments on repurchase of ordinary shares of RMB110.4 million and repayments of lease liabilities of RMB34.5 million.

### **Capital expenditure**

The following table sets forth our capital expenditure for the years indicated:

	<b>FY2025</b> <b><i>RMB'000</i></b>	<b>FY2024</b> <b><i>RMB'000</i></b>
Purchase of property and equipment	<b>25,830</b>	35,858

Our capital expenditures were primarily for purchases of property and equipment in FY2024 and FY2025, respectively. Our purchases of property and equipment were RMB35.9 million for FY2024 and RMB25.8 million for FY2025, respectively.

### **Off-balance sheet commitments and arrangements**

As at 31 May 2025, we had not entered into any off-balance sheet transactions.

### **Future plans for material investments and capital assets**

As at 31 May 2025, we did not have any other foreseeable plans for material investments and capital assets.

### **Material acquisitions and/or disposals of subsidiaries and affiliated companies**

On 25 July 2024, Beijing Xuncheng entered into a disposal agreement with Mr. Dong and the Target Company pursuant to which Beijing Xuncheng's 100% equity interest in the Target Company was transferred to Mr. Dong at a consideration of RMB76,585 thousand, and thereafter, the Target Company ceased to be a consolidated affiliated company of the Group. For further details, please refer to the announcement of the Company dated 25 July 2024.

Save as disclosed above, during the Reporting Period, we did not have any other material acquisitions and/or disposals of subsidiaries and affiliated companies.



## **Significant Investments Held**

Save as disclosed above, the Group did not make or hold any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of 31 May 2025) during FY2025.

## **Employees and remuneration policy**

As at 31 May 2025, we had 1,070 full-time employees and 331 part-time employees (31 May 2024: 1,318 full-time employees and 565 part-time employees). The number of employees employed by the Group varies from time to time depending on needs and employees are remunerated based on industry practice.

Our success depends on our 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.

The total remuneration expenses, including share-based compensation expense incurred by the Group for FY2025 was 1.2 billion, representing a year-on-year decrease of 17.6% from RMB1.4 billion for FY2024.

## **Foreign exchange risk**

Foreign exchange risk arises when commercial transactions or recognised assets and liabilities are denominated in a currency that is not the functional currency of our operating entities. We operate in the PRC with most of the transactions settled in RMB. During the Reporting Period, we had assets and liabilities denominated in United States dollars and Hong Kong dollars. We continuously monitor changes in currency exchange rates and will take necessary measures to mitigate exchange rate impact.

## **Indebtedness**

During the Reporting Period, we did not incur any bank loan or other borrowings. Our Directors consider that we have adequate cash and capital resources considering our bank balances and cash, term deposits and our financial assets at FVTPL, wealth management products generated from our operating activities and the net proceeds from the share subscriptions to fund our operations and expansion, therefore, we do not plan to incur any borrowing in the 12 months from the date of this announcement.

## **Pledge of assets**

As at 31 May 2025, none of our Group's assets were pledged.

## **Contingent liabilities**

As at 31 May 2025, we did not have any material contingent liabilities.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Compliance with Corporate Governance Code**

Our Company was incorporated in the Cayman Islands on 7 February 2018 as an exempted company with limited liability, and our Shares were listed on the Main Board of the Stock Exchange on 28 March 2019.

We are committed to maintaining and promoting stringent corporate governance. The principle of our Company's corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all shareholders of our Company. During the Reporting Period, the Company has complied with all the applicable code provisions as set out in Part 2 of the Corporate Governance Code except for the following deviations:

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of the chairman of the Board and the chief executive should be segregated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The Company does not have separate chairman of the Board and chief executive officer, and Mr. Yu Minhong, our executive Director, currently performs these two roles (since his redesignation as an executive Director and appointment as chief executive officer on 16 December 2023). The Board believes that vesting the roles of both chairman of the Board and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

Under the code provision F.1.3 of the Corporate Governance Code (formerly as code provision F.2.2 of the Corporate Governance Code which was applicable during the Reporting Period), the chairman of the Board should attend the annual general meeting. Mr. Yu Minhong, the executive Director and the chairman of the Board, was unable to attend the Company's annual general meeting held on 1 November 2024 ("AGM") due to other business commitment. Mr. Yin Qiang, the executive Director, who was elected by Directors and acted as the AGM chairman, together with all other Board members who attended AGM, were of sufficient calibre for answering questions from and communicating with the stakeholders at AGM.

We will continue to regularly review and monitor our corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices of the Company.

### **Compliance with the Model Code for Securities Transactions by Directors**

We have adopted the Model Code as the code of conduct regulating our Directors' dealings in our Company's securities. To the best of our Directors' knowledge and belief, all our Directors confirm that they have complied with the required standards set out in the Model Code during the Reporting Period.

## Audit Committee

Our Board has established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code (as amended from time to time). The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system (including risk management) of our Group, to review and approve connected transactions (as defined in the Listing Rules) and to provide advice and comments to the Board. The Audit Committee consists of three members: Mr. YAN Andrew Y (as the Audit Committee's chairperson), Mr. KWONG Wai Sun Wilson and Mr. LIN Zheyang.

The Audit Committee, together with our external Auditor, Deloitte Touche Tohmatsu, have reviewed our Group's audited consolidated financial statements for FY2025. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by our Company and internal control measures with senior management members.

## Other Board Committees

In addition to our Audit Committee, the Company has also established a nomination committee and a remuneration committee.

## Purchase, Sale or Redemption of our Listed Securities

During the Reporting Period, the Company repurchased approximately 5,883,000 Shares (the "**Repurchased Shares**") on the Stock Exchange at an aggregate consideration of HK\$98,742,235. Particulars of the Repurchased Shares are as follows:

Month of repurchase	Number of Repurchased Shares	Highest price paid (HK\$)	Lowest price paid (HK\$)	Total consideration paid (HK\$)
August 2024	74,500	12.10	11.34	877,190
September 2024	2,982,000	13.20	11.60	36,896,880
October 2024	2,826,500	26.00	15.34	60,968,165

As at the date of this announcement, all the Repurchased Shares have been cancelled. The Company considered that the above repurchases demonstrated the Company's confidence in its own business outlook and prospects and would, ultimately, benefit the Company and create value to Shareholders.

Save as disclosed above, neither our Company nor any of its subsidiaries purchased, sold or redeemed any of our Company's securities listed on the Stock Exchange (including sale of treasury shares (as defined in the Listing Rules)) during the Reporting Period. As of 31 May 2025, the Company did not hold any treasury shares (as defined in the Listing Rules).

## **Scope of work of Messrs. Deloitte Touche Tohmatsu**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 May 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 22 August 2025. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

## **Material Litigation**

During the Reporting Period, our Company was not involved in any material litigation or arbitration; nor were our Directors aware of any material litigation or claims that were pending or threatened against our Company as at 31 May 2025.

## **FINAL DIVIDEND**

Our Board does not recommend the distribution of a final dividend for FY2025 (FY2024: Nil).

## **CLOSURE OF REGISTER OF MEMBERS**

The AGM will be held on or around Monday, 3 November 2025. The register of members of our Company will be closed from Thursday, 30 October 2025 to Monday, 3 November 2025 (both days inclusive) in order to determine the identity of our Shareholders who are entitled to attend the AGM, during which period no share transfers will be registered. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with our Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 28 October 2025.

## **NET PROCEEDS FROM THE 2020 SUBSCRIPTION**

The 2020 Subscription was completed on 24 December 2020 and raised approximately HK\$1.783 billion in net proceeds. Subsequent to the 2020 Subscription, our Group had used the net proceeds from the 2020 Subscription in the manner and according to the intended uses set out in the circular of the Company dated 14 October 2020. On 21 January 2022, the Board has resolved to change the use of the remaining net proceeds as at the same date and the Group had used the net proceeds in accordance with the intended use as set out in the announcement of the Company dated 21 January 2022 (the "**January 2022 Announcement**"). On 21 January 2025, the Board has further resolved to extend the initial expected timeline for the unutilised net proceeds as at the same date to three years from 21 January 2025 as set out in the announcement of the Company dated 21 January 2025 (the "**January 2025 Announcement**").

The utilisation of the net proceeds for FY2025 and the updated expected timeline of full utilization as disclosed in the January 2025 Announcement are summarised as follows:

<i>HK\$ million</i> <sup>(1)</sup>	Unutilised amount as at 1 June 2024	Utilised during FY2025	Unutilised amount as at 31 May 2025	Updated expected timeline of full utilisation
Sales and marketing	250.4	7.6	242.8	Three years from 21 January 2025
Technology infrastructure	3.9	–	3.9	Three years from 21 January 2025
Business related staff	105.6	11.6	94.0	Three years from 21 January 2025
Working capital	168.0	0.1	167.9	Three years from 21 January 2025
<b>Total</b>	<b>527.9</b>	<b>19.3</b>	<b>508.6</b>	

*Notes:*

- (1) The amounts “utilised during FY2025” are based on the exchange rate of HK\$1.0912: RMB1.
- (2) The figures presented in this table are approximations and subject to currency exchange rate fluctuation and rounding.
- (3) The updated expected timeline for utilisation of the unutilised net proceeds above is based on the Group’s best estimation as of the date of this announcement and is subject to change based on the future development of market conditions.

## EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, no significant events affecting our Company have occurred since the end of the Reporting Period to the date of this announcement.

## PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and our Company website at [ir.eastbuy.com](http://ir.eastbuy.com). Our Group’s annual report for FY2025 will be published on the same websites of the Stock Exchange and our Company and will be made available to our Shareholders in due course.



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MAY 2025**

	<i>NOTES</i>	<b>2025</b> <i>RMB'000</i>	<b>2024</b> <i>RMB'000</i>
<b>Continuing operations</b>			
Revenue	3	<b>4,392,071</b>	6,525,551
Cost of revenue		<b>(2,988,030)</b>	(4,833,540)
Gross profit		<b>1,404,041</b>	1,692,011
Other income, gains and losses	4	<b>176,944</b>	138,077
Impairment losses recognised under expected credit loss model, net of reversal		<b>(2,708)</b>	(4,713)
Selling and marketing expenses		<b>(902,110)</b>	(866,068)
Research and development expenses		<b>(126,998)</b>	(131,593)
Administrative expenses		<b>(484,817)</b>	(395,616)
Share of results of associates		<b>(675)</b>	3,786
Finance costs		<b>(2,932)</b>	(2,159)
Profit before tax		<b>60,745</b>	433,725
Income tax expense	5	<b>(54,554)</b>	(184,580)
Profit for the year from continuing operations		<b>6,191</b>	249,145
<b>Discontinued operations</b>			
Profit for the year from discontinued operations		<b>–</b>	1,470,363
<b>Profit for the year</b>	6	<b>6,191</b>	1,719,508
<b>Other comprehensive income</b>			
Items that may be reclassified subsequently to profit or loss:			
– Exchange differences on translation from functional currency to presentation currency		<b>–</b>	23
<b>Profit and total comprehensive income for the year</b>		<b>6,191</b>	1,719,531
Profit for the year attributable to owners of the Company			
– from continuing operations		<b>5,735</b>	249,140
– from discontinued operations		<b>–</b>	1,470,363
		<b>5,735</b>	1,719,503

	<i>NOTES</i>	<b>2025</b> <b><i>RMB'000</i></b>	2024 <i>RMB'000</i>
Profit for the year attributable to non-controlling interests			
– from continuing operations		<u>456</u>	<u>5</u>
		<u>456</u>	<u>5</u>
		<b><u>6,191</u></b>	<b><u>1,719,508</u></b>
Profit and total comprehensive income for the year attributable to:			
Owners of the Company		<b>5,735</b>	1,719,526
Non-controlling interests		<u>456</u>	<u>5</u>
		<b><u>6,191</u></b>	<b><u>1,719,531</u></b>
Profit and total comprehensive income for the year attributable to owners of the Company			
– from continuing operations		<b>5,735</b>	249,163
– from discontinued operations		<u>–</u>	<u>1,470,363</u>
		<b><u>5,735</u></b>	<b><u>1,719,526</u></b>
<b>Earnings per share</b>			
From continuing and discontinued operations			
– Basic (RMB)	7	<b>0.01</b>	1.68
– Diluted (RMB)		<b>0.01</b>	1.61
From continuing operations			
– Basic (RMB)	7	<b>0.01</b>	0.24
– Diluted (RMB)		<b>0.01</b>	0.23

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT 31 MAY 2025**

	<i>NOTES</i>	<b>At 31 May</b> <b>2025</b> <b>RMB'000</b>	<b>2024</b> <b>RMB'000</b>
<b>Non-current Assets</b>			
Property and equipment		<b>31,639</b>	43,202
Right-of-use assets		<b>53,298</b>	98,972
Interests in associates		<b>72,550</b>	73,225
Financial assets at fair value through profit or loss	<i>9</i>	<b>88,187</b>	94,889
Deferred tax assets		<b>16,416</b>	54,721
Deposits for acquisition of property and equipment		<b>2,094</b>	1,480
Refundable rental deposits		<b>9,115</b>	11,143
Term deposits		<b>60,269</b>	—
		<b>333,568</b>	377,632
<b>Current Assets</b>			
Inventories	<i>10</i>	<b>308,565</b>	422,341
Trade and other receivables	<i>11</i>	<b>189,691</b>	893,582
Prepayments		<b>121,339</b>	133,613
Financial assets at fair value through profit or loss	<i>9</i>	<b>1,957,486</b>	1,250,338
Term deposits		<b>560,763</b>	1,079,420
Restricted bank deposits		<b>121,562</b>	122,129
Cash and cash equivalents		<b>2,499,539</b>	2,262,464
		<b>5,758,945</b>	6,163,887
<b>Current Liabilities</b>			
Lease liabilities		<b>32,764</b>	36,710
Contract liabilities	<i>12</i>	<b>52,315</b>	49,595
Refund liabilities		<b>3,902</b>	4,410
Trade payables	<i>13</i>	<b>432,695</b>	611,886
Accrued expenses and other payables		<b>374,546</b>	688,219
Income tax payables		<b>58,329</b>	122,079
		<b>954,551</b>	1,512,899
<b>Net current assets</b>		<b>4,804,394</b>	4,650,988
<b>Total assets less current liabilities</b>		<b>5,137,962</b>	5,028,620

	At 31 May	
<i>NOTES</i>	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Capital and Reserves</b>		
Share capital	135	133
Reserves	<u>5,116,962</u>	<u>4,969,083</u>
Equity attributable to owners of the Company	5,117,097	4,969,216
Non-controlling interests	<u>861</u>	<u>405</u>
<b>Total equity</b>	<b><u>5,117,958</u></b>	<b><u>4,969,621</u></b>
<b>Non-current Liabilities</b>		
Deferred tax liabilities	1,990	900
Lease liabilities	<u>18,014</u>	<u>58,099</u>
	<u>20,004</u>	<u>58,999</u>
<b>Net assets</b>	<b><u>5,117,958</u></b>	<b><u>4,969,621</u></b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION AND BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

East Buy Holding Limited (the “**Company**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 7 February 2018 under the Companies law, Cap 22 (law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The addresses of the registered office and the principal place of business of the Company and its subsidiaries (collectively referred to as the “**Group**”) are disclosed in the section headed “**Corporate Information**” in the annual report. New Oriental Education & Technology Group Inc (“**New Oriental Group**”), incorporated in the Cayman Islands, is the ultimate controlling shareholder of the Company.

The Company is an investment holding company. The principal activities of the Group are operating livestreaming e-commerce business for sales of private label products to individual customers and provision of commission services. Additionally, the Company sells its private label products through its own APP. The Group provided online education services to college students and other occupational people in the People’s Republic of China (the “**PRC**”) and provided education and related services to institutional customers such as public libraries and universities in the PRC, such education businesses had been disposed of on 1 March 2024.

The shares of the Company have been listed on the Stock Exchange with effect from 28 March 2019 (the “**Listing**” and “**Listing Date**”).

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

#### **Basis of preparation of consolidated financial statements**

##### ***Contractual Arrangements***

Due to the restrictions imposed by the relevant laws and regulatory regime of the PRC on foreign ownership of companies engaged in the value-added telecommunications services carried out by the Group, the Group conducts a substantial portion of the business through Beijing New Oriental Xuncheng Network Technology Inc. (“**Beijing Xuncheng**”) (the “**Consolidated Affiliated Entities**”) in the PRC. On 10 May 2018, the wholly-owned subsidiary of the Company, Beijing Dexin Dongfang Network Technology Co., Inc. (“**Dexin Dongfang**”) has entered into the contractual arrangements (the “**Contractual Arrangements**”) with the Consolidated Affiliated Entities and their respective equity holders, which enable Dexin Dongfang and the Company to:

- expose, or has rights, to variable returns from its involvement with the Consolidated Affiliated Entities and has ability to affect those returns through its power over the Consolidated Affiliated Entities;



- exercise equity holders' controlling voting rights of the Consolidated Affiliated Entities;
- receive substantially all of the economic interest returns generated by the Consolidated Affiliated Entities in consideration for the business support, technical and consulting services provided by Dexin Dongfang;
- obtain an irrevocable and exclusive right to purchase all or part of equity interests in the Consolidated Affiliated Entities from the respective equity holders at nil consideration or a minimum purchase price permitted under the PRC laws. Dexin Dongfang may exercise such options at any time until it has acquired all equity interests and/or all assets of the Consolidated Affiliated Entities. In addition, the Consolidated Affiliated Entities are not allowed to sell, transfer, or dispose any assets, or make any distributions to their equity holders without prior consent of Dexin Dongfang; and
- obtain a pledge over the entire equity interest of the Beijing Xuncheng from their equity holders as collateral security for all of Beijing Xuncheng's payments due to Dexin Dongfang and to secure performance of Beijing Xuncheng's and obligations under the Contractual Arrangements.

The Group does not have any equity interest in the Consolidated Affiliated Entities. However, as a result of the Contractual Arrangements, the Group has power over the Consolidated Affiliated Entities, has rights to variable returns from its involvement with the Consolidated Affiliated Entities and has the ability to affect those returns through its power over the Consolidated Affiliated Entities and is considered to have control over the Consolidated Affiliated Entities. Consequently, the Company regards the Consolidated Affiliated Entities as indirect subsidiaries for accounting purpose. The Company consolidated the assets, liabilities, revenue, income and expenses of the Consolidated Affiliated Entities upon the completion of the reorganisation on 10 May 2018.

Total assets of the Consolidated Affiliated Entities were RMB2,734,655,000 as of 31 May 2025 (31 May 2024: RMB3,412,362,000) and these balances have been reflected in the Group's consolidated financial statements after intragroup eliminations.

Total revenue of the Consolidated Affiliated Entities was RMB4,392,071,000 for the year ended 31 May 2025 (2024: RMB7,072,564,000) and these amounts have been reflected in the Group's consolidated financial statements after intragroup eliminations.

## 2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

### **Amendments to IFRS Accounting Standards that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to IFRS Accounting Standard issued by the International Accounting Standards Board (“IASB”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 June 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### ***New and amendments to IFRS Accounting Standards in issue but not yet effective***

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to IAS 21	Lack of Exchangeability <sup>2</sup>
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards - Volume 11 <sup>3</sup>
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>3</sup>
Amendments to IFRS 9 and IFRS 7 IFRS 18	Contracts Referencing Nature-dependent Electricity <sup>3</sup> Presentation and Disclosure in Financial Statements <sup>4</sup>

1. Effective for annual periods beginning on or after a date to be determined

2. Effective for annual periods beginning on or after 1 January 2025

3. Effective for annual periods beginning on or after 1 January 2026

4. Effective for annual periods beginning on or after 1 January 2027

Except for IFRS 18 *Presentation and Disclosure in Financial Statements* mentioned below, the directors of the Company (the “**Directors**”) anticipate that the application of all other new and amendments to IFRS Accounting Standard will have no material impact on the consolidated financial statements in the foreseeable future.

## ***IFRS 18 Presentation and Disclosure in Financial Statements***

IFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

### **3. REVENUE AND SEGMENT INFORMATION**

#### **Disaggregation of revenue from contracts with customers**

	<b>Year ended 31 May</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Timing of revenue recognition</b>		
Over time	<b>42,265</b>	17,527
At a point in time	<b>4,349,806</b>	6,508,024
Total	<b>4,392,071</b>	6,525,551
<b>Type of revenue</b>		
Sales of products	<b>3,522,831</b>	5,147,293
Service revenue and others	<b>869,240</b>	1,378,258
Total	<b>4,392,071</b>	6,525,551

All revenues of the Group from continuing operations were generated from private label products, livestreaming e-commerce and other related services.

Information reported to the executive directors, being the chief operating decision maker (the "CODM"), for the purposes of resources allocation and assessment of segment performance focuses on types of goods or services provided.

Irrespective of the online education services business which has been disposed of during the year ended 31 May 2024, the Group mainly operates online live commerce with private label products sold to individual customers and provision of commission services for the two years ended 31 May 2025, the CODM assesses the operating performance and allocates resources of continuing operations of the Group as a whole, as all of the Group's continuing activities are considered to be online live commerce business. Accordingly, the Directors consider there is only one operating segment under the requirements of IFRS 8.

The Group's operations are located on PRC and all of the Group's revenues from continuing operations were generated from external customers in the PRC. The Group's non-current assets are all located in the PRC. Therefore, no geographical information is presented.

No service or product provided to a single customer exceeds 10% or more of the total revenue of the Group from continuing operations for the year ended 31 May 2025 (2024: Nil).

#### 4. OTHER INCOME, GAINS AND LOSSES

	<b>Year ended 31 May</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Continuing operations</b>		
Interest income from term deposits	58,347	41,277
Gain/(loss) on fair value changes of financial assets at FVTPL	37,625	(4,419)
Interest income from bank balances	32,043	34,565
VAT input deduction and exemption	29,868	274
Net foreign exchange gain	18,634	9,896
Government grants <sup>(i)</sup>	4,529	53,991
Loss on disposal of a subsidiary	(7,566)	–
Interest income from rental deposits	402	516
Others	3,062	1,977
	<b>176,944</b>	<b>138,077</b>

*Note:*

- (i) Government grants amounted to RMB4,529,000 (2024: RMB53,991,000) have been recognised for the subsidies relating to its local municipal business development. The amounts have been recognised as other income, and there was no unfulfilled condition attached to these government grants in the year in which they were recognised.

## 5. INCOME TAX EXPENSE

	Year ended 31 May	
	2025	2024
	RMB'000	RMB'000
<b>Continuing operations</b>		
Current tax:		
PRC enterprise income tax	54,921	213,358
Deferred tax	(367)	(28,778)
	<u>54,554</u>	<u>184,580</u>

## 6. PROFIT FOR THE YEAR

Profit for the year from continuing operations has been arrived at after charging the following items:

	Year ended 31 May	
	2025	2024
	RMB'000	RMB'000
Staff cost, including directors' and chief executive's remuneration		
– Salaries, allowances and benefits in kind	966,465	761,607
– Retirement benefit scheme contributions	49,114	42,558
– Equity-settled share-based payments	160,653	416,955
Total staff cost	<u>1,176,232</u>	<u>1,221,120</u>
Depreciation of property and equipment	15,840	20,328
Depreciation of right-of-use assets	32,959	33,957
Expense of short-term leases	6,689	4,186
Auditor's remuneration <sup>(i)</sup>	<u>5,150</u>	<u>5,180</u>

*Note:*

- (i) During the year ended 31 May 2025, auditor's remuneration includes RMB3,950,000(2024: RMB3,980,000) in relation to annual audit and RMB1,200,000 (2024: RMB1,200,000) in relation to interim review.



## 7. EARNINGS PER SHARE

### For continuing operations

The calculation of the basic and diluted earnings per share from continuing operation attributable to owners of the Company is based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Earnings:</b>		
Earnings for the year attributable to owners of the Company	<u>5,735</u>	<u>1,719,503</u>
<b>Less:</b>		
Profit for the year from discontinued operations attributable to owners of the Company	<u>–</u>	<u>1,470,363</u>
Earnings for the purpose of calculating basic and diluted earnings per share from continuing operations	<u><u>5,735</u></u>	<u><u>249,140</u></u>
	2025	2024
<b>Number of shares:</b>		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	1,035,797,903	1,017,636,860
Effect of dilutive potential ordinary shares:		
Share options and share awards	<u>25,999,727</u>	<u>49,687,221</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u><u>1,061,797,630</u></u>	<u><u>1,067,324,081</u></u>

### From continuing and discontinued operations

The calculation of the basic and diluted earnings per share from continuing and discontinued operations attributable to owners of the Company is based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Earnings:</b>		
Earnings for the year attributable to owners of the Company for the purpose of calculating basic and diluted earnings per share	<u><u>5,735</u></u>	<u><u>1,719,503</u></u>

The denominators used to calculate earnings per share of continuing and discontinued operations are the same as those detailed above for both basic and diluted earnings per share.

## From discontinued operations

Basic earnings per share for the discontinued operations is nil per share (2024: RMB1.44 per share) and diluted earnings per share for the discontinued operations is nil per share (2024: RMB1.38 per share), based on the profit for the year from the discontinued operations of nil (2024: approximately RMB1,470 million) and the denominators detailed above for both basic and diluted earnings per share.

## 8. DIVIDENDS

No dividend was paid, declared or proposed for ordinary shareholders of the Company during the year ended 31 May 2025 (2024: Nil), nor has any dividend been proposed since the end of the reporting period.

## 9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RMB'000	2024 RMB'000
<b>Non-current assets</b>		
Financial assets at FVTPL		
– Unlisted equity investments <sup>(i)(ii)</sup>	<u>88,187</u>	<u>94,889</u>
<b>Current assets</b>		
Financial assets at FVTPL		
– Wealth management products <sup>(iii)</sup>	<u>1,957,486</u>	<u>1,250,338</u>

Notes:

- (i) The unlisted equity investments as at 31 May 2025 and 31 May 2024 is the Group's investments in ordinary shares with preferential rights of East Buy (Henan) Food Technology Co., Ltd. ("Henan Oriental") and preferred shares of EEO Education Technology Co., Ltd. ("EEO") incorporated in the PRC and the Cayman Islands respectively.
- (ii) On 18 January 2023, Dong Fang You Xuan (Beijing) Technology Co., Ltd., one of the Company's subsidiaries, invested 30% ordinary shares with preferential rights in Henan Oriental, a grilled sausages producer, for a total cash consideration of RMB17,527,000. With the preferential rights, the Group has the right to require and demand the investee to redeem all of the shares held by the Group at a guaranteed predetermined fixed amount upon certain redemption events which are out of control of the investee. Hence, the investment is accounted for under IFRS 9 and measured at financial assets at FVTPL.
- (iii) Wealth management products are purchased from various banks with expected rate of return ranging from 1.30 % to 4.30 % (2024: 2.70% to 3.99%) per annum, and maturity period ranging from 1 day to 370 days (2024: 1 day to 365 days). The principals and returns of these wealth management products are not guaranteed.

During the year ended 31 May 2025, the Group did not make any sales to EEO (2024: Nil) and made sales to Henan Oriental amounting to RMB30,751,000 (2024: Nil).

During the year ended 31 May 2025, the Group did not make any purchases from EEO (2024: Nil) and made purchases from Henan Oriental amounting to RMB73,460,000 (2024: RMB180,354,000).

## 10. INVENTORIES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Products	280,824	370,530
Products in transit	27,741	51,811
	<u>308,565</u>	<u>422,341</u>

## 11. TRADE AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	36,168	37,723
Less: allowance for credit losses	8,738	6,030
	<u>27,430</u>	<u>31,693</u>
Other receivables:		
Amounts due from related parties <sup>(i)</sup>	28,352	544,508
Receivables from third-party payment platforms	94,957	260,659
Deductible input on VAT	9,648	6,391
Advances to employees	1,174	2,747
Rental deposits <sup>(ii)</sup>	677	1,207
Others	27,453	46,377
	<u>162,261</u>	<u>861,889</u>
Trade and other receivables	<u>189,691</u>	<u>893,582</u>

*Notes:*

- (i) The deferred consideration of RMB527,678,000 for the disposal of education business in March 2024 has been settled in cash by New Oriental Group in September 2024.
- (ii) The rental deposits represent refundable rental deposits that are due within one year.

The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on the invoice date:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
1-90 days	7,040	6,435
91-180 days	2,196	719
181 days -1 year	251	159
1-2 years	125	24,380
>2 years	17,818	—
	<u>27,430</u>	<u>31,693</u>

## 12. CONTRACT LIABILITIES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Contract liabilities in relation to:		
Membership fees	23,623	19,513
Customers for advertising service	13,134	4,836
Membership points	9,212	14,658
Customers for livestreaming e-commerce service	4,535	8,391
Others	1,811	2,197
	<u>52,315</u>	<u>49,595</u>

## 13. TRADE PAYABLES

The following is an analysis of trade payables by age, presented based on the invoice date.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
1-90 days	364,924	451,753
91-180 days	36,348	144,900
181 days-1 year	12,082	14,478
1 year-2 years	18,598	755
>2 years	743	—
	<u>432,695</u>	<u>611,886</u>

Included in trade payables, RMB13,558,000 as at 31 May 2025 (31 May 2024: RMB19,672,000) were amounts due to related parties, among which RMB10,348,000 (31 May 2024: RMB10,894,000) were aged 1-90 days, Nil (31 May 2024: RMB2,714,000) were aged 91-180 days, RMB1,000 (31 May 2024: RMB5,399,000) were aged 181 days-1 year, RMB2,544,000 (31 May 2024: RMB665,000) were aged 1 year-2 years, RMB665,000 (31 May 2024: Nil) were aged over 2 years based on the invoice date.

## DEFINITIONS

Unless otherwise stated or set out below, capitalised terms have the same meaning as defined below.

“2020 Subscription”	the subscription of an aggregate of 59,432,000 Shares by the Subscribers for a subscription price of HK\$30.00 per subscription share, which was completed on 24 December 2020, the further details of which are contained in the Company’s circular dated 14 October 2020
“AGM”	annual general meeting of our Company
“APP”	software that causes a computer, smartphone, or electronic mobile device to perform tasks, specifically in our Company’s context, it refers to private label products and livestreaming e-commerce application
“Audit Committee”	the audit committee of the Board
“Auditor”	Deloitte Touche Tohmatsu
“Beijing Xuncheng”	Beijing New Oriental Xuncheng Network Technology Inc. (北京新東方迅程網絡科技有限公司), a consolidated affiliated entity of the Company
“Board”	the board of Directors
“China” or “the PRC”	the People’s Republic of China
“Company”, “we”, “us”, “our” or “East Buy”	East Buy Holding Limited 東方甄選控股有限公司, an exempted company with limited liability incorporated under the laws of the Cayman Islands on 7 February 2018
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, as amended from time to time
“Director(s)”	the director(s) of our Company
“FVTPL”	fair value through profit or loss
“FY2024”	the financial year ended 31 May 2024
“GMV”	gross merchandise volume
“Group”	the Company and its subsidiaries from time to time or, where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time

“HK\$”	Hong Kong dollars, lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“IFRS(s)”	the International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Mr. Dong”	Mr. Dong Yuhui
“New Oriental”	New Oriental Education & Technology Group Inc., a company incorporated under the Laws of the Cayman Islands on 16 March 2006, the American depository shares of which are listed on the New York Stock Exchange under the symbol “EDU”
“Prospectus”	the prospectus of the Company in relation to the listing of the Shares on the Main Board of the Stock Exchange dated 15 March 2019
“Reporting Period” or “FY2025”	the financial year ended 31 May 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of China
“Share(s)”	ordinary share(s) in the share capital of the Company, currently with a par value of US\$0.00002 each
“Shareholder(s)”	holder(s) of our Share(s)
“SPU”	standard product units
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Target Company” or “Time with Yuhui”	Time with Yuhui (Beijing) Technology Ltd (與輝同行(北京)科技有限公司)
“Subscribers”	New Oriental Group and Tigerstep
“Tigerstep”	Tigerstep Developments Limited, a company incorporated under the Laws of the British Virgin Islands, and a connected person of the Company
“United States” or “U.S.”	United States of America, its territories, its possessions and all areas subject to its jurisdiction

“US\$”

United States dollars, the lawful currency of the United States

“%”

per cent

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

Hong Kong, 22 August 2025

*As of the date of this announcement, 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. KWONG Wai Sun Wilson and Mr. YAN Andrew Y as independent non-executive Directors.*