

# 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)



**EASTBUY**  
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# CORPORATE INFORMATION



## BOARD OF DIRECTORS

### Executive Directors

Mr. YU Minhong (俞敏洪), *Chairman and chief executive officer*

Mr. YIN Qiang (尹強), *Chief financial officer*

### Non-executive Director

Ms. SUN Chang (孫暢)

### Independent non-executive Directors

Mr. TONG Sui Bau (董瑞豹)  
(resigned on 21 January 2025)

Mr. KWONG Wai Sun Wilson (鄺偉信)

Mr. LIN Zheyang (林哲瑩)

Mr. YAN Andrew Y (閻焱)  
(appointed on 21 January 2025)

## BOARD COMMITTEES

### Audit committee

Mr. TONG Sui Bau, *Committee chairman*  
(resigned on 21 January 2025)

Mr. YAN Andrew Y, *Committee chairman*  
(appointed on 21 January 2025)

Mr. KWONG Wai Sun Wilson

Mr. LIN Zheyang

### Remuneration committee

Mr. LIN Zheyang, *Committee chairman*

Ms. SUN Chang

Mr. TONG Sui Bau (resigned on 21 January 2025)

Mr. YAN Andrew Y (appointed on 21 January 2025)

### Nomination committee

Mr. YU Minhong, *Committee chairman*

Mr. TONG Sui Bau (resigned on 21 January 2025)

Mr. LIN Zheyang

Mr. YAN Andrew Y (appointed on 21 January 2025)

## COMPANY SECRETARY

Mr. CHEUNG Kai Cheong Willie (FCPA, FCCA)

## AUTHORISED REPRESENTATIVES

Mr. YIN Qiang

Mr. CHEUNG Kai Cheong Willie

## AUDITOR

Deloitte Touche Tohmatsu

*Certified Public Accountants*

*Registered Public Interest Entity Auditors*

## REGISTERED OFFICE

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P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

## HEADQUARTERS

Level 18, South Wing

2 Haidian East Third Road

Haidian District

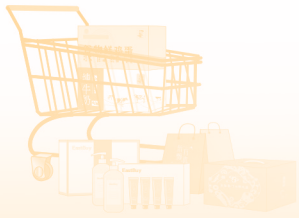
Beijing, China

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 40, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong



## LEGAL ADVISERS

### As to Hong Kong Laws and United States Laws

Skadden, Arps, Slate, Meagher & Flom and affiliates

### As to PRC Laws

Tian Yuan Law Firm

### As to Cayman Islands Laws

Conyers Dill & Pearman

## HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

## PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited

## PRINCIPAL BANK

Bank of China (Hong Kong) Limited

## STOCK CODE

1797

## WEBSITE

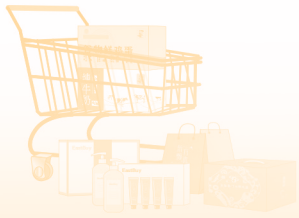
ir.eastbuy.com

# FINANCIAL HIGHLIGHTS

## KEY FINANCIAL HIGHLIGHTS

	Six months ended 30 November 2024 (unaudited)			Six months ended 30 November 2023 (unaudited) (restated)		
	Continuing RMB'000	Discontinued RMB'000	Combined total RMB'000	Continuing RMB'000	Discontinued RMB'000	Combined total RMB'000
Revenue	2,186,636	–	2,186,636	2,411,323	383,723	2,795,046
Gross Profit	735,143	–	735,143	794,150	299,926	1,094,076
(Loss)/Profit before tax	(72,481)	–	(72,481)	285,628	92,500	378,128
(Loss)/Profit for the period <sup>(1)</sup>	(96,503)	–	(96,503)	160,699	88,492	249,191
(Loss)/Profit for the period attributable to:						
– Owners of our Company	(96,799)	–	(96,799)	160,699	88,492	249,191
– Non-controlling interests	296	–	296	–	–	–
(Loss)/Earnings per share						
– Basic (RMB)	(0.09)	–	(0.09)	0.17	0.08	0.25
– Diluted (RMB)	(0.09)	–	(0.09)	0.16	0.07	0.23
Non-IFRS measure: Adjusted (loss)/profit for the period <sup>(2)</sup>	(1,609)	–	(1,609)	434,288	89,203	523,491
Non-IFRS measure: Adjusted (LBITDA)/EBITDA <sup>(3)</sup>	(68,223)	–	(68,223)	500,128	95,069	595,197

- (1) If we excluded the financial impact from the disposal of Time with Yuhui on 25 July 2024 (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 was RMB32.7 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.
- (2) Adjusted (loss)/profit (“**Adjusted (Loss)/Profit**”) for the period represents profit for the period less (loss)/gain on fair value changes of financial assets at FVTPL (non-current) plus share-based compensation expenses for the period.
- (3) Adjusted (LBITDA)/EBITDA (“**Adjusted (LBITDA)/EBITDA**”) (or (loss)/earnings before interest, taxes, depreciation, and amortisation) represents profit for the period 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 period.



# 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 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 fresh foods, juice, coffee, tea, bedding, 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.



## Business Overview and Outlook (Continued)



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

	For the six months ended 30 November 2024	For the six months ended 30 November 2023
<b>Key operating data</b>		
GMV (RMB) (billion) <sup>(1)</sup>	4.8	5.7
Number of followers on Douyin (million) <sup>(2)</sup>	46.0	45.8
Number of paid orders on Douyin (million)	50.1	59.6
Number of paid membership subscriptions on East Buy's APP (thousand)	228.3	123.8

Notes:

- (1) Include the paid GMV from all sales channels such as Douyin, Taobao and our own APP, etc.
- (2) Exclude the number of followers from the livestreaming channel of Time with Yuhui (與輝同行) on Douyin.

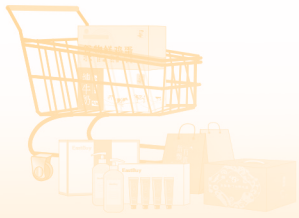
## BUSINESS DEVELOPMENTS

### Our financial performance

With the conclusion of FY2024, we are embracing a new beginning and continue to be committed to providing users with high-quality products and services. Total net revenues from continuing operations (private label products and livestreaming e-commerce businesses) decreased by 9.3% from RMB2.4 billion for the six months ended 30 November 2023 to RMB2.2 billion for the six months ended 30 November 2024. The GMV from private label products and livestreaming e-commerce segment decreased by 16.2% from RMB5.7 billion for the six months ended 30 November 2023 to RMB4.8 billion for the six months ended 30 November 2024. The net loss from continuing operations was RMB96.5 million for the six months ended 30 November 2024 as compared to a net profit of RMB160.7 million for the six months ended 30 November 2023. As there was the Disposal of Time with Yuhui during the Reporting Period, 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 was RMB32.7 million for the six months ended 30 November 2024.

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. The Company's multi-channel strategy has driven the rapid growth of the private label products. In terms of livestreaming channels, the daily GMV of the Douyin account of "East Buy Fresh Food" (東方甄選生鮮號) which was newly opened has exceeded RMB2 million for several consecutive months. In the field of shelf E-commerce, East Buy's stores on Tmall, Wechat, Pinduoduo and other platforms have also achieved steady growth. At the same time, we began to explore offline channels and sell products by vending machines in New Oriental's Learning Centers.





## Business Overview and Outlook (Continued)

The layout and development in the Company's APP strategy have been advancing at a rapid pace. Currently, East Buy's APP includes multiple categories, which cover almost all daily necessities. In each product categories, we have carefully selected at least one to two high-quality products to ensure that the needs of consumers at different levels can be met. Besides, the average contribution per individual user has also been steadily increasing, which fully demonstrates the high stickiness and loyalty of our users. We have started to hold a variety of marketing activities to continuously increase the number of members and their activity levels, such as offering discounts on membership days, organizing offline member meet-up, launching exclusive new products on the APP, and providing cashback rewards for members.

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、高性價比), while maintaining our consumer-centric approach. We have continued to launch a larger variety of private label products and have developed and launched 600 SKUs in private label products as of 30 November 2024, thereby expanding our product lines across multi-category (FY2024: 488 SKUs). We have expanded our product categories from the initial category of fresh food and snacks to a more diversified product range. During the Reporting Period, East Buy has successfully launched several private label products lines, such as healthcare foods, pet foods, and new Chinese-style clothing, which are highly competitive in the market, and has achieved excellent performance and results. We are pleased that our private label products have become a major growth driver and contributed approximately 37% of total GMV for the six months ended 30 November 2024.

We have spared no effort to strengthen the distribution service system. On the one hand, by optimising logistics routes and integrating logistics resources, we strive to find the most suitable routes which shorten the geographical distance with consumers and ensure that products can be delivered to consumers as quickly as possible. On the other hand, we have continued to increase investment in branch warehouses, comprehensively improve their service capabilities, strengthen systematic management and implement a dynamic inventory management model. We monitor inventory levels in real time, accurately predict the trend of user needs, replenish and transfer goods in a timely manner to avoid decline in sales conversion rate caused by out-of-stock situations. Moreover, we have further reduced the delivery time so that consumers can enjoy a more efficient and convenient shopping experience, thereby enhancing the Company's brand image and market competitiveness in all aspects.

With the continuous strengthening of the Company's supply chain management capabilities and a richer product portfolio, we are able to expand our cooperation with more e-commerce platforms and build our product portfolio according to the needs of target consumers of different channels. This would ensure that consumers are provided with consistently high-quality products, brand experience and services through different channels.

Further, we have built a more comprehensive organisational structure to support the rapid development of our new businesses, and cultivated more excellent talents in the professional field. As of 30 November 2024, the total number of personnel in our private label products and livestreaming e-commerce team reached 1,733, of which 1,264 were full time employees and 469 were part time employees. We also had 852 personnel dedicated to our supply chain and product, of which 591 were full time employees and 261 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 the six months ended 30 November 2024 was RMB4.8 billion. While the GMV from Douyin represented a large majority of our GMV, our GMV from APP represented 13.6% of total GMV. The total number of paid orders from our third-party products and our private label products on Douyin for the six months ended 30 November 2024 has achieved 50.1 million.

## FUTURE OUTLOOK BEYOND THE REPORTING PERIOD

### Future plans for the private label products and livestreaming e-commerce business

Our strategic positioning is clear and concise. 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.

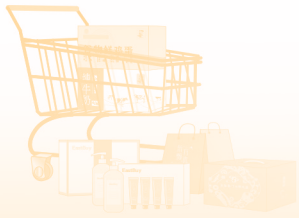
Going forward, we will focus our efforts in the following key areas:

#### Focusing on product quality

In 2025, we will unswervingly continue to focus on our major product strategy and make all-round efforts to increase the number of popular products. We have always focused on the three core elements, namely, “high repeated purchase, high quality and good value for money” (高複購、高品質、高性價比). Starting from product strength to quality assurance and price setting, we have intrinsically explored the potential of our products, meticulously considered and explored the product details, and effectively increased the desirable must-have attributes of the products, such that the products can accurately meet the increasingly diversified and demanding needs of the consumers, and stand out in the fierce market competition.

At the same time, we will focus more in regions with rich specialty products, such as Xinjiang. In-depth exploration of local high-quality products, with the help of local industrial supply chains, transforms these specialty products into popular products favored by the market, which not only brings unique consumption experience to consumers, but also injects strong impetus into local economic development.

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, we will continue to strengthen quality control and win the long-term trust of consumers.



### The core position of APP strategy

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 users group with high-quality products, with more than 200,000 paid members. We hope that the number of paid members will continue to increase in the long term. In order to achieve this goal, we will continue to optimise user experience and ensure that every user can enjoy satisfactory services.

In the APP, the GMV and average order value of private label products are increasing rapidly. The proportion of the private label products from our APP in the total GMV of such private label products has grown from 16.8% in the first half of FY2024 to 28.9% in the first half of 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 has reached a height – 98.6% (FY20241H: 96.6%). 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.

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

In addition to traditional sales methods, we are also actively exploring new livestreaming e-commerce formats. For example, small-scale livestreaming e-commerce teams such as Fresh Food Account (生鮮號) and Youthful Days account (少年時光號) present cost-effective products in the form of traceable livestreaming (溯源直播); while rural life and variety show livestreaming brings users a more diversified interactive experience. These innovative attempts not only increase users' sense of participation, but also inject fresh vitality into the platform.

### Focusing on household needs and tapping into new markets

Compared with our past focus on traffic-oriented needs, in the future we will 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. Through in-depth analysis of user behavior data, we can accurately locate high-frequency consumption scenarios, optimise product display and recommendation algorithms, and improve user conversion and repurchase rates. This will help consolidate existing market share while tapping potential growth points.

We have noticed that some outstanding peers, such as large offline retailers, have already achieved success in certain mass consumer goods, which has given us great confidence. There are still many demand areas in the market that have not been fully exploited and are waiting to be filled. In the future, we will increase our investment in basic and high-quality household necessities such as rice, flour, cooking oil and grain, greatly enrich the product varieties and better serve the consumption needs in household scenarios.



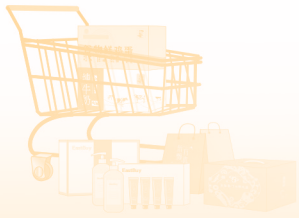
### Reducing unnecessary expenses, controlling costs and increasing efficiency

In order to cope with the complex and ever-changing market environment, we will take a series of measures to reduce unnecessary expenses and improve operational efficiency. We will re-examine various cost structures, optimise resource allocation, simplify processes, and reduce expenditures. At the same time, through the application of refined operations and intelligent tools, work efficiency and service levels are further improved. We believe that these measures can not only effectively control costs, but also lay a solid foundation for the Company's sustainable development.

### Strengthening food safety and social responsibility

Fiscal year 2025 is a year full of drastic changes. 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 total revenues from continuing operations decreased by 9.3% from RMB2.4 billion in the six months ended 30 November 2023 to RMB2.2 billion in the six months ended 30 November 2024. If excluding the revenue amount generated by the livestreaming channel of Time with Yuhui, our total revenues from continuing operations decreased by 18.0% from RMB2.4 billion in the six months ended 30 November 2023 to RMB2.0 billion in the six months ended 30 November 2024.

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

Revenue from our private label products and livestreaming e-commerce segment decreased by 9.3% from RMB2.4 billion in the six months ended 30 November 2023 to RMB2.2 billion in the six months ended 30 November 2024, among which revenue from our private label products amounted to approximately RMB1.7 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 and SKUs, especially our private label products.

## COST OF REVENUE, GROSS PROFIT AND GROSS MARGIN

Our total cost of revenue from continuing operations decreased by 10.2% from RMB1.6 billion in the six months ended 30 November 2023 to RMB1.5 billion in the six months ended 30 November 2024, 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 7.4% from RMB794.2 million in the six months ended 30 November 2023 to RMB735.1 million in the six months ended 30 November 2024. Our gross profit margin from continuing operations increased from 32.9% in the six months ended 30 November 2023 to 33.6% in the six months ended 30 November 2024, 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 83.0% from RMB62.3 million in the six months ended 30 November 2023 to RMB113.9 million in the six months ended 30 November 2024, primarily due to the changes in fair value of FVTPL and increase in exchange gain.

## SELLING AND MARKETING EXPENSES

Our selling and marketing expenses from continuing operations increased by 24.3% from RMB369.6 million in the six months ended 30 November 2023 to RMB459.3 million in the six months ended 30 November 2024, primarily due to the increase in staff costs.

### RESEARCH AND DEVELOPMENT EXPENSES

Our research and development expenses from continuing operations increased by 11.9% from RMB60.8 million in the six months ended 30 November 2023 to RMB68.0 million in the six months ended 30 November 2024, primarily due to an increase in staff costs as we invested in the internet technology system and application for private label and livestreaming e-commerce business during the Reporting Period.

### ADMINISTRATIVE EXPENSES

Our administrative expenses from continuing operations increased by 180.7% from RMB139.6 million in the six months ended 30 November 2023 to RMB391.9 million in the six months ended 30 November 2024, 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 RESULT OF ASSOCIATES

Our share of result of associates decreased from a gain of RMB1.9 million in the six months ended 30 November 2023 to a loss of RMB0.6 million in the six months ended 30 November 2024, 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 were RMB24.0 million in the six months ended 30 November 2024, compared to RMB124.9 million in the six months ended 30 November 2023, primarily due to the net loss during the Reporting Period.

### NET LOSS FOR THE PERIOD

As a result of the above, our net loss from continuing operations was RMB96.5 million in the six months ended 30 November 2024, compared with a net profit of RMB160.7 million in the six months ended 30 November 2023. 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 was RMB32.7 million during the Reporting Period.

## NON-IFRS MEASURES

To supplement our financial information presented in accordance with IFRS, we also use Adjusted (Loss)/Profit for the period and Adjusted (LBITDA)/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 (Loss)/Profit and Adjusted (LBITDA)/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 (Loss)/Profit for the period represents profit for the period less loss on fair value changes of financial assets at FVTPL (non-current) and add share-based compensation expenses for the period. We define Adjusted (LBITDA)/EBITDA as profit for the period 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 period.

The following table reconciles our net (loss)/profit from continuing operations for the period to Adjusted (Loss)/Profit from continuing operations for the period:

	Six months ended 30 November 2024 RMB'000 (unaudited)	Six months ended 30 November 2023 RMB'000 (unaudited) (restated)
<b>Reconciliation of (loss)/profit for the period to Adjusted (Loss)/Profit for the period:</b>		
Net (loss)/profit from continuing operations	(96,503)	160,699
Less:		
Loss on fair value changes of financial assets at FVTPL (non-current)	(2,430)	(28,578)
Add:		
Share-based compensation expenses	92,464	245,011
<b>Adjusted (Loss)/Profit from continuing operations for the period</b>	<b>(1,609)</b>	<b>434,288</b>



## Management Discussion and Analysis (Continued)



The following table reconciles our (loss)/profit from continuing operations for the period to Adjusted (LBITDA)/EBITDA from continuing operations for the period:

	Six months ended 30 November 2024 RMB'000 (unaudited)	Six months ended 30 November 2023 RMB'000 (unaudited) (restated)
<b>Reconciliation of net (loss)/profit from continuing operations for the period to Adjusted (LBITDA)/EBITDA</b>		
Net (loss)/profit for the period	(96,503)	160,699
Add:		
Income tax expense	24,022	124,929
Share-based compensation expenses	92,464	245,011
Finance costs	1,697	1,067
Impairment losses recognised under expected credit loss model, net of reversal	–	1,583
Depreciation of property and equipment	7,068	9,410
Depreciation of right-of-use assets	16,937	19,688
Less:		
Other income, gain and losses	113,908	62,259
<b>Adjusted (LBITDA)/EBITDA from continuing operations for the period</b>	<b>(68,223)</b>	<b>500,128</b>

## 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 RMB1.7 billion as at 30 November 2024 compared to RMB2.3 billion as at 31 May 2024 and RMB1.3 billion as at 30 November 2023. We had term deposits of RMB1.4 billion as at 30 November 2024, compared to RMB1.1 billion as at 31 May 2024 and RMB991.5 million as at 30 November 2023. We also had financial assets (current) at FVTPL of RMB1.7 billion as at 30 November 2024, compared to RMB1.3 billion as at 31 May 2024 and RMB1.2 billion as at 30 November 2023. 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 30 November 2024, our gearing ratio was 17.4%, compared with 30.3% as at 30 November 2023 and 24.0% as at 31 May 2024, calculated as total liabilities divided by total assets.

### Capital expenditure

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

	Six months ended 30 November 2024 RMB'000 (unaudited)	Six months ended 30 November 2023 RMB'000 (unaudited)
Purchase of property and equipment	23,408	18,954

Our capital expenditures were primarily for purchases of property and equipment in the six months ended 30 November 2023 and 2024, respectively. Our purchases of property and equipment were RMB19.0 million and RMB23.4 million for the six months ended 30 November 2023 and 2024, respectively.

### Off-balance sheet commitments and arrangements

As of 30 November 2024, we had not entered into any off-balance sheet transactions.

### Future plans for material investments and capital assets

As of 30 November 2024, 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

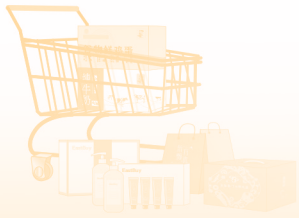
Save as disclosed above, the Group did not make or hold any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of 30 November 2024) during the six months ended 30 November 2024.

### Employees and remuneration policy

As at 30 November 2024, we had 1,264 full-time employees and 469 part-time employees (30 November 2023: 1,785 full-time employees and 720 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 the six months ended 30 November 2024 was RMB532.8 million, representing a period-on-period decrease of 14.7% from RMB624.8 million for the six months ended 30 November 2023.



## Management Discussion and Analysis (Continued)

### 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 report.

### Pledge of assets

As at 30 November 2024, none of our Group's assets were pledged.

### Contingent liabilities

As of 30 November 2024, we did not have any material contingent liabilities.

# OTHER INFORMATION



## DISCLOSURE OF INTERESTS

### Directors and chief executives

As at 30 November 2024, the interests and short positions of our Directors and the Company's chief executive in our Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by our Company pursuant to Section 352 of the SFO, or as otherwise notified to our Company and the Stock Exchange pursuant to the Model Code are set out below. All interests disclosed represent long positions in Shares. Our Directors and the Company's chief executive do not hold any short positions in Shares.

#### Interest in our Shares

Name of Director or chief executive	Nature of interest	Relevant entity	Number of Shares interested	Approximate percentage of shareholding in our Company <sup>(1)</sup>
Mr. Yu Minhong <sup>(2)</sup> ("Mr. Yu")	Beneficial owner		24,195,285	2.34%
	Interest in a controlled corporation	Tigerstep	28,682,832	2.77%
Ms. Sun Chang <sup>(3)</sup> ("Ms. Sun")	Beneficial owner		30,000	0.00%
	Interest in a controlled corporation	First Bravo	151,000	0.01%
Mr. Yin Qiang <sup>(4)</sup> ("Mr. Yin")	Beneficial owner		2,600,000	0.25%

Notes:

- (1) The percentages are calculated based on our Company's total number of issued shares, being 1,035,503,178 Shares, as at 30 November 2024.
- (2) These interests comprise: (i) 16,695,285 and 6,000,000 Shares that may be issued pursuant to an exercise of options granted to Mr. Yu under the Pre-IPO Scheme and the 2019 Scheme, respectively; (ii) 1,005,000 underlying Shares for the share awards granted but not yet vested to Mr. Yu under the 2023 Scheme; (iii) 28,682,832 Shares held through Tigerstep; and (iv) 495,000 Shares held by Mr. Yu. Tigerstep is wholly owned by Mr. Yu. Through a trust arrangement, Mr. Yu, together with his family, holds beneficial interest in Tigerstep.
- (3) These interests comprise: (i) 20,000 underlying Shares for the share awards granted to Ms. Sun under the 2023 Scheme; (ii) 151,000 Shares held through First Bravo Asia Limited ("First Bravo"); and (iii) 10,000 Shares held by Ms. Sun. First Bravo is wholly-owned by Ms. Sun. Under the SFO, Ms. Sun is deemed to be interested in all of First Bravo's interests in our Company.
- (4) These interests comprise: (i) 2,000,000 Shares that may be issued pursuant to an exercise of options granted to Mr. Yin under the 2019 Scheme; (ii) 360,000 underlying Shares for the share awards granted to Mr. Yin under the 2023 Scheme; and (iii) 240,000 Shares held by Mr. Yin.

## Interest in our Controlling Shareholder

Name of Director or chief executive	Nature of interest	Total number of shares	Percentage of shareholding in New Oriental <sup>(1)</sup>
Mr. Yu <sup>(1)</sup>	Interest in a controlled corporation; beneficiary of a trust	199,352,640	12.2%

Note:

- (1) According to the best knowledge of our Directors and publicly available information of New Oriental accessed as at the end of the Reporting Period (being the Form 20-F filed with the SEC on 25 September 2024), this interest represents: (i) 165,235,000 common shares held by Tigerstep, a company wholly-owned by Mr. Yu, and (ii) 3,411,764 ADSs, which consist of 3,315,054 ADSs held by Tigerstep and 96,710 ADSs held by Mr. Yu. The percentage is calculated based on New Oriental's total number of common shares outstanding as of 16 September 2024. Tigerstep is wholly owned by Mr. Yu. Through a trust arrangement, Mr. Yu, together with his family, holds beneficial interest in Tigerstep.

## Interest in our associated corporations (other than New Oriental)

Name of Director	Nature of interest	Associated corporation	Amount of registered capital (RMB)	Approximate percentage of shareholding in the associated corporation
Mr. Yu	Beneficial owner	Beijing Century Friendship Education Investment Co., Ltd. (" <b>Century Friendship</b> ") <sup>(1)</sup>	9,900,000	99%
	Interest in a controlled corporation	New Oriental Education & Technology Group Co., Ltd. (" <b>New Oriental China</b> ") <sup>(1)</sup>	50,000,000	100%
	Interest of controlled limited partnership	Huoguoosi Oriental New Venture Equity Investment Partnership (L.P.) (" <b>New Venture</b> ") <sup>(2)</sup>	50,000,000	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 an 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 New Oriental Xuncheng Network Technology Inc. Under the SFO, Mr. Yu is deemed to be interested in all of Century Friendship's interests in New Oriental China.
- (2) New Venture is held by our Company as to more than 20%, and is held by New Oriental China as to 50%. Mr. Yu holds 99% equity interest in Century Friendship, which in turn, holds the entire equity interests in New Oriental China. Under the SFO, Mr. Yu is deemed to be interested in all of New Oriental China's interests in New Venture.

## Substantial shareholders

As at 30 November 2024, as far as our Directors are aware, the following persons (other than our Directors and the chief executive of our Company) had interests or short positions in our Shares or underlying Shares of our Company as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO. All of the interests below represent long positions in shares. As far as our Directors are aware, none of the persons listed below held any short positions in Shares.

Name of Shareholder	Nature of interest	Number of ordinary shares	Approximate percentage of shareholding in our Company <sup>(1)</sup>
New Oriental	Beneficial interest	589,585,500	56.94%

### Note:

- (1) The percentages are calculated based on our Company's total number of issued shares, being 1,035,503,178 Shares, as at 30 November 2024.

## SHARE SCHEMES

Our Company has adopted three share schemes, the Pre-IPO Scheme, the 2019 Scheme (terminated on 9 March 2023) and the 2023 Scheme. See "Statutory and general information" of Appendix IV to the Prospectus for further details of the Pre-IPO Scheme and the 2019 Scheme, and the circular of our Company dated 21 February 2023 for further details of the 2023 Scheme.

As there were no grants made under the 2023 Scheme, there were no new Shares, representing approximately 0.00% of the weighted average of issued share capital of the Company, may be issued in respect of all awards granted during the Reporting Period to eligible participants pursuant to the 2023 Scheme.



## Pre-IPO Scheme

No further options were granted or maybe granted under the Pre-IPO Scheme following the Listing. Details of the movements of the options granted under the Pre-IPO Scheme are as follows:

Name or category of grantee	Date of grant	Vesting period	Exercise period	Exercise price (HK\$ per Share)	Number of options					Weighted average closing price of Shares immediately before the date of exercise during the Reporting Period (HK\$)
					Outstanding as at 1 June 2024	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at 30 November 2024	
Directors										
Mr. Yu	6 March 2019	Three years from Listing Date	From the commencement of the first vesting period to the day prior to the sixth anniversary of the Listing Date	8.88	16,695,285	Nil	Nil	Nil	16,695,285	Nil
Mr. Yin	6 March 2019	Three years from Listing Date	From the commencement of the first vesting period to the day prior to the sixth anniversary of the Listing Date	8.88	2,100,000	2,100,000	Nil	Nil	Nil	24.45
Other grantees in category										
Employee participants <sup>(1)</sup>	6 March 2019	Three years from Listing Date	From the commencement of the first vesting period to the day prior to the sixth anniversary of the Listing Date	8.88	7,145,600	5,130,500	Nil	Nil	2,015,100	24.3
Total					25,940,885	7,230,500	Nil	Nil	18,710,385	

Note:

- (1) Employee participants as defined under the Listing Rules and excluding Mr. Yu and Mr. Yin as disclosed above, on individual basis.

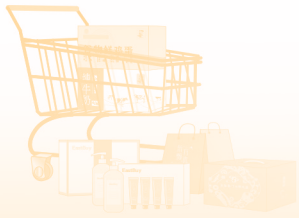
Further details of movements in the Pre-IPO Scheme are set out in Note 23 to the condensed consolidated financial statements.

## 2019 Scheme

The 2019 Scheme was terminated on 9 March 2023. The Company shall not grant any further options under the 2019 Scheme after its termination. Any granted and unexercised options made under the 2019 Scheme before the termination shall continue to be valid and exercisable in accordance with the terms of the grant and the 2019 Scheme rules.

Details of the movements of the options granted under the 2019 Scheme are as follows:

Number of options											Weighted average closing price of the Share immediately before the date of exercise during the Reporting Period (HK\$)
Name or category of grantee	Role	Date of grant	Vesting period	Exercise period	Exercise price (HK\$)	Outstanding as of 1 June 2024	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of 30 November 2024	
Directors											
Mr. Yu	Executive Director, chief executive officer and chairman of the Board	15 November 2021	(1) One-third of the options to vest on the date immediately before the first anniversary of the date of grant;	Ten years from the date of grant	5.22	6,000,000	Nil	Nil	Nil	6,000,000	Nil
Mr. Yin	Executive Director	15 November 2021	(2) One-third of the options to vest on the date immediately before the first anniversary of the first vesting date; and  (3) One-third of the options to vest on the date immediately before the first anniversary of the second vesting date.		5.22	2,000,000	Nil	Nil	Nil	2,000,000	Nil
Other grantees in category											
Employee participants <sup>(i)</sup>		15 November 2021			5.22	26,483,946	2,894,122	Nil	120,177	23,469,647	23
Total						34,483,946	2,894,122	Nil	120,177	31,469,647	



Note:

- (1) Employee participants as defined under the Listing Rules and excluding Mr. Yu and Mr. Yin as disclosed above, on individual basis.

Further details of movements in the 2019 Scheme are set out in Note 23 to the consolidated financial statements.

## 2023 Scheme

### Maximum number of awards available for grant and new Shares available for issue under the scheme mandate

#### *Scheme mandate and sub-limit*

The total number of Shares that may be issued pursuant to all awards to be granted under the 2023 Scheme and awards to be granted under any other share schemes of the Company is initially set at 10% of the Shares in issue as at the adoption date of the 2023 Scheme, being 101,351,871 Shares (the “**Scheme Mandate**”). The total number of Shares that may be issued pursuant to all awards to be granted to Service Provider Participants under the 2023 Scheme is initially set at up to 2% of the Scheme Mandate, being 2,027,037 Shares (the “**Service Provider Sublimit**”).

As at 1 June 2024, 89,053,201 and 2,027,037 new Shares were available for issue under the Scheme Mandate and the Service Provider Sublimit, respectively. During the Reporting Period, 10,000 new Shares were issued pursuant to the 2023 Scheme. Therefore, as at 30 November 2024, 89,043,201 and 2,027,037 new Shares were available for issue under the Scheme Mandate and the Service Provider Sublimit, respectively.

### Number of Shares underlying awards available for grant

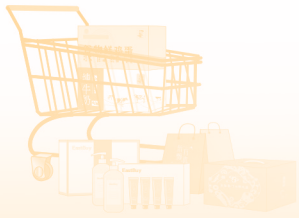
The aggregate number of Shares underlying all grants made or to be made pursuant to the 2023 Scheme was 101,351,871. As at 1 June 2024, 71,406,871 Shares were available for grant under the 2023 Scheme. During the Reporting Period, no Shares underlying awards were granted under the 2023 Scheme, no share awards had been cancelled and 3,926,070 share awards had lapsed. It follows that, as at 30 November 2024, there were 75,332,941 Shares available for grant under the 2023 Scheme.

## Other Information (Continued)

### Details of grants

Details of the movements of share awards granted under the 2023 Scheme are as follows:

Name or category of grantee	Role	Date of grant	Vesting period	Exercise period	Issue price (HK\$)	Number of share awards					Closing price of the Shares immediately before the date of grant during the Reporting Period (HK\$)	Fair value of the share awards at the date of grant during the Reporting Period (HK\$)	Weighted average closing price of Shares immediately before the date of vesting during the period (HK\$)	Performance targets of the share awards granted during the period
						Unvested as at 1 June 2024	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Unvested as at 30 November 2024			
Mr. Yu	Executive Director, chief executive officer and chairman of the Board	11 April 2023	(a) 33% will vest on each of the first and second anniversary of the date of grant; and (b) 34% will vest on the third anniversary of the date of grant	Ten years from the date of grant	Nil	1,005,000	Nil	Nil	Nil	Nil	1,005,000	Nil	Nil	Nil
Mr. Yin	Executive Director	11 April 2023	A total vesting period of 3 years from the date of grant <sup>(1)</sup>		Nil	360,000	Nil	Nil	Nil	Nil	360,000	Nil	Nil	Nil
Ms. Sun	Non-executive Director	28 November 2023	One-third of the share awards shall vest on each anniversary of the date of grant		Nil	30,000	Nil	10,000	Nil	Nil	20,000	Nil	14.52	Nil
<b>Other grantees</b>														
in category		11 April 2023	A total vesting period of 3 years from the date of grant <sup>(1)</sup>		Nil	16,251,330	Nil	Nil	Nil	3,926,070	12,325,260	Nil	Nil	Nil
Employee Participants <sup>(2)</sup>														
<b>Total</b>						<b>17,646,330</b>	<b>Nil</b>	<b>10,000</b>	<b>Nil</b>	<b>3,926,070</b>	<b>13,710,260</b>			



Notes:

- (1) a total vesting period of 3 years from the date of grant, and shall vest according to the following schedule: (i) between 20% to 50% of the total share awards granted will vest on the first anniversary of the date of grant; (ii) between 20% to 50% of the total share awards granted will vest on the second anniversary of the date of grant; and (iii) between 20% to 50% of the total share awards granted will vest on the third anniversary of the date of grant.
- (2) Employee Participants excluding Mr. Yu, Mr. Yin and Ms. Sun as disclosed above, on individual basis.

Further details of movements in the 2023 Scheme are set out in Note 23 to the condensed consolidated financial statements.

## EVENTS AFTER THE REPORTING PERIOD

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

## 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.2.2 of the Corporate Governance Code, 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.

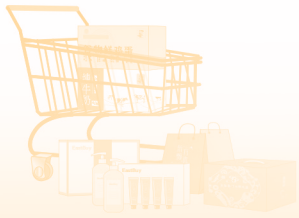
## AUDIT COMMITTEE

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. During the Reporting Period, the Audit Committee consists of three members: Mr. TONG Sui Bau (as the Audit Committee's chairperson), Mr. KWONG Wai Sun Wilson and Mr. LIN Zheyang. On January 21, 2025, Mr. YAN Andrew Y has been appointed as the Audit Committee's chairperson upon the resignation of Mr. TONG Sui Bau.

The Audit Committee, together with our external Auditor, Deloitte Touche Tohmatsu, have reviewed our Group's unaudited condensed consolidated financial statements for the six months ended 30 November 2024. 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, our Company has also established the Nomination Committee and the 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

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 30 November 2024, the Company did not hold any treasury shares (as defined in the Listing Rules).

## 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 30 November 2024.

## INTERIM DIVIDEND

Our Board does not recommend the distribution of an interim dividend for the Reporting Period (six months ended 30 November 2023: nil).





## CHANGES IN THE INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors are set out below:

1. Mr. TONG Sui Bau resigned from his position as an independent non-executive Director, the chairman of the Auditor Committee and a member of each of the Nomination Committee and the Remuneration Committee with effect from 21 January 2025; and
2. Mr. YAN Andrew Y was appointed as an independent non-executive Director, the chairman of the Auditor Committee and a member of each of the Nomination Committee and the Remuneration Committee with effect from 21 January 2025.

Save as disclosed above, there is no information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## NET PROCEEDS FROM 2020 SUBSCRIPTIONS AND UPDATE ON EXPECTED TIMELINE FOR USE OF PROCEEDS

### 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 and expected to fully utilized such proceeds by 21 January 2025. On 21 January 2025, the Board further resolved to update the expected timeline for full utilization of the proceeds to three years from 21 January 2025. For details, please refer to the announcement of the Company dated 21 January 2025.

The utilisation of the net proceeds for the six months ended 30 November 2024 and the updated expected timeline are summarised as follows:

	Unutilised amount as at 1 June 2024	Utilised during the six months ended 30 November 2024	Unutilised amount as at 30 November 2024	Unutilised amount as at 21 January 2025	Updated expected timeline of full utilisation
<b>HK\$ million<sup>(1)</sup></b>					
Sales and marketing	250.4	6.5	243.9	243.5	Three years from 21 January 2025
Technology infrastructure	3.9	–	3.9	3.9	Three years from 21 January 2025
Business related staff	105.6	7.2	98.4	96.7	Three years from 21 January 2025
Working capital	168.0	–	168.0	168.0	Three years from 21 January 2025
<b>Total</b>	<b>527.9</b>	<b>13.7</b>	<b>514.2</b>	<b>512.1</b>	

Notes:

- (1) The amounts “utilised during the six months ended 30 November 2024” are based on the exchange rate of HK\$1.0828: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 21 January 2025 and is subject to change based on the future development of market conditions.



# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

# Deloitte.

# 德勤

To the Board of Directors of East Buy Holding Limited  
(incorporated in the Cayman Islands with limited liability)

## INTRODUCTION

We have reviewed the condensed consolidated financial statements of East Buy Holding Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 31 to 63, which comprise the condensed consolidated statement of financial position as of 30 November 2024 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and certain explanatory notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

**Deloitte Touche Tohmatsu**  
Certified Public Accountants  
Hong Kong  
21 January 2025

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

	NOTES	Six months ended 30 November	
		2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited) (restated)
<b>Continuing operations</b>			
Revenue	4	2,186,636	2,411,323
Cost of revenue		(1,451,493)	(1,617,173)
<b>Gross profit</b>		735,143	794,150
Other income, gains and losses	6	113,908	62,259
Impairment losses recognised under expected credit loss model, net of reversal	19	–	(1,583)
Selling and marketing expenses		(459,304)	(369,634)
Research and development expenses		(68,000)	(60,753)
Administrative expenses		(391,916)	(139,610)
Share of results of associates		(615)	1,866
Finance costs		(1,697)	(1,067)
<b>(Loss)/Profit before tax</b>		(72,481)	285,628
Income tax expense	7	(24,022)	(124,929)
<b>(Loss)/Profit for the period from continuing operations</b>	10	(96,503)	160,699
<b>Discontinued operations</b>			
Profit for the period from discontinued operations	8	–	88,492
<b>(Loss)/Profit and total comprehensive (expense)/income for the period</b>	8	(96,503)	249,191

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)  
FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

	NOTES	Six months ended 30 November	
		2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited) (restated)
(Loss)/Profit for the period attributable to owners of the Company			
– from continuing operations		(96,799)	160,699
– from discontinued operations		–	88,492
		(96,799)	249,191
Profit for the period attributable to non-controlling interests			
– from continuing operations		296	–
		296	–
		(96,503)	249,191
<b>(Loss)/Earnings per share</b>			
From continuing and discontinued operations			
– Basic (RMB)	11	(0.09)	0.25
– Diluted (RMB)	11	(0.09)	0.23
<b>From continuing operations</b>			
– Basic (RMB)	11	(0.09)	0.17
– Diluted (RMB)	11	(0.09)	0.16



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 NOVEMBER 2024

	NOTES	30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
<b>Non-current Assets</b>			
Property and equipment		38,996	43,202
Right-of-use assets	13	67,879	98,972
Interests in associates	14	72,610	73,225
Financial assets at fair value through profit or loss	15	92,459	94,889
Deposits for acquisition of property and equipment		2,235	1,480
Refundable rental deposits		8,930	11,143
Deferred tax assets		4,958	54,721
		288,067	377,632
<b>Current Assets</b>			
Inventories	16	407,050	422,341
Trade and other receivables	17	241,899	893,582
Prepayments		140,457	133,613
Financial assets at fair value through profit or loss	15	1,688,489	1,250,338
Term deposits	18	1,397,948	1,079,420
Restricted cash	18	116,919	122,129
Cash and cash equivalents	18	1,705,703	2,262,464
		5,698,465	6,163,887
<b>Current Liabilities</b>			
Lease liabilities		31,865	36,710
Contract liabilities	20	51,316	49,595
Refund liabilities		3,535	4,410
Trade payables	21	492,253	611,886
Accrued expenses and other payables		365,441	688,219
Income tax payables		60,000	122,079
		1,004,410	1,512,899
<b>Net Current Assets</b>		<b>4,694,055</b>	<b>4,650,988</b>
<b>Total Assets less Current Liabilities</b>		<b>4,982,122</b>	<b>5,028,620</b>
<b>Capital and Reserves</b>			
Share capital	22	133	133
Reserves		4,946,850	4,969,083
Equity attributable to owners of the Company		4,946,983	4,969,216
Non-controlling interests		701	405
<b>Total equity</b>		<b>4,947,684</b>	<b>4,969,621</b>
<b>Non-current Liabilities</b>			
Deferred tax liabilities		988	900
Lease liabilities		33,450	58,099
		34,438	58,999
<b>Net Assets</b>		<b>4,947,684</b>	<b>4,969,621</b>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

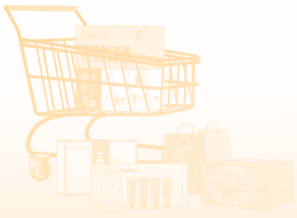
FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

	Attributable to owners of the Company										
	Share capital	Share premium	Treasury Shares	Statutory reserve <sup>(i)</sup>	Translation reserve	Share – based payments reserve	Other reserves <sup>(ii)</sup>	Accumulated (losses) profit	Subtotal	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 June 2023 (audited)	131	4,149,495	–	97,692	(23)	218,414	(140,767)	(1,521,134)	2,803,808	–	2,803,808
Profit and total comprehensive income for the period	–	–	–	–	–	–	–	249,191	249,191	–	249,191
Recognition of equity-settled share-based payments	–	–	–	–	–	245,722	–	–	245,722	–	245,722
Exercise of share options (Note 22)	–	9,371	–	–	–	(3,033)	–	–	6,338	–	6,338
Changes in equity for the period	–	9,371	–	–	–	242,689	–	249,191	501,251	–	501,251
At 30 November 2023 (unaudited)	131	4,158,866	–	97,692	(23)	461,103	(140,767)	(1,271,943)	3,305,059	–	3,305,059
At 1 June 2024 (audited)	133	4,503,904	–	120,974	–	309,885	(140,767)	175,087	4,969,216	405	4,969,621
(Loss)/Profit and total comprehensive (expense)/income for the period	–	–	–	–	–	–	–	(96,799)	(96,799)	296	(96,503)
Recognition of equity-settled share-based payments	–	–	–	–	–	92,464	–	–	92,464	–	92,464
Exercise of share options (Note 22)	1	103,192	–	–	–	(30,968)	–	–	72,225	–	72,225
Vest of share awards (Note 22)	–	276	–	–	–	(276)	–	–	–	–	–
Repurchase of shares (Note 22)	–	(90,122)	(1)	–	–	–	–	–	(90,123)	–	(90,123)
Cancellation of shares repurchased	(1)	–	1	–	–	–	–	–	–	–	–
Changes in equity for the period	–	13,346	–	–	–	61,220	–	(96,799)	(22,233)	296	(21,937)
At 30 November 2024 (unaudited)	133	4,517,250	–	120,974	–	371,105	(140,767)	78,288	4,946,983	701	4,947,684

## Notes:

- (i) In accordance with the articles of association of all subsidiaries established in the People's Republic of China (the "PRC"), the PRC subsidiaries are required to set aside 10% of their profit after tax as per statutory financial statements determined under the PRC laws and regulations for the statutory surplus reserve fund until the reserve reaches 50% of their registered capital. Transfer to this reserve must be made before distributing dividends to equity owners of the subsidiaries. The statutory reserve can be used to make up previous years' losses, expand the existing operations or convert into additional capital of the respective subsidiaries.
- (ii) Other reserves represent (a) the difference between the amount by which the non-controlling interests are adjusted and the consideration to acquire additional interests in subsidiaries; and (b) the difference between the capital contribution from non-controlling interests and its respective share of the carrying amounts of the net assets of a subsidiary.





# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

	Six months ended 30 November	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
<b>NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>	<b>(170,068)</b>	<b>481,108</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds from disposal of financial assets at fair value through profit or loss	1,243,129	1,475,206
Purchases of financial assets at fair value through profit or loss	(1,728,198)	(1,573,340)
Proceeds on disposal of property and equipment	1,978	3
Interest received from term deposits	8,572	16,913
Purchase of property and equipment	(23,408)	(18,954)
Proceeds on disposal of subsidiaries	418,286	–
Payments for rental deposits	(4,184)	(3,434)
Refund of rental deposits	4,734	1,564
Placement of term deposits	(518,752)	(867,819)
Withdrawal of term deposits	235,447	679,665
Placement of restricted cash	–	(35)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(362,396)</b>	<b>(290,231)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares upon exercise of share options	71,988	6,338
Repayment of lease liabilities	(17,324)	(22,076)
Payment on repurchase of ordinary shares	(90,123)	–
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(35,459)</b>	<b>(15,738)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(567,923)</b>	<b>175,139</b>
CASH AND CASH EQUIVALENTS AT 1 JUNE	2,262,464	1,165,137
Effect of exchange rate changes	11,162	4,763
<b>CASH AND CASH EQUIVALENTS AT 30 NOVEMBER</b>	<b>1,705,703</b>	<b>1,345,039</b>



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

## 1. GENERAL INFORMATION

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. New Oriental Education & Technology Group Inc. (“New Oriental Group”) is the ultimate controlling shareholder of the Company.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “Group”) are operating livestreaming e-commerce business for sales of private label products to individual customers and provision of commission services.

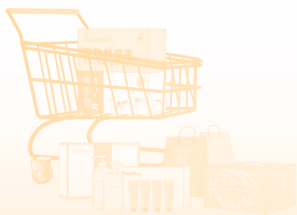
The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 28 March 2019.

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

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “IASB”) as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

On 21 November 2023, The board of directors of the Company (the “Directors”) approved the proposed disposal of the education business (the “Disposal”) to New Oriental Group. The Disposal is part of a business re-delineation by New Oriental Group to more clearly separate its business lines and better align its business segments with the environment in which it operates. The Disposal was approved by the shareholders on 18 January 2024 and was completed on 1 March 2024, and the education business were presented as discontinued operations in the Group’s annual financial statement for the year ended 31 May 2024 with comparative figures being restated to re-present the education business as a discontinued operation. Accordingly, the comparative figures of the interim financial statements have also been re-presented in order to disclose the discontinued operation separately from continuing operations.



## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of amendments to International Financial Reporting Standards ("IFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 November 2024 are the same as those presented in the Group's annual financial statements for the year ended 31 May 2024.

#### Application of new and amendments to IFRSs

In the current interim period, the Group has applied the following new and amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on or after 1 June 2024 for the preparation of the Group's condensed 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 new and amendments to IFRSs in the current interim period has had no material impact on the Group's financial position and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.



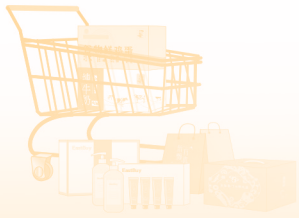
## 4. REVENUE

### Disaggregation of revenue from contracts with customers from continuing operations

	Six months ended 30 November	
	2024	2023
	RMB'000	RMB'000
	(unaudited)	(unaudited) (restated)
<b>Timing of revenue recognition</b>		
At a point in time	2,161,058	2,410,165
Over time	25,578	1,158
<b>Total</b>	<b>2,186,636</b>	<b>2,411,323</b>
<b>Type of revenue</b>		
Sales of products	1,652,389	1,865,607
Service revenue and others	534,247	545,716
<b>Total</b>	<b>2,186,636</b>	<b>2,411,323</b>

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

There were no adjustments or eliminations between the revenue from contracts with customers and the amount disclosed in the segment information.



## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 5. SEGMENT INFORMATION

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

Operating segments regarding the online education service targeted to college and above students and adults ("College Education") and online education service targeted to institutional customers ("Institutional Customers ") were discontinued during the year ended 31 May 2024, information of which is reported in Note 8. Other than the discontinued business, the Group mainly operates online live commerce with private label products sold to individual customers and provision of commission services for the six months ended 30 November 2024 and 30 November 2023, 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 Company is domiciled in the 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 period ended 30 November 2024 (Six months ended 30 November 2023: Nil).

Notes to the Condensed Consolidated Financial Statements (Continued)  
FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024



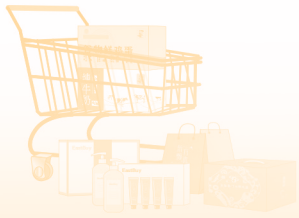
## 6. OTHER INCOME, GAINS AND LOSSES

	Six months ended 30 November	
	2024	2023
	RMB'000	RMB'000
	(unaudited)	(unaudited) (restated)
<b>Continuing operations</b>		
Interest income	42,545	35,271
VAT input deduction and exemption	29,868	274
Net foreign exchange gain	24,293	9,274
Gain/(loss) on fair value changes of financial assets at fair value through profit or loss ("FVTPL")	20,651	(14,334)
Government grants	2,257	30,948
Loss on disposal of a subsidiary (Note 9)	(7,566)	–
Others	1,860	826
	<b>113,908</b>	<b>62,259</b>

## 7. INCOME TAX EXPENSE

	Six months ended 30 November	
	2024	2023
	RMB'000	RMB'000
	(unaudited)	(unaudited) (restated)
<b>Continuing operations</b>		
Current tax:		
PRC enterprise income tax	13,933	113,177
Deferred tax	10,089	11,752
	<b>24,022</b>	<b>124,929</b>

The Company was incorporated in the Cayman Islands. It is tax exempted under the tax laws of the Cayman Islands, as no business is carried out in the Cayman Islands. There was no material change of tax status of the Group during the six months ended 30 November 2024. Applicable tax rates of the Group's major subsidiaries are as follows.



## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 7. INCOME TAX EXPENSE (Continued)

Under the two-tiered profits tax rates regime of Hong Kong, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the law of the PRC on enterprise income tax (the "EIT Law") and implementation regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% during the six months ended 30 November 2024 (six months ended 30 November 2023: 25%).

The Group's subsidiaries operating in the PRC are eligible for certain tax concessions. Under the EIT Law effective on 1 January 2008, the "High and New Technology Enterprise" (the "HNTE") status is valid for three years and qualifying entities can reapply for an additional three years provided their business operations continue to qualify for the HNTE status. In 2023, Beijing New Oriental Xuncheng Network Technology Inc. ("Beijing Xuncheng") renewed the certificate of the HNTE status and enjoy the preferential tax rate of 15% from calendar year 2023 to 2025. In 2023, Dexin Dongfang renewed the HNTE status and enjoy the preferential tax rate of 15% from calendar year 2023 to 2025. However, considering Beijing Xuncheng and Dexin Dongfang may not be qualified for HNTE due to the Disposal, the Group considered that it may be appropriate for Beijing Xuncheng and Dexin Dongfang to use the statutory tax rate of 25% for the period ended 30 November 2024.

According to the EIT Law, qualified research and development expenses can be deducted at 175% of such expenses for income tax deduction purposes upon approval from the relevant tax authority. The State Taxation Administration of the PRC announced in September 2022 that enterprises that currently apply 175% deduction in qualified research and development expenses would be entitled to claim 200% of their qualified research and development expenses as super deduction from 1 October 2022 to 31 December 2022, and the implementation period was indefinitely extended as announced in March 2023.

The Group's subsidiaries operating in Hainan and Zhuhai are eligible for local tax concessions. According to the local tax policies, Hainan Haiyue Dongfang Network Technology Co., Ltd., Zhuhai Chongsheng Heli Network Technology Co., Ltd., subsidiaries of the Group, meet the relevant criteria and can enjoy a preferential tax rate of 15% during the six months ended 30 November 2024 (six months ended 30 November 2023: 15%).



## 8. DISCONTINUED OPERATIONS

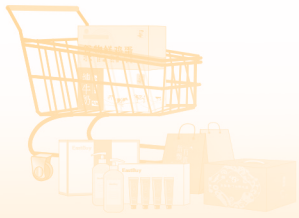
On 21 November 2023, the Group entered into a disposal agreement with New Oriental Group to dispose of its education business (the "Disposal Agreement"), which carried out all of the Group's education operations.

The disposal of education business is part of a business re-delineation by the New Oriental Group to more clearly separate its business lines and better align its business segments with the environment in which it operates. The disposal was completed on 1 March 2024, on which date control of education businesses passed to the acquirer, New Oriental Group.

The results for the period ended 30 November 2023 from the discontinued education operation are set out below.

	Six months ended 30 November 2023 RMB'000 (unaudited)
Revenue	383,723
Cost of revenue	(83,797)
Other income, gains and losses	734
Impairment losses recognised under expected credit loss model, net	(17)
Selling and marketing expenses	(189,895)
Research and development expenses	(14,786)
Administrative expenses	(3,316)
Finance costs	(146)
Profit before tax	92,500
Income tax expense	(4,008)
Profit for the period	88,492





## Notes to the Condensed Consolidated Financial Statements (Continued)

### FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

#### 8. DISCONTINUED OPERATIONS (Continued)

Profit for the period from discontinued operations has been arrived at after charging (crediting) the following items:

	Six months ended 30 November 2023 RMB'000 (unaudited)
Staff cost	
– Salaries, allowances and benefits in kind	127,563
– Retirement benefit scheme contributions	9,798
– Equity-settled share-based payments	711
<b>Total staff cost</b>	<b>138,072</b>
Depreciation of property and equipment	1,401
Depreciation of right-of-use assets	1,028
Expense of short-term leases	238
<b>Cash flows from discontinued operations</b>	
Net cash outflows from operating activities	(98,990)
Net cash outflows from investing activities	(19,103)
Net cash outflows from financing activities	(6,084)

#### 9. DISPOSAL OF A SUBSIDIARY

On 25 July 2024, Mr. Dong Yuhui ("Mr. Dong"), an employee of the Company and senior management of Time With Yuhui, a subsidiary of the Company before 10 August 2024, resigned from his current roles within the Group. Apart from the payment to Mr. Dong of the promised benefits and compensations, the Directors also approved to distribute all remaining undistributed profits of Time with Yuhui as of June 30, 2024, which was approximately RMB129,688,000, to Mr. Dong.

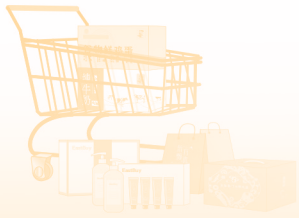
On 25 July 2024, Beijing Xuncheng, Mr. Dong and Time With Yuhui entered into a disposal agreement, pursuant to which Beijing Xuncheng agreed to sell, and Mr. Dong agreed to acquire, 100% equity interest in Time With Yuhui at a consideration of RMB76,585,460. The consideration has been settled in October 2024.



## 9. DISPOSAL OF A SUBSIDIARY (Continued)

The net assets of Time With Yuhui at the date of disposal were as follows:

	10 August 2024 RMB'000
Property, plant and equipment	12,873
Right-of-use assets	16,318
Trade and other receivables	104,397
Other current assets	11,449
Deferred tax assets	39,762
Financial assets at FVTPL	70,000
Cash and cash equivalents	185,978
Other current liabilities	(17,594)
Trade payables	(21,755)
Accrued expenses and other payables	(268,479)
Income tax payables	(48,798)
Net assets disposed of	84,151
Loss on disposal	(7,566)
Total consideration	76,585
Net cash outflow arising on disposal:	
Total cash consideration received	76,585
Cash and cash equivalents disposed of	(185,978)
	(109,393)



## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 10.(LOSS)/PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS

(Loss)/Profit for the period from continuing operations has been arrived at after charging the following items:

	Six months ended 30 November	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited) (restated)
Depreciation of property and equipment	7,068	9,410
Depreciation of right-of-use assets	16,937	19,688
Cost of sales of products	1,060,120	1,113,521
Share-based payment expenses	92,464	245,011

### 11.(LOSS)/EARNINGS PER SHARE

#### For continuing operations

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

	Six months ended 30 November	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited) (restated)
<b>(Loss)/Earnings:</b>		
(Loss)/Earnings for the period attributable to owners of the Company	(96,799)	249,191
Less:		
Profit for the period from discontinued operations attributable to owners of the Company	–	88,492
(Loss)/Earnings for the purpose of calculating basic and diluted earnings per share from continuing operations	(96,799)	160,699



## 11.(LOSS)/EARNINGS PER SHARE (Continued)

### For continuing operations (Continued)

#### Number of shares:

	Six months ended 30 November	
	2024	2023
	(unaudited)	(unaudited)
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	1,032,195,755	1,014,522,650
Effect of dilutive potential ordinary shares:		
Share options and share awards	—*	68,100,183
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	1,032,195,755	1,082,622,833

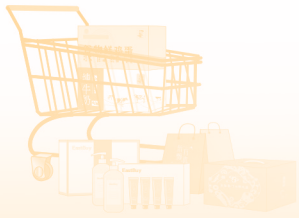
- \* The computation of diluted loss per share for the six months ended 30 November 2024 did not assume the exercise of the share options and vest of the share awards since their assumed exercise and vest would result in a decrease in loss per share. Accordingly, diluted loss per share for the six months ended 30 November 2024 is the same as basic loss per share of the period.

### From continuing and discontinued operations

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

	2024	2023
	RMB'000	RMB'000
<b>(Loss)/Earnings:</b>		
(Loss)/Earnings for the period attributable to owners of the Company for the purpose of calculating basic and diluted earnings per share	(96,799)	249,191

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



## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 12. DIVIDENDS

No dividends were paid, declared or proposed during the six months ended 30 November 2024 (six months ended 30 November 2023: nil). The Directors has determined that no dividend will be paid in respect of the six months ended 30 November 2024 (six months ended 30 November 2023: nil).

### 13. MOVEMENTS IN RIGHT-OF-USE ASSETS

During the current interim period, the Group entered into several new lease agreements with lease terms ranged from 2 to 3 years (six months ended 30 November 2023: 2 to 3 years). On lease commencement date, the Group recognised right-of-use assets of RMB2,162,000 (six months ended 30 November 2023: RMB17,438,000) and lease liabilities of RMB2,156,000 (six months ended 30 November 2023: RMB17,193,000) after consideration of lease payments made at or before the commencement date.

### 14. INTERESTS IN ASSOCIATES

	30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
Cost of investment in associates	69,672	69,672
Share of results and other comprehensive income	2,938	3,553
	<b>72,610</b>	<b>73,225</b>

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

	30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
<b>Non-current assets</b>		
Financial assets at FVTPL		
– unlisted equity investments <sup>(a)</sup>	92,459	94,889
<b>Current assets</b>		
Financial assets at FVTPL		
– wealth management products <sup>(b)</sup>	1,688,489	1,250,338



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

(Continued)

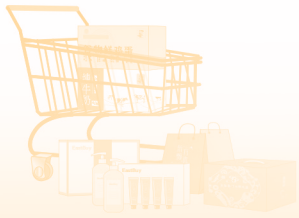
- (a) The unlisted equity investments as at 31 May 2024 and 30 November 2024 are the Group's investments in ordinary shares with preferential rights of East Buy (Henan) Food Technology Co., Ltd. ("Henan Oriental") and preferred shares of EEO Education Technology Co., Ltd. ("EEO") incorporated in the PRC and the Cayman Islands respectively. The major assumptions used in the valuation for investments in these unlisted entities are set out in Note 24.

During the six months ended 30 November 2024, the Group did not make any sales or purchases from EEO (six months ended 30 November 2023: nil). During the six months ended 30 November 2024, the Group made sales of products to, and purchases of products from Henan Oriental amounting to RMB13,794,000 and RMB40,552,000 respectively (six months ended 30 November 2023: nil and RMB76,593,000, respectively).

- (b) Wealth management products are purchased from various banks with expected rate of return ranging from 1.81% to 4.56% (31 May 2024: 2.70% to 3.99%) per annum, and maturity period ranging from 1 day to 365 days (31 May 2024: 1 day to 365 days) as at 30 November 2024. The principals and returns of these wealth management products are not guaranteed.

## 16. INVENTORIES

	30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
Products	369,738	370,530
Products in transit	37,312	51,811
	<b>407,050</b>	<b>422,341</b>



## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 17. TRADE AND OTHER RECEIVABLES

	30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
Trade and note receivables	35,228	37,723
Less: allowance for credit losses	6,030	6,030
	29,198	31,693
Other receivables		
Receivables from third-party payment platforms	126,428	260,659
Others <sup>(i)</sup>	86,273	601,230
Trade and other receivables	241,899	893,582

Note:

- (i) The deferred consideration of RMB527,678,000 for the disposal of education business in March 2024 recorded in others has been settled in cash by New Oriental Group in September 2024.

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

	30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
1 – 90 days	1,993	6,435
91 – 180 days	6,234	719
181 days – 365 days	108	159
over 365 days	20,863	24,380
	29,198	31,693



## 18. CASH AND CASH EQUIVALENTS, TERM DEPOSITS AND RESTRICTED CASH

### Cash and cash equivalents

Cash and cash equivalents include demand deposits and short term deposits with an original maturity of three months or less for the purpose of meeting the Group's short term cash commitments, which carry interest at market rates ranging from 0.00% to 4.21% (31 May 2024: 0.00% to 4.43%) per annum as at 30 November 2024.

### Restricted cash

Restricted cash represents cash received from consumers and deposited in a designated bank account reserved for payments to merchants. As at 30 November 2024, such balances carry interest at a fixed rate of 0.20% (31 May 2024: 0.20%) per annum.

### Term deposits

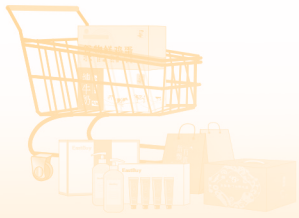
Term deposits represent fixed term deposits with commercial banks with an original maturity of over three months but within one year. As at 30 November 2024, term deposits carry interest at fixed rates ranging from 4.24% to 5.66% (31 May 2024: 4.75% to 6.00%) per annum.

## 19. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS SUBJECT TO EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	Six months ended 30 November	
	2024	2023
	RMB'000	RMB'000
	(unaudited)	(unaudited)
		(restated)
<b>Impairment loss recognised in respect of:</b>		
Trade receivables	–	1,583

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 November 2024 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 May 2024.





## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 20.CONTRACT LIABILITIES

	30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
Contract liabilities in relation to:		
Membership fees	30,468	19,513
Membership points	12,541	14,658
Customers for livestreaming e-commerce service	3,077	8,391
Customers for advertising service	2,386	4,836
Others	2,844	2,197
	51,316	49,595

The following table shows the unsatisfied contracts at the end of the reporting period and the expected timing of recognising revenue.

	30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
<b>Expected to be recognised within one year</b>		
Membership fees	30,468	19,513
Membership points	12,541	14,658
Customers for livestreaming e-commerce service	3,077	8,391
Customers for advertising service	2,386	4,836
Others	2,844	2,197
<b>Total</b>	<b>51,316</b>	<b>49,595</b>

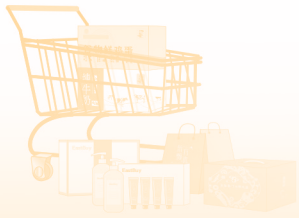


## 21. TRADE PAYABLES

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

	30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
1 – 90 days	407,402	451,753
91 – 180 days	45,917	144,900
181 days – 1 year	38,831	14,478
1 year – 2 years	16	755
> 2 years	87	–
	<b>492,253</b>	<b>611,886</b>

Included in trade payables, RMB18,699,000 as at 30 November 2024 (31 May 2024: RMB19,672,000) were amounts due to related parties (details as set out in Note 25), among which RMB9,912,000 (31 May 2024: RMB10,894,000) were aged 1-90 days, RMB3,170,000 (31 May 2024: RMB2,714,000) were aged 91-180 days, RMB5,617,000 (31 May 2024: RMB5,399,000) were aged 181 days – 1 year, and no trade payable (31 May 2024: RMB665,000) were aged 1 year – 2 years based on the invoice date.



## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 22.SHARE CAPITAL

Details of the movements of share capital of the Company are as follows:

Issued and fully paid	Number of ordinary shares	Par value per ordinary share		Share capital	
		US\$	RMB	US\$'000	RMB'000
At 1 June 2023	1,013,866,710			20	131
Exercise of share options <sup>(a)</sup>	1,146,776	0.00002	0.00014	—*	—**
At 30 November 2023 (unaudited)	1,015,013,486			20	131
At 1 June 2024	1,031,251,556			20	133
Exercise of share options <sup>(a)</sup>	10,124,622	0.00002	0.00014	—*	1
Vest of share awards <sup>(b)</sup>	10,000	0.00002	0.00014	—*	—**
Share repurchased and cancelled <sup>(c)</sup>	(5,883,000)	0.00002	0.00014	—*	(1)
At 30 November 2024 (unaudited)	1,035,503,178			20	133

\* less than US\$1,000.

\*\* less than RMB1,000.

(a) As a result of exercise of share options, 10,124,622 ordinary shares were issued by the Company during the six months ended 30 November 2024 (six months ended 30 November 2023: 1,146,776 ordinary shares). Upon the exercise of share options, RMB103,192,000 (six months ended 30 November 2023: RMB9,371,000) was credited to share premium and RMB30,968,000 (six months ended 30 November 2023: RMB3,033,000) was debited to share-based payments reserve.

(b) In the current year, 10,000 share awards (six months ended 30 November 2023: nil) were vested. When share awards were vested, RMB276,000 (2023: nil) was credited to share premium and RMB276,000 (2023: nil) was debited to share-based payments reserve during the current year.

(c) During the six months ended 30 November 2024, the Company repurchased 5,883,000 (six months ended 30 November 2023: Nil) of its own ordinary shares through the Stock Exchange with an aggregate consideration of RMB90,123,000 (six months ended 30 November 2023: Nil). All above shares were cancelled during the period upon repurchase.



## 23.SHARE-BASED PAYMENTS

The table below sets forth share-based payments for share options and share awards:

	Six months ended 30 November	
	2024	2023
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Share options	7,913	15,881
Share awards	84,551	229,841
	92,464	245,722

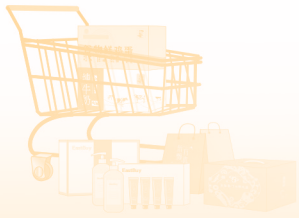
### Pre-IPO Share Option Scheme

On 13 July 2018, the Directors approved an employee's share option plan (the "Pre-IPO Share Option Scheme") for the purpose of providing incentives to directors and eligible employees. The options will expire on 28 March 2025.

The table below discloses movement of the Company's share options under the Pre-IPO Share Option Scheme:

	Number of share options
Outstanding and exercisable as at 1 June 2023	27,084,385
Exercised during the period	(256,500)
Outstanding and exercisable as at 30 November 2023 (unaudited)	26,827,885
Outstanding and exercisable as at 1 June 2024	25,940,885
Exercised during the period	(7,230,500)
Outstanding and exercisable as at 30 November 2024 (unaudited)	18,710,385

The weighted average closing price of the Company's shares at the dates on which the options were exercised was HK\$23.75 (equivalent to RMB21.63) during the six months ended 30 November 2024 (six months ended 30 November 2023: HK\$33.35 (equivalent to RMB30.42)).



## Notes to the Condensed Consolidated Financial Statements (Continued)

### FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

## 23.SHARE-BASED PAYMENTS (Continued)

### Post-IPO Share Option Scheme

On 30 January 2019, the Directors approved an employee's share option plan (the "Post-IPO Share Option Scheme") for the purpose of providing incentives to directors and eligible employees.

On 15 November 2021, the Company granted 48,441,590 options for the purpose of providing incentives to directors and employees, pursuant to the Post-IPO Share Option Scheme. For the share options granted, one third vested on the first anniversary of the grant date, one third vested on the second anniversary of the grant date, one third vested on the third anniversary of the grant date. The options will expire on 15 November 2031.

The table below discloses movement of the Company's share options under the Post-IPO Share Option Scheme:

	Number of share options
Outstanding as at 1 June 2023	40,462,810
Forfeited during the period	(304,912)
Exercised during the period	(890,276)
Outstanding as at 30 November 2023 (unaudited)	39,267,622
Outstanding as at 1 June 2024	34,483,946
Forfeited during the period	(120,177)
Exercised during the period	(2,894,122)
Outstanding as at 30 November 2024 (unaudited)	31,469,647
Exercisable as at 31 May 2024	21,413,897
Exercisable as at 30 November 2024 (unaudited)	31,469,647

The Group recognised total expense of RMB7,913,000 during the six months ended 30 November 2024 in relation to share options granted under the Post-IPO Share Option Scheme (six months ended 30 November 2023: RMB15,881,000).

The weighted average closing price of the Company's shares at the dates on which the options were exercised was HK\$22.52 (equivalent to RMB20.51) during the six months ended 30 November 2024 (six months ended 30 November 2023: HK\$34.90 (equivalent to RMB32.00)).

## 23. SHARE-BASED PAYMENTS (Continued)

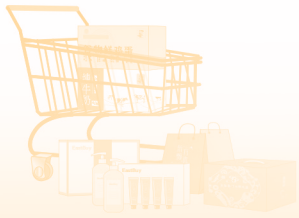
### 2023 Scheme

On 20 February 2023, the Directors approved a new post-IPO share scheme (the “2023 Scheme”). The issue price of each share underlying the share awards upon vesting is nil. Each grant has a total vesting period of 3 years from the date of grant, and shall vest according to the following schedule upon certain performance conditions are met:

- (1) between 20% and 50% of the total share awards granted will vest on the first anniversary of the date of grant;
- (2) between 20% and 50% of the total share awards granted will vest on the second anniversary of the date of grant; and
- (3) between 20% and 50% of the total share awards granted will vest on the third anniversary of the date of grant.

On 11 April 2023, pursuant to the 2023 Scheme the Company granted 30,459,000 share awards to 154 individuals including certain directors for the purpose of providing incentives to them. The fair value of the share awards granted was RMB775,132,000 based on the fair value of the ordinary shares of the Company on the date of grant.

On 28 November 2023, the Directors announced to grant 30,000 share awards to a non-executive director pursuant to the 2023 Scheme. The fair value of the share awards granted was RMB829,000 based on the fair value of the ordinary shares of the Company on the date of grant.



## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 23.SHARE-BASED PAYMENTS (Continued)

#### 2023 Scheme (Continued)

The movement of share awards granted under the 2023 Scheme is summarised as follows:

	Number of share awards
Outstanding as at 1 June 2023	30,314,000
Granted on 28 November 2023	30,000
Forfeited during the period	(399,000)
Outstanding as at 30 November 2023 (unaudited)	29,945,000
	Number of share awards
Outstanding as at 1 June 2024	17,646,330
Forfeited during the period	(3,926,070)
Vested during the period	(10,000)
Outstanding as at 30 November 2024 (unaudited)	13,710,260

The Group recognised total expense of RMB84,551,000 during the six months ended 30 November 2024 (six months ended 30 November 2023: RMB229,841,000) in relation to the share awards granted under 2023 Scheme of the Company.



## 24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

### Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used) as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

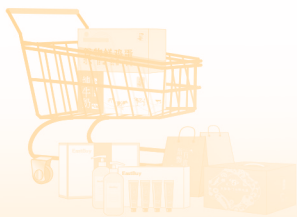
Fair value hierarchy as at 30 November 2024 (unaudited)

	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Financial assets at FVTPL</b>			
Unlisted equity securities	–	92,459	92,459
<b>Financial assets at FVTPL</b>			
Wealth management products	1,688,489	–	1,688,489

Fair value hierarchy as at 31 May 2024 (audited)

	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Financial assets at FVTPL</b>			
Unlisted equity securities	–	94,889	94,889
<b>Financial assets at FVTPL</b>			
Wealth management products	1,250,338	–	1,250,338





## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

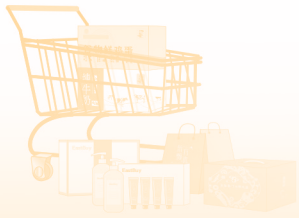
Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	30 November 2024	31 May 2024			
	RMB'000 (unaudited)	RMB'000 (audited)			
<p>Wealth management products issued by banks classified as financial assets at FVTPL</p>	1,688,489	1,250,338	Level 2	Discounted cash flow – future cash flows are estimated based on contractual terms of the wealth management products and discounted at a rate that reflects the credit risk of the counterparties.	N/A
<p>Private equity investments classified as financial assets at FVTPL-5.61% equity investment in EEO which engaged in development of computer platforms used in online education services</p>	71,039	70,259	Level 3	Market approach – Fair value is estimated based on value of comparable listed companies and discounted for lack of marketability due to the impracticality in making long-term financial projections with uncertainties.	Discount for lack of marketability is 20% (Note).

## 24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

Financial assets	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	Fair value as at 30 November 2024	Fair value as at 31 May 2024			
	RMB'000 (unaudited)	RMB'000 (audited)			
Private equity investments classified as financial assets at FVTPL-30% equity investment in Henan Oriental which is engaged in meat processing industry	21,420	24,630	Level 3	Income approach – discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee, based on an appropriate WACC.	Long-term revenue growth rates, taking into account management's experience and knowledge of market conditions of the specific industries of 2.2% (Note).  WACC determined using a Capital Asset Pricing Model is 16% (Note).  Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries is 24% (Note).

Note: The directors of the Company consider that any reasonable changes in the significant unobservable inputs would not result in a significant change in the Group's results. Accordingly, no sensitivity analysis is presented.



## Notes to the Condensed Consolidated Financial Statements (Continued)

FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

### 24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

(Continued)

#### Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

The following table represents the reconciliation of level 3 fair value measurements of private equity investments during the six months ended 30 November 2024 and 2023.

	Six months ended 30 November	
	2024	2023
	RMB'000 (unaudited)	RMB'000 (unaudited)
At the beginning of the period	94,889	102,576
Transfer from interest in associates	–	68,984
Changes in fair value	(2,430)	(28,578)
At the end of the period	92,459	142,982

The total gains or losses for the period included an unrealised loss of RMB2,430,000 relating to private equity investments that are measured at fair value at the end of the reporting period (six months ended 30 November 2023: an unrealised loss of RMB28,578,000). Such gains or losses on fair value changes are included in "other income, gains and losses".

#### Fair value of the Group's financial assets and liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying amounts of financial assets and financial liabilities at amortised cost recognised in the condensed consolidated financial statements approximate their fair values.

Notes to the Condensed Consolidated Financial Statements (Continued)  
FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024



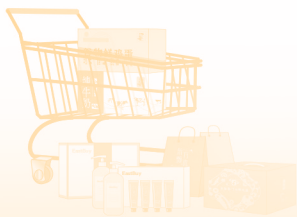
## 25.RELATED PARTY TRANSACTIONS

During the interim period, the Group entered into the following transactions with related parties:

	Relationships	Nature of transactions	Six months ended 30 November	
			2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
New Oriental Group	Controlling shareholder of the Company	Trade sales	23,098	19,706
		Trade purchases	8	19,320
Metropolis Holding (Tianjin) Co., Ltd. ("Metropolis Holding")	A company wholly owned by the Chairman of the Company	Interest expenses on lease liabilities	86	136
		Management fee expenses	102	87
		Trade purchases	3	–
Henan Oriental	Associate of the Group	Trade sales	13,794	–
		Trade purchases	40,552	76,593

The following balances represent outstanding balance with related parties at the end of the reporting period:

		30 November 2024 RMB'000 (unaudited)	31 May 2024 RMB'000 (audited)
Nature of balance			
New Oriental Group	Trade and other receivables	18,555	551,196
	Prepayments	459	459
	Trade payables	8,787	8,810
	Accrued expenses and other payables	82,536	133,575
	Contract liabilities	7,619	–
Metropolis Holding	Lease liabilities	3,210	3,562
	Trade and other receivables	–	548
	Prepayments	23	48
	Accrued expenses and other payables	–	182
Henan Oriental	Trade and other receivables	–	1
	Trade payables	9,912	10,862



## Notes to the Condensed Consolidated Financial Statements (Continued)

### FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

## 25.RELATED PARTY TRANSACTIONS (Continued)

### Compensation of key management personnel

The remuneration of directors and other members of key management during the six months ended 30 November 2024 and 2023 are as follows:

	Six months ended 30 November	
	2024	2023
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Short-term benefits	972	5,463
Retirement benefits	24	54
Equity-settled share-based expense	8,796	44,023
	9,792	49,540

The remuneration of directors and key executives is determined by the Directors having regard to the performance of individuals and market trends.

## 26.EVENTS AFTER THE END OF THE REPORTING PERIOD

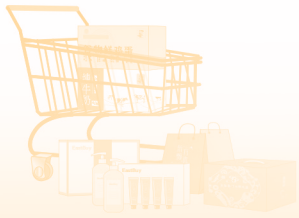
The Group has no significant event took place subsequent to the end of the reporting period that needs to be disclosed.



# DEFINITIONS



<b>"2019 Scheme"</b>	the post-IPO share option scheme of the Company adopted in January 2019, the terms of which are summarised in Appendix IV to the Prospectus
<b>"2020 Subscription"</b>	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
<b>"2023 Scheme"</b>	the share incentive scheme of the Company adopted on 9 March 2023, a summary of the principal terms of which is set out in the Company's circular dated 21 February 2023
<b>"ADS(s)"</b>	each American depositary share represents ten underlying common shares of New Oriental
<b>"APP"</b>	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
<b>"Audit Committee"</b>	the audit committee of the Board
<b>"Auditor"</b>	Deloitte Touche Tohmatsu
<b>"Board"</b>	the board of Directors
<b>"Beijing Xuncheng"</b>	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
<b>"China" or "the PRC"</b>	the People's Republic of China
<b>"Company", "we", "us", or "our"</b>	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
<b>"Consolidated Affiliated Entity"</b>	an entity controlled by the Company through the contractual arrangements
<b>"Controlling Shareholder"</b>	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to New Oriental



## Definitions (Continued)

<b>"Corporate Governance Code"</b>	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, as amended from time to time
<b>"Director(s)"</b>	the director(s) of our Company
<b>"Employee Participant(s)"</b>	as defined in the 2023 Scheme rules, being an employee, director or officer of the Group on the date of grant
<b>"FVTPL"</b>	fair value through profit or loss
<b>"FY2024"</b>	the financial year ended 31 May 2024
<b>"FY2025"</b>	the financial year ending 31 May 2025
<b>"GMV"</b>	gross merchandise volume
<b>"Group" or "our Group"</b>	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
<b>"HK\$"</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>"Hong Kong"</b>	the Hong Kong Special Administrative Region of the PRC
<b>"IFRS(s)"</b>	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
<b>"Listing Date"</b>	28 March 2019
<b>"Listing Rules"</b>	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
<b>"Model Code"</b>	The Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
<b>"Mr. Dong"</b>	Mr. Dong Yuhui
<b>"New Oriental"</b>	New Oriental Education & Technology Group Inc., a company incorporated under the Laws of the Cayman Islands on 16 March 2006, which is dual listed on the New York Stock Exchange (NYSE: EDU) and the Stock Exchange (HKEX: 9901) and our Controlling Shareholder
<b>"New Oriental Group"</b>	New Oriental and its subsidiaries



<b>"Nomination Committee"</b>	the nomination committee of the Board
<b>"Pre-IPO Scheme"</b>	share option scheme adopted by the Company on 13 July 2018 and subsequently amended on 29 September 2018
<b>"Prospectus"</b>	the prospectus of our Company dated 15 March 2019 issued in relation to the listing of our Shares on the Main Board of the Stock Exchange
<b>"Remuneration Committee"</b>	the remuneration committee of the Board
<b>"Reporting Period"</b>	the six months ended 30 November 2024
<b>"RMB" or "Renminbi"</b>	Renminbi, the lawful currency of China
<b>"SFO"</b>	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
<b>"Share(s)"</b>	ordinary share(s) in the share capital of our Company currently with a par value of US\$0.00002 each
<b>"Shareholder(s)"</b>	holder(s) of our Share(s)
<b>"SKU"</b>	stock-keeping units
<b>"Stock Exchange"</b>	The Stock Exchange of Hong Kong Limited
<b>"Subscribers"</b>	New Oriental Group and Tigerstep
<b>"Target Company" or "Time with Yuhui"</b>	Time with Yuhui (Beijing) Technology Ltd (與輝同行(北京)科技有限公司)
<b>"Tigerstep"</b>	Tigerstep Developments Limited, a company incorporated under the Laws of the British Virgin Islands, and a connected person of the Company
<b>"subsidiary" or "subsidiaries"</b>	has the meaning ascribed to it in the Listing Rules and includes consolidated affiliated entities controlled
<b>"United States" or "U.S."</b>	United States of America, its territories, its possessions and all areas subject to its jurisdiction
<b>"US\$"</b>	United States dollars, the lawful currency of the United States
<b>"%"</b>	per cent