

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



newborntown

NEWBORN TOWN INC.

赤子城 科技 有限 公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9911)

MAJOR AND CONNECTED TRANSACTIONS

ENTERING INTO SHARE PURCHASE AGREEMENT INVOLVING ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE

SHARE PURCHASE AGREEMENT

The Board is pleased to announce that on 27 June 2024 (after trading hours), the Company (as the Purchaser) entered into the Share Purchase Agreement with BGFG, JJQJ and JZZT (together as the Sellers) and the Target Company, pursuant to which (i) the Target Company has conditionally agreed to issue and allot 10,000,000 shares to JJQJ at par value, and (ii) the Sellers have conditionally agreed to sell, and the Company has conditionally agreed to acquire an aggregate of 77,832,740 Sale Shares of the Target Company as held by the Sellers upon completion of the Target Company's Issue and Allotment (as defined hereinafter) for a total consideration of approximately HK\$1,982,657,556. The consideration comprises of two parts, being a Cash Consideration of HK\$993,789,796, and the issuance of 219,748,391 Consideration Shares of the Company to the Sellers at the issue price of HK\$4.50 per Share (and a total value of approximately HK\$988,867,760) by the Company. As at the date of the announcement, the Target Company is a non-wholly owned subsidiary of the Company, in which the Company owns 122,167,260 shares of the Target Company, which accounts for approximately 64.30% of its total number of issued shares. Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results of the Target Company will be fully consolidated into the consolidated financial statements of the Group.

LISTING RULES IMPLICATIONS

Following completion of the Target Company's Issue and Allotment (as defined hereinafter), the Company's interest in the Target Company will be diluted and therefore the Target Company's Issue and Allotment constitutes a deemed disposal of the Company pursuant to Rule 14.29 of the Listing Rules. As all applicable percentage ratios (as defined under the Listing Rules) are less than 5%, the Target Company's Issue and Allotment does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceeds 25% but all such percentage ratios are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and subject to reporting, announcement and shareholders' approval requirements under the Listing Rules.

Furthermore, as at the date of this announcement, the Target Company is a significant subsidiary of the Company, and JZZT is a substantial shareholder of the Target Company. As such, JZZT is a connected person at the subsidiary level of the Company under the Listing Rules. Therefore, the transactions contemplated under the Share Purchase Agreement (including the issue of the Consideration Shares) constitute connected transactions of the Company under Chapter 14A of the Listing Rules and subject to reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to consider the Share Purchase Agreement and the transactions contemplated thereunder, and to advise the Independent Shareholders as to whether granting the specific mandate for the allotment and issuance of Consideration Shares. In addition, the Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the above matters.

GENERAL

The Company will convene an extraordinary general meeting to approve, among other things, the Share Purchase Agreement and the transactions contemplated thereunder, and the granting of specific mandate for the allotment and issuance of Consideration Shares. To the best of the Directors' knowledge, information and belief, save for BGFG who will abstain from voting, no Shareholder and its respective associates has material interest in the Share Purchase Agreement and the transactions contemplated thereunder, and the granting of specific mandate for the allotment and issuance of Consideration Shares.

A circular containing, among other things, (i) further details of the Share Purchase Agreement and the transactions contemplated thereunder, including, among others, the granting of specific mandate for the allotment and issuance of the Consideration Shares, (ii) a letter from the Independent Financial Adviser, (iii) a letter from the Independent Board Committee, (iv) a notice of the extraordinary general meeting to be convened, and (v) other information as required to be disclosed under the Listing Rules, will be despatched to the Shareholders as soon as reasonably practicable as more time is required for the preparation of the circular.

Shareholders and potential investors of the Company should be aware that the completion of the transactions contemplated under the Share Purchase Agreement is subject to satisfaction (or, if applicable, waiver) of certain conditions and consequently such transactions may or may not proceed. Accordingly, they are advised to exercise caution when dealing in the Shares.

The Board is pleased to announce that on 27 June 2024 (after trading hours), the Company (as the Purchaser) entered into the Share Purchase Agreement with BGFG, JJQJ and JZZT (together as the Sellers) and the Target Company, pursuant to which (i) the Target Company has conditionally agreed to issue and allot 10,000,000 shares to JJQJ at par value, and (ii) the Sellers have conditionally agreed to sell, and the Company has conditionally agreed to acquire an aggregate of 77,832,740 Sale Shares of the Target Company as held by the Sellers upon completion of the Target Company's Issue and Allotment (as defined hereinafter) for a total consideration of approximately HK\$1,982,657,556. The consideration comprises of two parts, being a Cash Consideration of HK\$993,789,796, and the issuance of 219,748,391 Consideration Shares of the Company to the Sellers at the issue price of HK\$4.50 per Share (and a total value of approximately HK\$988,867,760) by the Company. As at the date of the announcement, the Target Company is a non-wholly owned subsidiary of the Company, in which the Company owns 122,167,260 shares of the Target Company, which accounts for approximately 64.30% of its total number of issued shares. Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results of the Target Company will be fully consolidated into the consolidated financial statements of the Group.

SHARE PURCHASE AGREEMENT

The principal terms of the Share Purchase Agreement are set out below:

Date

27 June 2024

Parties

Purchaser:

The Company

Sellers, as comprised of:

- (i) JZZT
- (ii) BGFG
- (iii) JJQJ

Target Company:

NBT Social Networking

Subject matter

As at the date of this announcement, the issued share capital of the Target Company comprises 190,000,000 ordinary shares. Pursuant to the Share Purchase Agreement, the Target Company has conditionally agreed to issue and allot 10,000,000 shares to JJQJ at par value (the “**Target Company’s Issue and Allotment**”). Upon the completion of the Target Company’s Issue and Allotment, the issued share capital of the Target Company shall be enlarged to 200,000,000 ordinary shares.

The shareholding structure of the Target Company as at the date of this announcement and upon completion of the Target Company’s Issue and Allotment is as follows:

Name of shareholder	As at the date of the announcement		Upon completion of the Target Company’s Issue and Allotment	
	Number of shares	Percentage	Number of shares	Percentage
The Company	122,167,260	64.30%	122,167,260	61.08%
JZZT	47,232,662	24.86%	47,232,662	23.62%
BGFG	11,467,760	6.04%	11,467,760	5.73%
JJQJ	9,132,318	4.81%	19,132,318	9.57%
Total	190,000,000	100.00%	200,000,000	100.00%

Following completion of the Target Company’s Issue and Allotment, the Sellers have conditionally agreed to sell, and the Company has conditionally agreed to acquire an aggregate of 77,832,740 Sale Shares of the Target Company as held by the Sellers upon completion of the Target Company’s Issue and Allotment, which accounts for approximately 38.92% of the total issued shares of the Target Company as enlarged by the Target Company’s Issue and Allotment.

Conditions precedent

Pursuant to the Share Purchase Agreement, the obligations of the Company to consummate the Completion shall be subject to the satisfaction, at or prior to the Completion, of each of the following Conditions, any of which may be waived in writing by the Company to the extent permitted by applicable laws:

- (1) the representations and warranties, severally but not jointly, given by each Seller being true and accurate in all material respects as at the Completion and each Seller’s undertakings contained in the Share Purchase Agreement having been complied with in all material respects;
- (2) the transactions contemplated under the Share Purchase Agreement having been approved by the Board and by the Shareholders at the general meeting of the Company;

- (3) the necessary resolution(s) having been passed by the shareholders of the Target Company and by the directors of the Target Company approving (i) the execution of the Share Purchase Agreement and any other documents ancillary or incidental to the transactions contemplated thereunder (the “**Transaction Documents**”) and all and any transactions contemplated thereunder; and (ii) the Target Company’s Issue and Allotment;
- (4) the necessary resolution(s) having been passed by the shareholder(s) of each Seller and by the director(s) of each Seller approving the execution of the Transaction Documents and all and any transactions contemplated thereunder;
- (5) the necessary resolution(s) having been passed by the shareholder(s) and director(s) of each of Travelspace Limited, Ho Sheng International Limited and Pixel Perfect Tech Limited approving the execution of the Transaction Documents by JZZT and all and any transactions contemplated thereunder; and
- (6) the Stock Exchange having granted approval for the listing of, and permission to deal in, the Consideration Shares and such approval and permission not being subsequently withdrawn or revoked by the Stock Exchange.

Completion

Completion shall take place on the Completion Date, or on such other date and at such place as the Sellers and Company may mutually agree upon in writing.

On Completion, the Company shall against delivery of the Sale Shares in accordance with the terms in the Share Purchase Agreement, (i) issue and allot the Consideration Shares to the Sellers and (ii) deliver a certified copy of the extract of the register of members of the Company evidencing the Sellers as the registered and beneficial owners of the Consideration Shares.

Consideration and terms of payment

The total consideration is approximately HK\$1,982,657,556, which comprises of two parts, being a consideration of HK\$993,789,796 in cash (the “**Cash Consideration**”), and the issuance of consideration shares, being 219,748,391 Shares of the Company, to the Sellers at the issue price of HK\$4.50 per Share (and a total value of approximately HK\$988,867,760) (the “**Consideration Shares**”) by the Company.

The Consideration Shares comprises of a total of 219,748,391 Shares which shall be issued in accordance with the specific mandate that will be sought at the extraordinary general meeting. The Consideration Shares account for approximately 18.45% of the existing issued share capital of the Company as at the date of this announcement, and approximately 15.57% of the issued capital of the Company enlarged by the allotment and issuance of the Consideration Shares (assuming there will not be any other issue or repurchase of Shares prior to the Completion).

The issue price of HK\$4.50 per Consideration Share:

- (i) represents a premium of approximately 3.21% to the closing price per Share of HK\$4.36 as quoted on the Stock Exchange on 27 June 2024, being the date of the Share Purchase Agreement; and
- (ii) represents a premium of approximately 1.08% to the average closing price per Share of HK\$4.45 as quoted on the Stock Exchange for the last 5 consecutive trading days immediately preceding the date of the Share Purchase Agreement.

Details of the number of Sale Shares to be sold by the Sellers, the Cash Consideration payable and the number of Consideration Shares to be issued by the Company are set out below:

Sellers	Number of Sale Shares to be sold	Cash Consideration (in HK\$)				Consideration Shares (Share)
		First instalment	Second instalment	Third instalment	Fourth Instalment	
BGFG	11,467,760	43,818,272	43,818,272	43,818,272	43,818,272	25,966,383
JJQJ	19,132,318	73,104,522	73,104,522	73,104,522	73,104,522	43,321,198
JZZT	47,232,662	131,524,655	131,524,655	131,524,655	131,524,655	150,460,810

Subject to the successful Completion, the Company shall pay to the Sellers the Cash Consideration in four equal instalments, subject to the payment schedule as follows:

- (1) the first instalment of the Cash Consideration shall be payable on or before the Post-Completion Payment Date;
- (2) the second instalment of the Cash Consideration shall be payable on or before the first anniversary following the Post-Completion Payment Date;
- (3) the third instalment of the Cash Consideration shall be payable on or before the second anniversary following the Post-Completion Payment Date; and
- (4) the fourth instalment of the Cash Consideration shall be payable on or before the third anniversary following the Post-Completion Payment Date.

Any payment to be made pursuant to the Share Purchase Agreement by or on behalf of the Company to each of the Sellers shall be made to each Seller's bank account provided in writing no later than three business days prior to the due date for payment in immediately available funds by electronic transfer on the due date for payment. Receipt of the full amount due shall be an effective discharge of the relevant payment obligation.

Until the 6th-month anniversary after the Completion, without prior written consent of the Company, the Consideration Shares shall not be directly or indirectly sold, assigned, transferred, pledged, hypothecated, or otherwise encumbered or disposed of in any way.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares, when allotted and issued, shall be credited as fully paid and at all times rank *pari passu* among themselves and with the Shares in issue as at the date of issue of the Consideration Shares, except that they shall not be entitled to receive any dividend, distribution or entitlement declared, paid or made by reference to a record date prior to the date of allotment and issue of the Consideration Shares (as the case may be).

Mandate to issue the Consideration Shares

The Consideration Shares will be allotted and issued pursuant to the specific mandate to be sought at the extraordinary general meeting.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structures of the Company (i) as at the date of this announcement; and (ii) immediately upon the Completion (assuming there will not be any other issue or repurchase of Shares prior to the Completion) are set out as follows:

Shareholders	As at the date of the announcement		Immediately upon the Completion (assuming there will not be any other issue or repurchase of Shares prior to the Completion)	
	Number of shares	Approximate percentage to the number of issued Shares	Number of shares	Approximate percentage to the number of issued Shares
Spriver Tech Limited ⁽¹⁾	238,706,646	20.04%	238,706,646	16.92%
Parallel World Limited ⁽²⁾	73,121,774	6.14%	73,121,774	5.18%
Phoenix Auspicious FinTech Investment L.P. ⁽³⁾	87,658,948	7.36%	87,658,948	6.21%
BGFG ⁽⁴⁾	100,000,000	8.39%	125,966,383	8.93%
JJQJ	–	–	43,321,198	3.07%
JZZT	–	–	150,460,810	10.66%
Other public shareholders	691,728,632	58.07%	691,728,632	49.03%
Total	<u>1,191,216,000</u>	<u>100.00%</u>	<u>1,410,964,391</u>	<u>100.00%</u>

Notes:

- (1) Spriver Tech Limited is directly and wholly owned by Mr. LIU Chunhe. Mr. LIU Chunhe is therefore deemed to be interested in all the Shares held by Spriver Tech Limited under the Securities and Futures Ordinance.
- (2) Parallel World Limited is directly and wholly owned by Mr. LI Ping. Mr. LI Ping is therefore deemed to be interested in all the Shares held by Parallel World Limited under the Securities and Futures Ordinance.
- (3) Phoenix Auspicious FinTech Investment L.P. is indirectly controlled by Mr. LI Yingming. Mr. LI Yingming is therefore deemed to be interested in all the Shares held by Phoenix Auspicious FinTech Investment L.P. under the Securities and Futures Ordinance.
- (4) BGFG is directly and wholly owned by Mr. WANG Xinming. Mr. WANG Xinming is therefore deemed to be interested in all the Shares held by BGFG under the Securities and Futures Ordinance.

BASIS OF DETERMINATION OF THE CONSIDERATION

This consideration was agreed by the parties after arm's length negotiations, with reference to an independent valuation. The independent valuation adopted the market approach method, assessed as of 31 May 2024, and took into account the following key factors:

- the revenue multiples and earning multiples of comparable Hong Kong and U.S. listed social networking companies that operate diversified social networking products (selected based on, among others, the industry and financial positions of the social networking business, similarities in business model, business stage, and operations); and

- the assumption that historical revenue and earning figures generated by the Target Company for the year 2023 and for the period from 1 January 2024 to 31 May 2024 would be maintainable.

The Board determined that the market approach was the most appropriate valuation method, given that there were a number of comparable listed companies available, which was able to provide an appropriate basis for the valuation, while the other valuation methods would produce less reliable results given inherent challenges in projecting the profitability of the social networking business, particularly within a fluctuating regulatory and economic environment, and failures to take into account other important attributing values.

Taking into account the above, the Board considered the independent valuation to be a fair and reasonable basis to calculate the consideration amount, having reviewed this against, among others, the historical operational and financial performance of the Target Company (including key financial results generated from the Target Company), the general business prospects of the Target Company, and the factors set out in “Reasons and Benefits of Entering into the Share Purchase Agreement” in this announcement.

INFORMATION ON THE PARTIES TO THE SHARE PURCHASE AGREEMENT

The Company

The Company is a globalised internet enterprise that has created dozens of high-quality APPs targeted at global users in areas such as social networking and gaming, including the general social networking products MICO, YoHo, TopTop, and SUGO, as well as the multicultural social networking product HeeSay, and the boutique gaming product Alice’s Dream: Merge Games. These products have served over one billion global users in hundreds of countries and regions. The Company has deep roots in the Middle East and North Africa markets, and is actively expanding into Southeast Asia, Europe, America, Japan, and Korea, striving to become the world’s largest social entertainment company.

The Sellers

JZZT

JZZT is an investment holding company incorporated in the British Virgin Islands with limited liability, and holds 24.86% of shares of the Target Company as at the date of the announcement. As at the date of this announcement, JZZT is owned as to 47.69%, 43.81% and 8.50% by Travelspace Limited, Ho Sheng International Limited and other shareholders. Among which, Travelspace Limited is wholly owned by Mr. SU Jian, an executive Director of the Company, and Ho Sheng International Limited is owned as to 33.43%, 33.33%, 32.56% and 0.68% by Mr. ZHENG Linzhou, Mr. HUANG Nailiang, Mr. LI Yongjie and Pixel Perfect Tech Limited (a wholly owned subsidiary of Mr. YE Chunjian, an executive Director of the Company).

BGFG

BGFG is an investment holding company incorporated in the British Virgin Islands with limited liability, and holds 6.04% of shares of the Target Company as at the date of the announcement. Mr. WANG Xinming, an Independent Third Party, holds 100% of shares of BGFG.

JJQJ

JJQJ is an investment holding company incorporated in the British Virgin Islands with limited liability, and holds 4.81% of shares of the Target Company as at the date of the announcement. All shares of JJQJ are held by TMF Trust (HK) Limited, an Independent Third Party, in the capacity of trustee.

Target Company

As the foreign corresponding entity of Beijing Mico upon reorganization, it focuses on providing online social entertainment services and is committed to meeting the diversified social needs of global users. It has launched multiple social entertainment products such as MICO and YoHo, serving nearly 100 million users in over 150 countries and regions worldwide. The Target Company's various applications are popular in regions such as Middle East, North Africa, and Southeast Asia, and it is actively expanding into markets such as Europe, America, Japan, and South Korea.

The table below sets forth a summary of unaudited key financial information of the Target Company for the years ended 31 December 2022 and 2023 and three months ended 31 March 2024, which has been prepared in accordance with International Financial Reporting Standards:

	For the year ended 31 December 2022 or as at 31 December 2022 RMB'000	For the year ended 31 December 2023 or as at 31 December 2023 RMB'000	For the three months ended 31 March 2024 or as at 31 March 2024 RMB'000
Net profit before taxation	443,464	673,530	167,955
Net profit after taxation	438,920	657,130	166,229
Total assets less current liabilities	1,416,705	2,087,375	2,266,933
Net assets	1,370,481	2,051,144	2,230,810

The Target Company has experienced rapid growth in net profit since 2022, mainly due to (i) improving the product line and gradually launching new social applications; (ii) enhancing the operational efficiency of products and continuously optimising gross profit margins; and (iii) deepening its presence in emerging high-value markets such as the Middle East and North Africa, and continuing to unlock market potential.

REASONS AND BENEFITS OF ENTERING INTO THE SHARE PURCHASE AGREEMENT

The Board believes that the Target Company has maintained stable growth and possesses good development potential. Based on various considerations such as the current market environment and business prospects, the Board considers the current valuation and pricing of the Target Company to be reasonable. Based on this assessment, the Group intends to further increase its shareholding in the Target Company to achieve full ownership. This action will help the Group achieve efficient integration of resources and deepen strategic synergies. At the same time, by obtaining more economic benefits from the Target Company, it will further increase the benefits of all shareholders of the Company.

The Board (including the independent non-executive Directors) considers that the terms of the Share Purchase Agreement and the transactions contemplated thereunder are fair and reasonable, and the Share Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms or better and in the interest of the Company and the Shareholders as a whole.

Mr. SU Jian and Mr. YE Chunjian are considered interested in the transactions contemplated under the Share Purchase Agreement and have thus abstained from voting on the Board resolutions to approve the Share Purchase Agreement. Save for Mr. SU Jian and Mr. YE Chunjian, none of the other Directors is regarded as having a material interest in the transactions contemplated under the Share Purchase Agreement. Accordingly, none of the other Directors is required to abstain from voting on the resolutions with respect to the Share Purchase Agreement at the Board meeting under the Listing Rules.

LISTING RULES IMPLICATIONS

Following completion of the Target Company's Issue and Allotment (as defined hereinafter), the Company's interest in the Target Company will be diluted and therefore the Target Company's Issue and Allotment constitutes a deemed disposal of the Company pursuant to Rule 14.29 of the Listing Rules. As all applicable percentage ratios (as defined under the Listing Rules) are less than 5%, the Target Company's Issue and Allotment does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceeds 25% but all such percentage ratios are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and subject to reporting, announcement and shareholders' approval requirements under the Listing Rules.

Furthermore, as at the date of this announcement, the Target Company is a significant subsidiary of the Company, and JZZT is a substantial shareholder of the Target Company. As such, JZZT is a connected person at the subsidiary level of the Company under the Listing Rules. Therefore, the transactions contemplated under the Share Purchase Agreement (including the issue of the Consideration Shares) constitute connected transactions of the Company under Chapter 14A of the Listing Rules and subject to reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to consider the Share Purchase Agreement and the transactions contemplated thereunder, and to advise the Independent Shareholders as to whether granting the specific mandate for the allotment and issuance of Consideration Shares. In addition, the Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the above matters.

GENERAL

The Company will convene an extraordinary general meeting to approve, among other things, the Share Purchase Agreement and the transactions contemplated thereunder, and the granting of specific mandate for the allotment and issuance of Consideration Shares. To the best of the Directors' knowledge, information and belief, save for BGFG who will abstain from voting, no Shareholder and its respective associates has material interest in the Share Purchase Agreement and the transactions contemplated thereunder, and the granting of specific mandate for the allotment and issuance of Consideration Shares.

A circular containing, among other things, (i) further details of the Share Purchase Agreement and the transactions contemplated thereunder, including, among others, the granting of specific mandate for the allotment and issuance of the Consideration Shares, (ii) a letter from the Independent Financial Adviser, (iii) a letter from the Independent Board Committee, (iv) a notice of the extraordinary general meeting to be convened, and (v) other information as required to be disclosed under the Listing Rules, will be despatched to the Shareholders as soon as reasonably practicable as more time is required for the preparation of the circular.

Shareholders and potential investors of the Company should be aware that the Completion is subject to satisfaction (or, if applicable, waiver) of certain conditions and consequently the Acquisition may or may not proceed. Accordingly, they are advised to exercise caution when dealing in the Shares.

DEFINITIONS

“Acquisition”	the proposed acquisition of the Sale Shares of NBT Social Networking by the Company pursuant to the Share Purchase Agreement
“Beijing Mico”	Beijing Mico World Technology Co., Ltd. (北京米可世界科技有限公司), a company incorporated under the laws of the PRC with limited liability on 30 May 2014
“BGFG”	BGFG Limited, a company incorporated under the laws of the British Virgin Islands with limited liability
“Board”	the board of directors of the Company
“Company” or “Purchaser”	Newborn Town Inc. (赤子城科技有限公司), a company with limited liability incorporated in the Cayman Islands whose shares are listed on the Stock Exchange

“Completion”	completion of the Target Company’s Issue and Allotment and the Acquisition contemplated under the Share Purchase Agreement
“Completion Date”	the date which falls on the fifth business days after satisfaction or waiver of all of the conditions precedent set out in the Share Purchase Agreement (other than those conditions precedent that by their terms are to be satisfied as at Completion, but subject to the satisfaction or waiver of such conditions precedent)
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries
“Independent Board Committee”	the independent board committee of the Board, comprising Mr. GAO Ming, Mr. CHI Shujin and Mr. HUANG Sichen, all being the independent non-executive Directors of the Company
“Independent Financial Adviser”	the independent financial adviser to be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Share Purchase Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders who are not required to abstain from voting in favour of the resolution for approving the proposed resolutions under the Listing Rules
“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not the Company’s connected persons and their associates (as defined under the Listing Rules)
“JJQJ”	JJQJ Partners Limited, a company incorporated under the laws of the British Virgin Islands with limited liability
“JZZT”	JZZT Limited, a company incorporated under the laws of the British Virgin Islands with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Post-Completion Payment Date”	the date which is the 20th business day after the Completion Date, or such other date as the Sellers and the Purchaser may agree in writing
“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan Region
“RMB”	Renminbi, the lawful currency in the PRC
“Sale Shares”	collectively, and in each case, the shares of the Target Company to be transferred by the Sellers pursuant to the Share Purchase Agreement

“Sellers”	collectively, BGFG, JJQJ and JZZT, each a “Seller”
“Share Purchase Agreement”	the Share Purchase Agreement entered into by the Company, the Sellers and the Target Company on 27 June 2024
“Shareholder(s)”	the holder of Share(s)
“Shares”	ordinary share(s) in the share capital of the Company with a par value of US\$0.0001 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company” or “NBT Social Networking”	NBT Social Networking Inc., a company incorporated under the laws of the Cayman Islands with limited liability
“%”	per cent.

By order of the Board
Newborn Town Inc.
LIU Chunhe
Chairman

Beijing, 27 June 2024

As at the date of this announcement, the executive Directors of the Company are Mr. LIU Chunhe, Mr. LI Ping, Mr. YE Chunjian and Mr. SU Jian; and the independent non-executive Directors of the Company are Mr. GAO Ming, Mr. CHI Shujin and Mr. HUANG Sichen.