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DREAM EAST
梦东方

DREAMEAST GROUP LIMITED
夢東方集團有限公司

*(Incorporated in Bermuda with limited liability and
carrying on business in Hong Kong as “DreamEast Cultural Entertainment”)*

(Stock Code: 593)

CONVERSION OF CONVERTIBLE BONDS

Reference is made to the announcements of DreamEast Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) dated 29 August 2023 and 29 December 2023 in relation to, among others, placing of the existing shares and the convertible bonds held by the controlling shareholders.

CONVERSION OF CONVERTIBLE BONDS

The board (the “**Board**”) of the directors (the “**Director(s)**”) of the Company announces that the Company received:

- (i) a conversion notice from Li Dongping (the “**Subscriber 1**”) on 20 January 2024 exercising its right to convert the convertible bond in the principal amount of RMB24,000,000 into 13,882,944 conversion shares of the Company (the “**Conversion Share(s)**”) at the conversion price of HK\$2 per Conversion Share. As a result, the Company allotted and issued 13,882,944 Conversion Shares to the Subscriber 1 on 22 January 2024 (the “**Conversion 1**”);

- (ii) a conversion notice from Yu Guangchang (the “**Subscriber 2**”) on 19 January 2024 exercising its right to convert the convertible bond in the principal amount of RMB24,000,000 into 13,882,944 Conversion Shares at the conversion price of HK\$2 per Conversion Share. As a result, the Company allotted and issued 13,882,944 Conversion Shares to the Subscriber 2 on 22 January 2024 (the “**Conversion 2**”);
- (iii) a conversion notice from Liu Xiaohua (the “**Subscriber 3**”) on 21 January 2024 exercising its right to convert the convertible bond in the principal amount of RMB24,000,000 into 13,882,944 Conversion Shares at the conversion price of HK\$2 per Conversion Share. As a result, the Company allotted and issued 13,882,944 Conversion Shares to the Subscriber 3 on 22 January 2024 (the “**Conversion 3**”);
- (iv) a conversion notice from Xiao Shihu (the “**Subscriber 4**”) on 22 January 2024 exercising its right to convert the convertible bond in the principal amount of RMB34,000,000 into 19,667,504 Conversion Shares at the conversion price of HK\$2 per Conversion Share. As a result, the Company allotted and issued 19,667,504 Conversion Shares to the Subscriber 4 on 22 January 2024 (the “**Conversion 4**”); and
- (v) a conversion notice from Li Wenjian (the “**Subscriber 5**”) on 20 January 2024 exercising its right to convert the convertible bond in the principal amount of RMB35,000,000 into 20,245,960 Conversion Shares at the conversion price of HK\$2 per Conversion Share. As a result, the Company allotted and issued 20,245,960 Conversion Shares to the Subscriber 5 on 22 January 2024 (the “**Conversion 5**”).

Following the Conversion 1 to Conversion 5 (the “**Conversions**”), 81,562,296 Conversion Shares in aggregate have been allotted and issued which rank pari passu in all respects among themselves and with all other existing ordinary shares of the Company (the “**Share(s)**”) in issue and they represent approximately 18.69% of the total issued share capital of the Company before the Conversions and approximately 15.74% of the total issued share capital of the Company as enlarged by the allotment and issue of the 81,562,296 Conversion Shares in aggregate upon the Conversions.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company immediately before and after the Conversions are as follows:

Shareholders	Immediately before the Conversions		Immediately after the Conversions	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Directors–				
Meng Xiao Su	61,737	0.014	61,737	0.012
Yang Bu Ting	61,737	0.014	61,737	0.012
Zhao Da Xin	61,737	0.014	61,737	0.012
Sub-total	185,211	0.042	185,211	0.036
Yang Quanlin	47,981,111	10.993	47,981,111	9.262
Yan Hui	48,365,477	11.081	48,365,477	9.336
Zhang Zhiqiang	46,276,477	10.602	46,276,477	8.933
Public Shareholders				
Subscriber 1	–	–	13,882,944	2.680
Subscriber 2	6,518,229	1.494	20,401,173	3.939
Subscriber 3	–	–	13,882,944	2.680
Subscriber 4	–	–	19,667,504	3.797
Subscriber 5	–	–	20,245,960	3.908
Other public Shareholders	287,141,349	65.788	287,141,349	55.429
Sub-total	293,659,578	67.282	517,844,939	99.964
Total	436,467,854	100.00	518,030,150	100.00

On behalf of the Board
DREAM EAST GROUP LIMITED
Chan Sin I
Executive Director

Hong Kong, 22 January 2024

As at the date of this announcement, the Board comprises Ms. Chan Sin I and Mr. Leong Tang Fu being the executive Directors, Mr. Lam Chi Wing (Chairman) and Mr. Wang Luonan being the non-executive Directors, and Dr. Li Xiao Long, Dr. Meng Xiao Su, Mr. Yang Bu Ting, Mr. Zhao Da Xin, Mr. Chu Hoi Kan and Ms. Chan Sheung Yu being the independent non-executive Directors.