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**Edvantage Group Holdings Limited**  
**中汇集团控股有限公司**

(Incorporated in the Cayman Islands with limited liability)  
(Stock code: 0382)

**UPDATE ANNOUNCEMENT  
MAJOR TRANSACTION IN RELATION TO THE  
ACQUISITION OF 51% OF THE ENTIRE EQUITY INTEREST IN  
SICHUAN NEW CONCEPT EDUCATION INVESTMENT CO., LTD.\*  
AND CHENGDU YUDE LOGISTICS MANAGEMENT CO., LTD.\***

References are made to the announcements of Edvantage Group Holdings Limited (the “Company”) dated 4 December 2020 (the “Acquisition Announcement”), 18 December 2020 and 28 December 2020 (collectively, the “Announcements”) regarding the major transaction in relation to the acquisition of 51% of the entire equity interest in Sichuan New Concept Education Investment Co., Ltd\* and Chengdu Yude Logistics Management Co., Ltd\*. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

To enable the Shareholders and potential investors of the Company to better understand the progress of the Acquisition, the Company would like to provide the latest development of the Acquisition in the aspects of (i) the written Shareholders’ approval for the Acquisition; (ii) the Structured Contracts; and (iii) progress on the fulfilment of conditions of the Acquisition Agreement.

**I. WRITTEN SHAREHOLDERS’ APPROVAL FOR THE ACQUISITION**

The Board wishes to inform the Shareholders that, on 5 December 2020, the Company has obtained the written Shareholders’ approval pursuant to Rule 14.44 of the Listing Rules from Debo Education Investments Holdings Limited, which is a controlling shareholder of the Company beneficially interested in 750,790,000 Shares, representing approximately 73.73% of the issued share capital of the Company, in lieu of holding a general meeting for approval of the Acquisition Agreement and the transactions contemplated thereunder.

## **II. STRUCTURED CONTRACTS**

As disclosed in the Acquisition Announcement and as one of the conditions of the second payment of the consideration, the Structured Contracts should be executed by the Target Company, all the shareholders of the Target Company and the Schools with Guangzhou Zhiheng Education according to the requirements of Nanning Zhuowen Education.

The Board announces that, on 30 December 2020, the Structured Contracts have been entered into, and they shall become effective on the date on which the relevant approval has been obtained from the Stock Exchange in connection with Contractual Arrangement.

The Board would also like to provide further information on the Contractual Arrangement. The Structured Contracts have been narrowly tailored to achieve the Company's business purpose and minimize the potential for conflict with the above relevant laws and regulations. Although the Private School Qualification Requirements allow for a foreign investor for a Sino-Foreign Joint Venture Private School and the Technical School Qualification Requirements allow for a foreign investor for a Sino-Foreign Technical School and the foreign portion of the total investment in a Sino-Foreign Technical School should be below 50%, to the best of knowledge of the PRC legal advisers of the Company and after searching on the website of the Ministry of Education, there have been (i) no approval for a Sino-Foreign Joint Venture Private School or a Sino-Foreign Technical School in Sichuan Province with a legal person status; (ii) no implementing measures or specific guidance on the Qualification Requirements in accordance with the existing PRC laws; and (iii) no precedent that an application for a Sino-Foreign Joint Venture Private School or a Sino-Foreign Technical School with a legal person status in Sichuan Province has been approved. As such, to ascertain the eligibility standards on the foreign investor for a Sino-Foreign Joint Venture Private School or a Sino-Foreign Technical School in Sichuan Province, and the guidance from the applicable approving authorities in Sichuan Province on implementing measures or specific guidance on the Qualification Requirements, in December 2020, the Company, with the assistance of its PRC legal advisers, interviewed (i) the Division of Foreign Exchange and Cooperation (對外交流與合作處) of Education Department of Sichuan Province (四川省教育廳) and (ii) the Division of Vocational Ability Building (職業能力建設處) of the Department of Human Resources and Social Security of Sichuan Province (四川省人力資源和社會保障廳), both of which are the applicable approving authorities in Sichuan Province for the Schools. During the interviews, such authorities advised and confirmed that (i) no implementing measures or specific guidance were promulgated pursuant to the Sino-Foreign Regulation and the Sino-foreign Vocational Skills Training Measures, including the Qualification Requirements, in Sichuan Province; and (ii) as a matter of policy, due to the lack of implementing measures or specific guidance on the Sino-Foreign Regulation, and the Sino-foreign Vocational Skills Training Measures including the Qualification Requirements, the relevant authorities have not approved and will not approve the application to convert the Schools into a Sino-Foreign Joint Venture Private School or a Sino-Foreign Technical School, and have no objection to the Structured

Contracts for the Schools. Based on the foregoing, the PRC legal advisers of the Company concluded that it is not feasible and practicable for the Group to seek to reorganize the OPCO Group as a Sino-Foreign Joint Venture Private School and a Sino-Foreign Technical School such that the Company can directly hold no more than 50% interest in the OPCO Group, and the use of the Structured Contracts for the Schools is the only appropriate and feasible means for the Company, which do not contravene the existing PRC laws and regulations.

The Company will publish the Structured Contracts on the Company's website to promote transparency.

### **III. PROGRESS ON THE FULFILLMENT OF CONDITIONS OF THE ACQUISITION AGREEMENT**

The Board would like to update the Shareholders that the registration of the Sales Shares of the Target Company under the name of Nanning Zhuowen Education has been approved by the Administration for Market Regulation of Sichuan Province (四川省市場監督管理局) and the required filings of the updated list of members of the council or board of directors of the Schools and the revised articles of association of the Schools with the Education Department of Sichuan Province (四川省教育廳) have been made.

The Company will make further announcement(s) on the progress of the Acquisition as and when appropriate.

By order of the Board  
**Edvantage Group Holdings Limited**  
**LIU Yung Chau**  
*Chairman and executive Director*

Hong Kong, 30 December 2020

*The English translation of Chinese names or words in this announcement, where indicated by “\*”, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

*As at the date of this announcement, the executive Directors are Mr. Liu Yung Chau, Ms. Chen Yuan, Rita and Ms. Liu Yi Man, the non-executive Director is Mr. Liu Yung Kan; and the independent non-executive Directors are Mr. Xu Gang, Mr. Lo Chi Chiu and Mr. Li Jiatong.*