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DASHAN EDUCATION HOLDINGS LIMITED

大山教育控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9986)

INSIDE INFORMATION

AND

BUSINESS UPDATE

This announcement is made by Dashan Education Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong). Reference is made to the announcements of the Company dated 11, 22, 25 July and 13 and 27 August 2021 (collectively, the “**Announcements**”). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

CLOSURE OF SELF-OPERATED TEACHING CENTRES

The policy under the Opinion continues to be a challenge to the Group’s Existing Businesses. As disclosed in the Announcements, to reduce the negative impacts from the implementation of the Opinion, the Group was working out the plan for the Reorganisation and had decided to strategically close some of its self-operated teaching centres for its Existing Businesses and to consolidate the affected students, teachers and other resources to nearby teaching centres.

Subsequent to the closure of 10 self-operated teaching centres as disclosed in the Company’s interim results announcement dated 27 August 2021, the Group has further closed 16 of its self-operated teaching centres (the “**Closed Centres**”) up to the date of this announcement. As at the date of this announcement, the Group has a total of 76 self-operated teaching centres remaining for its operation.

The Group has reached various agreements with the respective landlords of the Closed Centres in relation to the termination of the lease agreements (the “**Lease Termination Arrangements**”). The Group will be partially refunded with the existing security deposit and prepayments for rents after the effective date of termination.

As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of each of the Lease Termination Arrangements, calculated separately, is less than 5%, these transactions do not give rise to disclosure obligations under the Listing Rules. The applicable percentage ratios were calculated separately for each of the Lease Termination Arrangements because the landlords of the Closed Centres are different unrelated parties and the respective leased properties are different.

The Group has decided to further close down 20 of its self-operated teaching centres (“**Expected Closed Centres**”) by the end of September 2021, after which the Group will have a total of 56 self-operated teaching centres remaining for its operation. The Group will try to negotiate better termination arrangements for the Expected Closed Centres. The landlords of the Expected Closed Centres and those teaching centres already closed are different unrelated parties and the respective leased properties are different.

RESUMPTION OF PHYSICAL CLASSES

As disclosed in the Announcements, physical classes in our self-operated teaching centres are still suspended as a result of the COVID-19 Resurgence. The Board is pleased to inform the Shareholders that the Zhengzhou Education Bureau issued a notice on 10 September 2021 which provides for the gradual resumption of physical classes in schools starting from mid-September 2021. Physical classes in private after-school education institutions will be allowed to resume alongside with the resumption of school classes subject to approval by the local authorities after inspections. The Group will pro-actively liaise with the relevant local authorities for the resumption of physical classes in our self-operated teaching centres.

Shareholders of the Company and potential investors are advised to exercise caution when dealing with the shares of the Company.

By order of the Board
Dashan Education Holdings Limited
Zhang Hongjun
*Chairman, Chief Executive Officer
and Executive Director*

Zhengzhou, 10 September 2021

As at the date of this announcement, the executive Directors are Mr. Zhang Hongjun, Mr. Shan Jingchao and Mr. Ma Wenhao; the non-executive Director is Mr. Jia Shuilin; and the independent non-executive Directors are Mr. Lui Siu Keung, Mr. Li Gang, Mr. Zhang Jian and Ms. Yang Min.