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## **China Beststudy Education Group**

**卓越教育集團\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3978)**

### **SUPPLEMENTAL ANNOUNCEMENT**

### **(I) DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF THE EQUITY INTEREST IN THE TARGET ENTITIES AND**

### **(II) BREACH OF THE LISTING RULES AND REMEDIAL ACTIONS**

Reference is made to the announcement of China Beststudy Education Group (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 30 March 2022 in relation to (I) the discloseable transaction and connected transaction in relation to the Disposal of the equity interest in the Target Entities and (II) breach of the Listing Rules and remedial actions (the “**Announcement**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Company would like to provide potential investors and Shareholders with further information in relation to the Disposal.

### **FINANCIAL EFFECTS OF THE DISPOSAL**

The Company had recorded a loss on the Disposal of approximately RMB13 million. The loss is calculated with reference to the unaudited net proceeds from the Disposal and the unaudited net assets value of the Target Entities as at 31 December 2021. Such loss in relation to the Disposal of the Company is unaudited and may be different upon completion of the audit. Potential investors and Shareholders may further refer to the audited annual results announcement for the year ended 31 December 2021 of the Company which will be published later.

The unaudited net proceeds for the Disposal are RMB1.00 and the Company intends to apply the net proceeds for general working capital purposes.

## **CORPORATE STRUCTURAL EFFECTS OF THE DISPOSAL**

Upon completion of the transaction, the Target Entities were divested from the Seller. The Company no longer held any equity interest in the Target Entities, the Target Entities ceased to be subsidiaries of the Company and the financial results of the Target Entities ceased to be consolidated into the Group's financial results going forward.

**Shareholders and potential investors are advised to exercise caution when dealing in the Shares and other securities of the Company.**

By order of the Board  
**China Beststudy Education Group**  
**Junjing Tang**  
*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 4 April 2022

*As at the date of this announcement, the executive Directors are Mr. Junjing Tang, Mr. Junying Tang, Mr. Gui Zhou and Ms. Weiyang Guan, the non-executive Director is Mr. Wenhui Xu, and the independent non-executive Directors are Ms. Yu Long, Mr. Peng Xue and Mr. Caihe Lin.*

\* *For identification purposes only*