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21世紀教育
21ST CENTURY EDUCATION

China 21st Century Education Group Limited

中國21世紀教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1598)

DISCLOSEABLE TRANSACTION

- (I) GENERAL CONSTRUCTION CONTRACT FOR COMPREHENSIVE TEACHING BUILDINGS; AND**
(II) GENERAL CONSTRUCTION CONTRACT FOR CANTEENS AND DORMITORY BUILDINGS

(I) GENERAL CONSTRUCTION CONTRACT FOR COMPREHENSIVE TEACHING BUILDINGS

Reference is made to the announcement of the Company dated 24 March 2022 in relation to, among others, the discloseable transaction contemplated under the General Construction Contract for Comprehensive Teaching Buildings of Shijiazhuang Institute of Technology (New Campus) Phase I entered into between Shijiazhuang Zerui and Shijiazhuang Construction for a consideration of RMB90,000,000.

On 6 September 2023 (after trading hours), pursuant to the General Construction Contract for Comprehensive Teaching Buildings, Shijiazhuang Zerui and Shijiazhuang Construction agreed in writing that the consideration of the General Construction Contract for Comprehensive Teaching Buildings shall be adjusted upward by RMB10,164,099.84 due to the change of construction plan and the incurrence of additional raw materials, machinery usage fee and labour cost, etc..

(II) GENERAL CONSTRUCTION CONTRACT FOR CANTEENS AND DORMITORY BUILDINGS

Reference is made to the announcement of the Company dated 24 March 2022 in relation to, among others, the discloseable transaction contemplated under the General Construction Contract for Canteens and Dormitory Buildings of Shijiazhuang Institute of Technology (New Campus) Phase I entered into between Shijiazhuang Zerui and Hebei Chizheng for a

consideration of RMB60,000,000. Reference is also made to the announcement of the Company dated 8 August 2022 in relation to, among others, the discloseable transaction contemplated under the General Construction Contract for Canteens and Ancillary Buildings of Shijiazhuang Institute of Technology (New Campus) Phase II for a consideration of RMB29,880,000.

On 6 September 2023 (after trading hours), pursuant to the General Construction Contract for Canteens and Dormitory Buildings, Shijiazhuang Zerui and Hebei Chizheng agreed in writing that the consideration of the General Construction Contract for Canteens and Dormitory Buildings shall be adjusted upward by RMB7,263,520.72 due to the change of construction plan and the incurrence of additional raw materials, machinery usage fee and labour cost, etc..

IMPLICATIONS UNDER THE LISTING RULES

As the adjustment to the consideration of the General Construction Contract for Comprehensive Teaching Buildings was made pursuant to the General Construction Contract for Comprehensive Teaching Buildings, according to Rule 14.22 of the Listing Rules, the transactions thereunder shall be aggregated as a series of transactions.

As one of the applicable percentage ratios for the adjustment to the consideration of the General Construction Contract for Comprehensive Teaching Buildings, when aggregated with the General Construction Contract for Comprehensive Teaching Buildings, exceeds 5% but all are less than 25%, the adjustment to the consideration of the General Construction Contract for Comprehensive Teaching Buildings constitutes a discloseable transaction of the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

As the adjustment to the consideration of the General Construction Contract for Canteens and Dormitory Buildings was made pursuant to the General Construction Contract for Canteens and Dormitory Buildings, and the General Construction Contract for Canteens and Dormitory Buildings and the General Construction Contract for Canteens and Ancillary Buildings were related to the construction of the Shijiazhuang Institute of Technology (New Campus) project, according to Rule 14.22 of the Listing Rules, the transactions thereunder shall be aggregated as a series of transactions.

As one of the applicable percentage ratios for the adjustment to the consideration of the General Construction Contract for Canteens and Dormitory Buildings, when aggregated with the General Construction Contract for Canteens and Dormitory Buildings and the General Construction Contract for Canteens and Ancillary Buildings, exceeds 5% but all are less than 25%, the adjustment to the consideration of the General Construction Contract for Canteens and Dormitory Buildings constitutes a discloseable transaction of the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

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REASONS FOR AND BENEFITS OF ENTERING INTO THE GENERAL CONSTRUCTION CONTRACT FOR COMPREHENSIVE TEACHING BUILDINGS AND THE GENERAL CONSTRUCTION CONTRACT FOR CANTEENS AND DORMITORY BUILDINGS

The Group currently focuses on the Shijiazhuang Institute of Technology (New Campus) project. The new campus will expand the student capacity of Shijiazhuang Institute of Technology and help the Group to obtain more recruitment quota in the short term, further enlarge the teaching scale of the Group's vocational education and enhance the level and quality of education.

References are made to the announcements dated 7 March 2022, 28 April 2022, 21 June 2022 and 23 June 2022 and the circular dated 26 June 2022 of the Company in respect of the acquisitions of land use rights for the development of the new campus of the Shijiazhuang Institute of Technology. During the period from March to August 2022, the Group successfully bid the land use rights in Gaoyi County, Shijiazhuang City through public tender process and acquired a total of 279,577.48 sq.m. of educational land and 46,269.12 sq.m. of commercial land.

The Group considers that entering into the General Construction Contract for Comprehensive Teaching Buildings and the General Construction Contract for Canteens and Dormitory Buildings is of vital importance to the construction of new campus of Shijiazhuang Institute of Technology. The Directors are of the view that the terms of the General Construction Contract for Comprehensive Teaching Buildings and the General Construction Contract for Canteens and Dormitory Buildings are on normal commercial terms, are fair and reasonable and the entering into of the General Construction Contract for Comprehensive Teaching Buildings and the General Construction Contract for Canteens and Dormitory Buildings are in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

The Group and Shijiazhuang Zerui

The Group is primarily serving a wide range of students from preschool students in its kindergartens, high school students enrolled in its high school, as well as junior college students, secondary school students and continuing education students in its colleges.

Shijiazhuang Zerui is a company established under the laws of the PRC with limited liability on 2 July 2021, which is wholly-owned by Zerui Education. Shijiazhuang Zerui is mainly responsible for construction, operation management and business operation of teaching infrastructures. Zerui Education is an investment holding company with limited liability established under the laws of the PRC on 12 July 2017, which is an indirect wholly-owned subsidiary controlled by the Company through Contractual Arrangements.

Shijiazhuang Construction

Shijiazhuang Construction is established under the laws of the PRC with limited liability on 30 August 2000 and is owned by the labour union committee of Shijiazhuang Construction, Mr. Guo Jiangang (郭建剛先生), Mr. Wang Chengxiao (王呈肖先生), Mr. Liu Shuanhu (劉栓虎先生), Mr. Wang Huajian (王華建先生), Mr. Sun Jingui (孫金貴先生), Mr. Guo Zhanjie (郭占杰先生), Mr. Tian Li (田力先生), Mr. Gao Pan (高攀先生), Mr. Chen Yongbin (陳勇斌先生), Mr. Ge Dongjun (戈東君先生), Mr. Ma Jianping (馬建平先生), Mr. Zhang Jianhui (張建輝先生), Mr. Wang Pengxun (王朋勳先生), Ms. Zhao Shucong (趙淑聰女士), Mr. Lang Shulin (郎樹林先生), Mr. Wang Genczhu (王根柱先生), Ms. Li Zhanjun (李占軍先生), Mr. Lv Wei (呂瑋先生), Ms. Shi Chunyan (時春燕女士), Mr. Guo Ligang (郭立剛先生), Mr. Wang Yi (王義先生), Mr. Cao Jianqi (曹建岐先生), Ms. Wang Lijuan (王麗娟女士), Ms. Guo Junsu (郭軍素女士), Mr. Li Shaojun (李少軍先生), Mr. Zhu

Ning (朱寧先生), Mr. Wang Zengfu (王增福先生), Mr. Xia Shenglia (夏生來先生) and Mr. Li Kaozhong (李考中先生) as to approximately 19.9048%, 19.0000%, 9.7500%, 4.7091%, 4.6364%, 4.2545%, 4.1818%, 4.1818%, 4.1818%, 3.1818%, 3.0909%, 2.7273%, 2.7273%, 2.6364%, 2.3636%, 1.8182%, 0.9091%, 0.5091%, 0.4545%, 0.4545%, 0.4545%, 0.4545%, 0.4545%, 0.4545%, 0.4545%, 0.4545%, 0.4090%, 0.4090% and 0.3272%, respectively. The primary businesses of Shijiazhuang Construction include construction engineering, construction and decoration engineering, land consolidation and development. To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, Shijiazhuang Construction and its ultimate beneficial owners are Independent Third Party.

Hebei Chizheng

Hebei Chizheng is established under the laws of the PRC with limited liability on 17 March 2021 and is owned as to 90% by Mr. Li Yafei (李亞飛先生) and 10% by Ms. Guo Yunxia (郭運霞女士) as at the date of this announcement. The primary businesses of Hebei Chizheng include construction engineering, interior and exterior decoration engineering, and design and construction of ground and foundation engineering. To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, Hebei Chizheng and its ultimate beneficial owners are Independent Third Party.

IMPLICATIONS UNDER THE LISTING RULES

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As one of the applicable percentage ratios for the adjustment to the consideration of the General Construction Contract for Comprehensive Teaching Buildings, when aggregated with the General Construction Contract for Comprehensive Teaching Buildings, exceeds 5% but all are less than 25%, the adjustment to the consideration of the General Construction Contract for Comprehensive Teaching Buildings constitutes a discloseable transaction of the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

As the adjustment to the consideration of the General Construction Contract for Canteens and Dormitory Buildings was made pursuant to the General Construction Contract for Canteens and Dormitory Buildings, and the General Construction Contract for Canteens and Dormitory Buildings and the General Construction Contract for Canteens and Ancillary Buildings were related to the construction of the Shijiazhuang Institute of Technology (New Campus) project, according to Rule 14.22 of the Listing Rules, the transactions thereunder shall be aggregated as a series of transactions.

As one of the applicable percentage ratios for the adjustment to the consideration of the General Construction Contract for Canteens and Dormitory Buildings, when aggregated with the General Construction Contract for Canteens and Dormitory Buildings and the General Construction Contract

for Canteens and Ancillary Buildings, exceeds 5% but all are less than 25%, the adjustment to the consideration of the General Construction Contract for Canteens and Dormitory Buildings constitutes a discloseable transaction of the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	the board of Directors of the Company;
“Company”	China 21st Century Education Group Limited (中國21世紀教育集團有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Contractual Arrangements”	the series of contractual arrangements entered into between, among others, the wholly foreign owned enterprise and the PRC Operating Entities, details of which are described in the section headed “Structured Contracts” in the prospectus issued by the Company on the initial public offering and listing dated 15 May 2018;
“controlling shareholder(s)”	has the meaning given to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“General Construction Contract for Canteens and Ancillary Buildings”	the General Construction Contract for Canteens and Ancillary Buildings dated 8 August 2022 entered into between Shijiazhuang Zerui and Hebei Chizheng;
“General Construction Contract for Canteens and Dormitory Buildings”	the General Construction Contract for Canteens and Dormitory Buildings dated 24 March 2022 entered into between Shijiazhuang Zerui and Hebei Chizheng;
“General Construction Contract for Comprehensive Teaching Buildings”	the General Construction Contract for Comprehensive Teaching Buildings dated 24 March 2022 entered into between Shijiazhuang Zerui and Shijiazhuang Construction;
“Group”	the Company, its subsidiaries and the PRC Operating Entities from time to time;

“Hebei Chizheng”	Hebei Chizheng Construction Engineering Co., Ltd.* (河北弛正建築工程有限公司), a company established under the laws of the PRC with limited liability on 17 March 2021;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Independent Third Party(ies)”	a party independent of and not connected with the Company and its connected persons;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time;
“Mr. Li”	Mr. Li Yunong (李雨濃), the controlling shareholder of the Company;
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“PRC Operating Entities”	Zerui Education, Shijiazhuang Institute of Technology* (石家莊理工職業學院), Shijiazhuang Yuying Experimental High School* (石家莊育英實驗中學), Shijiazhuang Zerui, Hebei Saintach Education and Technology Co., Ltd.* (河北新天際教育科技有限公司), Shijiazhuang Saintach Education and Technology Co., Ltd.* (石家莊新天際教育科技有限公司), Saintach Kindergarten(s), Hangzhou Yimai Enterprise Management Consulting Co., Ltd.* (杭州一脈企業管理諮詢有限責任公司) and Zhejiang Peijian Technology Co., Ltd.* (浙江培尖科技有限公司);
“RMB”	Renminbi, the lawful currency of the PRC;

“Saintach Kindergarten(s)”	Shijiazhuang Qiaoxi District Blue Crystal Saintach Kindergarten* (石家莊市橋西區新天際藍水晶幼兒園), Shijiazhuang Luquan District Fukang Saintach Kindergarten* (石家莊市鹿泉區新天際福康幼兒園), Shijiazhuang Chang’an District Jianhua Saintach Kindergarten* (石家莊市長安區新天際建華幼兒園), Shijiazhuang Qiaoxi District Lidu Saintach Kindergarten* (石家莊市橋西區新天際麗都幼兒園), Shijiazhuang High-tech Industrial Development Zone Tianshan Saintach Kindergarten* (石家莊高新技術產業開發區新天際天山幼兒園), Shijiazhuang Chang’an District Qinghui Saintach Kindergarten* (石家莊市長安區新天際清暉幼兒園), Zhengding County Saintach Kindergarten* (正定縣新天際幼兒園) and Zhengding County Fumenli Saintach Kindergarten* (正定縣新天際福門里幼兒園), which are the Company’s PRC Operating Entities;
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Shijiazhuang Construction”	Shijiazhuang Construction Group Co., Ltd.* (石家莊建設集團有限公司), a company established under the laws of the PRC with limited liability on 30 August 2000;
“Shijiazhuang Institute of Technology”	Shijiazhuang Institute of Technology* (石家莊理工職業學院), a full-time regular higher school established under the laws of the PRC on 1 July 2003 of which school sponsors’ interest was wholly-owned by Zerui Education as at the date of this announcement, and one of the Company’s PRC Operating Entities;
“Shijiazhuang Zerui”	Shijiazhuang Zerui Education and Technology Co., Ltd.* (石家莊澤瑞教育科技有限公司), a company established under the laws of the PRC with limited liability on 2 July 2021, which is wholly-owned by Zerui Education as at the date of this announcement, and one of the Company’s PRC Operating Entities;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning given to it under the Listing Rules;

“Zerui Education” Hebei Zerui Education Technology Co., Ltd.* (河北澤瑞教育科技有限責任公司), a limited liability company established under the laws of the PRC on 12 July 2017, which was owned as to 80.625% by Mr. Li and 19.375% by Ms. Luo Xinlan as at the date of this announcement, and one of the Company’s PRC Operating Entities; and

“%” per cent.

* *for identification purposes only*

By order of the Board
China 21st Century Education Group Limited
Li Yasheng
Chairman

Hong Kong, 6 September 2023

As at the date of this announcement, the chairman of the Board and the non-executive Director is Mr. Li Yasheng; the executive Directors are Ms. Liu Hongwei, Mr. Ren Caiyin and Ms. Yang Li; and the independent non-executive Directors are Mr. Guo Litian, Mr. Yao Zhijun and Mr. Wan Joseph Jason.