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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Education Group Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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China Education Group Holdings Limited

中國教育集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 839)

PROPOSALS FOR
(1) RE-ELECTION OF RETIRING DIRECTORS
(2) GENERAL MANDATES TO REPURCHASE SHARES AND
TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company to be held at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, 30 January 2024 at 11:30 a.m. is set out on pages 18 to 23 of this circular. Whether you are able to attend the meeting in person or not, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjournment should you so wish.

20 December 2023

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, 30 January 2024 at 11:30 a.m. or any adjournment thereof
“AGM Notice”	the notice for convening the AGM as set out on pages 18 to 23 of this circular
“Annual Report”	the annual report of the Company for the year ended 31 August 2023
“Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Blue Sky”	Blue Sky Education International Limited (藍天教育國際有限公司), a Controlling Shareholder
“Blue Sky Trust”	a discretionary trust established in accordance with the laws of the British Virgin Islands with Mr. Yu as the settlor and Cantrust (Far East) Limited as the trustee
“Board”	the board of Directors
“Cayman Companies Act”	the Companies Act of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“China” or “PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Company”	China Education Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“Concert Party Agreement”	the agreement dated 29 November 2017 entered into among Mr. Yu, Mr. Xie, Blue Sky and White Clouds who agreed to vote in concert with each other for all operational and other matters at board meetings or shareholders’ meetings of the Company
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Controlling Shareholder(s)”	has the meaning ascribed thereto in the Listing Rules and, unless the context otherwise requires, refers to Mr. Yu, Mr. Xie, Blue Sky and White Clouds
“Directors”	the directors of the Company
“Group”	the Company, its subsidiaries and its consolidated affiliated entities from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	12 December 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“M&A”	the Memorandum of Association and the Articles of Association, as amended from time to time
“Memorandum of Association”	the memorandum of association of the Company
“MOE”	the Ministry of Education of the PRC (中華人民共和國教育部)
“Mr. Xie”	Mr. Xie Ketao (謝可滔), an executive Director, co-chairman of the Company and a Controlling Shareholder
“Mr. Yu”	Mr. Yu Guo (于果), an executive Director, co-chairman of the Company and a Controlling Shareholder
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase Shares up to 10% of the total number of Shares in issue as at the date of passing of the relevant ordinary resolution, details of which are set out in ordinary resolution no. 6 of the AGM Notice
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	ordinary share(s) of par value of HK\$0.00001 each in the share capital of the Company
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares up to 20% of the total number of Shares in issue as at the date of passing of the relevant ordinary resolution, details of which are set out in ordinary resolution no. 5 of the AGM Notice
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs
“White Clouds”	White Clouds Education International Limited (白雲教育國際有限公司), a Controlling Shareholder
“White Clouds Trust”	a discretionary trust established in accordance with the laws of the British Virgin Islands with Mr. Xie as the settlor and Cantrust (Far East) Limited as the trustee
“%”	per cent

The English names of the PRC entities (including schools) and PRC awards referred to in this circular are merely translations from their Chinese names and are for identification purposes. If there is any inconsistency, the Chinese names shall prevail.



China Education Group Holdings Limited

中國教育集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 839)

Executive Directors:

Mr. Yu Guo (*Co-chairman*)

Mr. Xie Ketao (*Co-chairman*)

Dr. Yu Kai (*Chief Executive Officer*)

Mr. Wang Rui

Registered Office in Cayman Islands:

Walkers Corporate Limited

190 Elgin Avenue

George Town

Grand Cayman KY1-9008

Cayman Islands

Independent Non-Executive Directors:

Dr. Gerard A. Postiglione

Dr. Rui Meng

Dr. Wu Kin Bing

Principal Office in Hong Kong:

Suite 6703-04, 67/F, Central Plaza

18 Harbour Road, Wanchai

Hong Kong

20 December 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
(1) RE-ELECTION OF RETIRING DIRECTORS
(2) GENERAL MANDATES TO REPURCHASE SHARES AND
TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to (i) the re-election of retiring Directors; and (ii) the grant to the Directors general mandates to issue and repurchase Shares.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 108 of the Articles of Association, Mr. Yu Guo, Mr. Xie Ketao and Dr. Wu Kin Bing shall retire by rotation at the AGM and, being eligible, will offer themselves for re-election at the AGM.

Dr. Wu Kin Bing (“**Dr. Wu**”) has confirmed her independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. During her tenure as independent non-executive Director, she has not been involved in the daily management of the Company and has not been in any relationship or circumstances that would materially affect her exercise of independent judgement. The nomination committee considered Dr. Wu to be independent in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules.

In addition, the nomination committee has evaluated Dr. Wu based on the criteria set out in the nomination policy adopted by the Company including but not limited to her character and integrity, professional qualifications, skills, knowledge, experience as further described in her biographical details set out in Appendix I to this circular, as well as willingness and ability to devote adequate time to discharge duties as members of the Board. Based on the Board diversity policy adopted by the Company, the nomination committee also considers that taking into account the respective background of Dr. Wu can contribute to the diversity of the Board. Therefore, the nomination committee recommended to the Board the re-election of Dr. Wu as independent non-executive Director at the AGM.

Taking into consideration of the respective experience, skills and knowledge of each retiring Director and the recommendation of the nomination committee, the Board is of the view that each of Mr. Yu Guo, Mr. Xie Ketao and Dr. Wu Kin Bing will continue to contribute effectively to the Board with their profound knowledge and extensive experience in the business of the Group and recommends the re-election by the Shareholders at the AGM of each of them.

The biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

LETTER FROM THE BOARD

PROPOSED GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

At the annual general meeting held on 13 February 2023, ordinary resolutions were passed to grant general mandates to the Directors to repurchase Shares and to allot, issue and deal with additional Shares respectively. Such mandates will lapse at the conclusion of the AGM. Accordingly, ordinary resolutions will be proposed at the AGM to approve the granting of the general mandates to the Directors:

- (a) to repurchase Shares up to 10% of the total number of Shares in issue as at the date of passing of such resolution;
- (b) to allot, issue and deal with additional Shares up to 20% of the total number of Shares in issue as at the date of passing of such resolution; and
- (c) to extend the Share Issue Mandate by the total number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

Based on the 2,551,540,490 Shares in issue as at the Latest Practicable Date and assuming no Shares are issued or repurchased before the AGM, the Company would be allowed to repurchase a maximum of 255,154,049 Shares under the Repurchase Mandate and to issue a maximum of 510,308,098 Shares under the Share Issue Mandate. The Repurchase Mandate and the Share Issue Mandate will continue in force until (i) the conclusion of the next annual general meeting of the Company or (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held or (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors, whichever is the earliest.

An explanatory statement, as required by the Listing Rules, to provide information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate is set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 18 to 23 of this circular. A proxy form for use at the AGM is enclosed with this circular and can be downloaded from the websites of the Company at www.chinaeducation.hk and the Stock Exchange at www.hkexnews.hk. Whether you are able to attend the AGM in person or not, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the AGM.

The emoluments of the Directors are determined with reference to the responsibilities, abilities and performance of the Directors, the operation and financial performance of the Company and the prevailing market conditions.

Save as disclosed herein, none of the following Directors holds any position with the Company or any other member of the Group, or any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Save as disclosed herein, the following Directors are not otherwise related to any Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or Controlling Shareholders of the Company.

Save as disclosed herein, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

EXECUTIVE DIRECTORS

YU GUO (于果), aged 61, was appointed as a Director in May 2017 and was redesignated as an executive Director in August 2017. Mr. Yu is the co-chairman of the Board and the chairman of the nomination committee.

Mr. Yu is the founder of Jiangxi School. He is a director of certain subsidiaries and consolidated affiliated entities of the Company.

Mr. Yu has over 29 years of experience in the education industry. He is actively engaged in the educational affairs in the PRC. Key positions held by Mr. Yu include:

Period	Association	Position
March 1998 to March 2003	Ninth National People's Congress (第九屆全國人民代表大會)	Representative
July 2002 to July 2022	Jiangxi Federation of Industry and Commerce (江西省工商業聯合會)	Vice Chairman
March 2003 to March 2008	Tenth National People's Congress (第十屆全國人民代表大會)	Representative
March 2008 to March 2013	Eleventh National People's Congress (第十一屆全國人民代表大會)	Representative

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Period	Association	Position
January 2008 to present	China Association for Private Education (中國民辦教育協會)	Vice Chairman
March 2013 to March 2018	Twelfth Jiangxi People's Congress (第十二屆江西省人民代表大會)	Member of the Standing Committee
March 2018 to March 2023	Thirteenth Jiangxi People's Congress (第十三屆江西省人民代表大會)	Member of the Standing Committee
March 2013 to March 2018	Jiangxi Youth Federation (江西省青年聯合會)	Honorary Chairman

Key awards received by Mr. Yu for his contribution to the development of education in the PRC include:

Date	Awards	Awarding Authority
March 1998	National Glorious Industry Career Award (中國光彩事業獎)	China Society for Promotion of the Guangcai Programme (中國光彩事業促進會)
November 2000	China's Top Ten Outstanding Young Persons (中國十大傑出青年)	All-China Youth Federation (中華全國青年聯合會), China Youth Development Foundation (中國青少年發展基金會) and ten other media organisations
September 2004	National Outstanding Education Worker Award (全國優秀教育工作者)	MOE
April 2005	National Outstanding Worker Award (全國先進工作者)	State Council of the PRC
January 2007	National Award for Outstanding Non-Public Economic Establisher of Business in Communism with Chinese Characteristics (全國非公有制經濟人士優秀中國特色社會主義事業建設者)	All-China Federation of Industry and Commerce (中華全國工商業聯合會)

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Mr. Yu graduated from the Master's programme in Business and Economics at the Graduate School of Chinese Academy of Social Sciences (中國社會科學院研究生院) in 1998. Mr. Yu completed the China Europe International Business School-Harvard Business School-IESE Business School Global CEO Programme for China in 2006.

Mr. Yu is the father of Dr. Yu Kai, an executive Director, chief executive officer, and a substantial shareholder of the Company within the meaning of Part XV of the SFO. Cantrust (Far East) Limited as the trustee of the Blue Sky Trust is a substantial shareholder of the Company within the meaning of Part XV of the SFO. Mr. Yu is the settlor and a beneficiary of the Blue Sky Trust.

As at the Latest Practicable Date, Mr. Yu had share options to subscribe for a maximum of 6,500,000 Shares, other interests in 1,550,868,000 Shares (which comprise the interests in 778,684,000 Shares that Mr. Yu was deemed to be interested as a party to the Concert Party Agreement) and was deemed to be interested in debentures of the Company in the principal amount of CNY12,500,000 pursuant to Part XV of the SFO.

Mr. Yu's appointment is for a period of three years from 14 February 2023. Such appointment shall, subject to retirement and re-election as and when required under the Articles of Association, be automatically renewed for successive periods of three years until terminated in accordance with the terms and conditions of his service contract or by either party giving to the other not less than three months' prior notice in writing. Under his service contract with the Company, Mr. Yu is entitled to receive an annual director's fee of RMB960,000 (subject to annual review by the remuneration committee and the Board), and such amount of discretionary bonus in respect of each financial year of the Company as may be recommended by the Board or the remuneration committee.

XIE KETAO (謝可滔), aged 59, was appointed as a Director in May 2017 and was redesignated as an executive Director in August 2017. Mr. Xie is the co-chairman of the Board.

Mr. Xie is the founder of Guangdong School and Guangzhou Technician School and is the chairman of the board of directors of both schools. He is a director of certain subsidiaries and consolidated affiliated entities of the Company.

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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Mr. Xie has over 34 years of experience in the education industry. He is actively engaged in the educational and civil affairs in the PRC. Key positions held by Mr. Xie include:

Period	Association	Position
February 2003 to January 2008	Ninth Guangdong Province Committee of the Chinese People's Political Consultative Conference (第九屆廣東省中國人民政治協商 會議委員會)	Committee Member
August 2004 to July 2008	Guangzhou Vocational Technical Education Research Committee (廣州市職業技能教學研究會)	Vice Chairman (last position)
January 2008 to January 2013	Tenth Guangdong Province Committee of the Chinese People's Political Consultative Conference (第十屆廣東省中國人民政治協商 會議委員會)	Committee Member
May 2008 to October 2020	China Association for Private Education (中國民辦教育協會)	Vice Chairman
January 2013 to January 2018	Twelfth Guangdong People's Congress (廣東省第十二屆人民代 表大會)	Representative
November 2020 to present	China Association for Private Education (中國民辦教育協會)	Vice Chairman of the Board of Supervisors

Key awards received by Mr. Xie for his contribution to the development of education in the PRC include:

Date	Awards	Awarding Authority
May 1999	Sixth Guangzhou Municipal Ten Outstanding Youth (第六屆廣州市十佳青年)	Guangzhou Municipal People's Government (廣州市人民政府)
December 2007	Outstanding Contribution Award to Chairmen in Private Schools (民辦學校董事長突出貢獻獎)	Guangdong Provincial Association for the Education Promotion (廣東省教育促進會)

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Date	Awards	Awarding Authority
December 2008	Individual Award for Outstanding Contribution for Guangdong Province Private Education (廣東省民辦教育傑出貢獻人物)	Southern Metropolis Daily (南方都市報)
June 2011	China Private Higher Education Outstanding Individuals (中國民辦高等教育先進個人)	China Association For Private Education (中國民辦教育協會)
September 2015	Guangdong Contemporary Private Education Sponsor Excellent Contribution Award (廣東當代民辦教育舉辦人突出貢獻獎)	Guangdong Society of Education (廣東教育學會), Guangdong Education Foundation (廣東省教育基金會) and Guangdong Provincial Institute of Contemporary Private Education Management (廣東省當代民辦教育管理研究院)

Mr. Xie graduated from the Master's programme in Vocational and Technical Education at the East China Normal University (華東師範大學) in 1999. Mr. Xie has also been a National Ministry of Labour and Social Security (中華人民共和國勞動和社會保障部) accredited Senior Vocational Counsellor (高級職業指導師) since March 2002.

Mr. Xie is the uncle of Mr. Wang Rui, an executive Director.

As at the Latest Practicable Date, Mr. Xie had share options to subscribe for a maximum of 6,500,000 Shares, other interests in 1,550,868,000 Shares (which comprise the interests in 778,684,000 Shares that Mr. Xie was deemed to be interested as a party to the Concert Party Agreement) and was deemed to be interested in debentures of the Company in the principal amount of CNY12,500,000 pursuant to Part XV of the SFO.

Mr. Xie's appointment is for a period of three years from 14 February 2023. Such appointment shall, subject to retirement and re-election as and when required under the Articles of Association, be automatically renewed for successive periods of three years until terminated in accordance with the terms and conditions of his service contract or by either party giving to the other not less than three months' prior notice in writing. Under his service contract with the Company, Mr. Xie is entitled to receive an annual director's fee of

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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RMB960,000 (subject to annual review by the remuneration committee and the Board), and such amount of discretionary bonus in respect of each financial year of the Company as may be recommended by the Board or the remuneration committee.

INDEPENDENT NON-EXECUTIVE DIRECTORS

WU KIN BING (鄔健冰), aged 72, was appointed as an independent non-executive Director in December 2017. Dr. Wu is a member of the audit committee and a member of the nomination committee.

Dr. Wu was a staff member at the World Bank from September 1994 to October 2012. As Lead Education Specialist, she had worked on all subsectors of education, from early childhood education, to primary, secondary and tertiary education. She led in policy analysis, lending appraisal, and project supervision in East Asia, South Asia and Latin America and the Caribbean Region. Her World Bank and academic publications have dealt with the finance and efficiency of the education systems and public policies towards education.

After retirement from the World Bank, Dr. Wu helped found the UNICEF USA Northwest Regional Board in January 2014 to raise fund and to advocate for the work of UNICEF for children around the world. She is currently a member of UNICEF's International Council.

Dr. Wu received from Indiana University a Bachelor of Arts degree in 1972, a Master of Science degree in 1974 and a Master of Arts degree in 1976. Dr. Wu received a Doctor of Education degree from Harvard University in 1995. Dr. Wu served on the Editorial Board of Harvard Educational Review from 1987 to 1988, and then as Co-Chairperson of the Board from 1988 to 1989.

As at the Latest Practicable Date, Dr. Wu did not have any interests in the Shares within the meaning of Part XV of the SFO.

Dr. Wu's appointment is for a period of three years from 14 February 2023, subject to retirement and re-election as and when required under the Articles of Association. Under her appointment letter with the Company, Dr. Wu is entitled to an annual director's fee of HK\$300,000.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares in issue was 2,551,540,490 Shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 255,154,049 Shares which represent 10% of the total number of Shares in issue at the date of the passing of the relevant resolution for granting the Repurchase Mandate.

REASONS FOR AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Company to repurchase its Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the Company's net asset value and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

Repurchase of the Shares must be funded out of funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands. The Directors may not repurchase the Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, the Directors may make repurchases with profits of the Company or out of a new issuance of shares made for the purpose of the repurchase or, if authorised by the Articles of Association and subject to the Cayman Companies Act, out of capital and, in the case of any premium payable on the repurchase, out of profits of the Company or from sums standing to the credit of the share premium account of the Company.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors believe that if the Repurchase Mandate is exercised in full, it may have a material adverse impact on the working capital or gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 August 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

GENERAL

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their respective close associates (as defined in the Listing Rules), have any present intention if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, Blue Sky held 772,184,000 Shares, representing approximately 30.26% of the total number of Shares in issue. Blue Sky is a company wholly owned by Passionate Jade Holding Limited and which in turn is wholly-owned by Cantrust (Far East) Limited as the trustee of the Blue Sky Trust. Mr. Yu is the settlor of the Blue Sky Trust. Mr. Yu and Dr. Yu Kai (the son of Mr. Yu) are also beneficiaries of the Blue Sky Trust.

As at the Latest Practicable Date, White Clouds held 772,184,000 Shares, representing approximately 30.26% of the total number of Shares in issue. White Clouds is a company wholly-owned by Shimmery Diamond Holding Limited and which in turn is wholly-owned by Cantrust (Far East) Limited as the trustee of the White Clouds Trust. Mr. Xie is the settlor and a beneficiary of the White Clouds Trust.

In terms of parties acting in concert, Mr. Yu, Mr. Xie, Blue Sky and White Clouds are parties to the Concert Party Agreement. Cantrust (Far East) Limited, Passionate Jade Holding Limited, Shimmery Diamond Holding Limited, Mr. Yu, Mr. Xie, Blue Sky, White Clouds and Dr. Yu Kai are parties presumed to be acting in concert with each other under the Takeovers Code and are taken to have an aggregate interest of 1,557,368,000 Shares (excluding 6,500,000 underlying Shares of each of Mr. Yu, Mr. Xie and Dr. Yu Kai in respect of the share options granted by the Company), representing approximately 61.04% of the total number of Shares in issue.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, (assuming such shareholdings as at the Latest Practicable Date otherwise remain the same) the shareholding in the Company in which Cantrust (Far East) Limited, Passionate Jade Holding Limited, Shimmery Diamond Holding Limited, Mr. Yu, Mr. Xie, Blue Sky, White Clouds and Dr. Yu Kai are taken to have interest would be increased to approximately 67.82% of the total number of Shares in issue. Such increase will not give rise to an obligation to make a mandatory offer.

The Directors have no present intention to exercise the Repurchase Mandate to such an extent so as to trigger a mandatory offer.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if that repurchase would result in less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued shares of the company in the public hands. The Directors do not propose to repurchase Shares which would result in the number of issued Shares which are in the public hands falling below the prescribed minimum percentage.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company in the six months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

Month	Highest prices HK\$	Lowest prices HK\$
2022		
December	10.70	7.15
2023		
January	13.90	9.63
February	12.64	8.90
March	9.74	7.33
April	7.68	6.81
May	8.50	6.22
June	6.85	6.01
July	7.73	5.76
August	7.28	6.15
September	7.04	6.19
October	6.87	5.97
November	6.87	4.72
December (up to and including the Latest Practicable Date)	4.94	4.36



China Education Group Holdings Limited

中國教育集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 839)

NOTICE IS HEREBY GIVEN THAT an annual general meeting of China Education Group Holdings Limited (the “**Company**”) will be held at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, 30 January 2024 at 11:30 a.m. (the “**Meeting**”) for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the reports of the directors and the independent auditor for the year ended 31 August 2023.
2. To declare a final dividend.
3.
 - (a) To re-elect Mr. Yu Guo as executive director.
 - (b) To re-elect Mr. Xie Ketao as executive director.
 - (c) To re-elect Dr. Wu Kin Bing as independent non-executive director.
 - (d) To authorise the board of directors to fix the directors’ remuneration.
4. To re-appoint Deloitte Touche Tohmatsu as the auditor to hold office until the conclusion of the next annual general meeting of the Company and to authorise the directors of the Company (the “**Directors**”) to fix the auditor’s remuneration.

To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

5. “**THAT:**
 - (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as defined hereinafter) of all the powers of the Company to allot, issue and otherwise deal with additional shares of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants,

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debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which may require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as defined hereinafter) to make or grant offers, agreements and/or options (including bonds, warrants, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which may require the exercise of such power after the end of the Relevant Period (as defined hereinafter);
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period (as defined hereinafter) pursuant to paragraph (i) of this resolution, otherwise than pursuant to:
 - (1) any Rights Issue (as defined hereinafter);
 - (2) the grant or exercise of any option under any share option scheme of the Company (if applicable) or any other option, scheme or similar arrangements for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company;
 - (3) any scrip dividend or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; or
 - (4) any issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any convertible notes issued by the Company or any securities of the Company which carry rights to subscribe for or are convertible into shares of the Company,

shall not exceed the aggregate of:

- (a) 20% of the total number of shares of the Company in issue as at the date of passing of this resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution); and
- (b) if the board of Directors is so authorised by resolution numbered 7 in this notice, the number of shares of the Company repurchased by the Company subsequent to the passing of this resolution, up to a maximum equivalent

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to 10% of the total number of shares of the Company in issue as at the date of passing of this resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution),

and the approval shall be limited accordingly; and

(iv) for the purpose of this resolution:

(a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

(1) the conclusion of the next annual general meeting of the Company;

(2) the expiry of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or

(3) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution; and

(b) “Rights Issue” means an offer of shares of the Company or an issue of warrants, options or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the Directors to holders of shares of the Company on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company or, where appropriate, such other securities (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

6. “**THAT:**

(i) subject to paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period (as defined hereinafter) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the

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shares of the Company may be listed and which is recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws and the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange or of other approved stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (ii) the aggregate number of the shares to be repurchased pursuant to the approval in paragraph (i) of this resolution during the Relevant Period (as defined hereinafter) shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing of this resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution), and the said approval shall be limited accordingly; and
 - (iii) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiry of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or
 - (c) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
7. **“THAT** conditional upon the resolutions numbered 5 and 6 set out in this notice being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the resolution numbered 5 set out in this notice be and is hereby extended by the addition thereto of such number of shares of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 6 set out in this notice, provided that such number of shares of the Company shall represent up to 10% of the total number of shares of the Company in issue as at the date of passing of this resolution (such total number to

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7. In relation to resolution numbered 6, an explanatory statement containing information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the granting of the authority for the repurchase by the Company of its own shares is set out in Appendix II to the Circular.
8. Resolution numbered 7 will be proposed to the Shareholders for approval provided that resolutions numbered 5 and 6 are passed by the Shareholders.
9. Pursuant to Rule 13.39(4) of the Listing Rules, voting for all the resolutions set out in this notice will be taken by poll at the Meeting.
10. Where typhoon signal no. 8 (or above) or black rainstorm warning is hoisted or remains hoisted at 8:00 a.m. on Tuesday, 30 January 2024, the Meeting convened to be held at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, 30 January 2024 at 11:30 a.m. will be adjourned to such date, time and place as the board of Directors may decide and announce by issuing further announcement.