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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
ACQUISITION OF LAND USE RIGHTS IN GAOYI COUNTY,
SHIJIAZHUANG, HEBEI PROVINCE, THE PRC**

ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that, on 17 April 2024, Shijiazhuang Zerui successfully bid for the land use rights of the Land in Gaoyi County, Shijiazhuang, Hebei Province, the PRC, for a Consideration of RMB17.4 million, and entered into the Confirmation Letter with the Public Resources Trading Centre of Gaoyi County as a result of the successful bidding. According to the bid, Shijiazhuang Zerui is expected to enter into the State-Owned Construction Land Use Rights Grant Contract with the Natural Resources and Planning Bureau of Gaoyi County within thirty days after entering into the Confirmation Letter.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios for the Acquisition of Land Use Rights is higher than 5% but all are less than 25%, the Acquisition of Land Use Rights constitutes a discloseable transaction of the Company and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

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bid, Shijiazhuang Zerui is expected to enter into the State-Owned Construction Land Use Rights Grant Contract with the Natural Resources and Planning Bureau of Gaoyi County within thirty days after entering into the Confirmation Letter.

The principal terms of the Confirmation Letter are set out as follows:

Date: 17 April 2024

Parties: (i) Shijiazhuang Zerui; and
(ii) the Public Resources Trading Centre of Gaoyi County, a public institution appointed by Natural Resources and Planning Bureau of Gaoyi County, which is responsible for the public auction of land.

Information of the Land

The Land is located at the south of Wancheng Village* (萬城村), Wancheng Town* (萬城鎮), Gaoyi County, Shijiazhuang, Hebei Province, the PRC, with a total area of 21,324.05 sq.m. The Land is for educational use with the term of the land use rights of 50 years. The Land will be used for the construction of the sports facilities of the new campus of Shijiazhuang Institute of Technology.

Consideration

Shijiazhuang Zerui has bid for the land use rights of the Land for a Consideration of RMB17.4 million. The Consideration represents the base price of bidding of the land use rights of the Land offered by the Natural Resources and Planning Bureau of Gaoyi County. Shijiazhuang Zerui has paid RMB5.3 million to the Public Resources Trading Centre of Gaoyi County as deposit for the auction. The deposit will form part of the Consideration. The balance of the Consideration shall be paid within 30 days after the date of entering into the State-Owned Construction Land Use Rights Grant Contract. The Directors consider that the Consideration of the land use rights of the Land is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Consideration is expected to be financed by the Group's internal resources. In bidding for the land use rights of the Land, Shijiazhuang Zerui has taken into account the base price of the bidding, current market conditions, location of the Land and land price(s) in the surrounding area.

REASONS FOR AND BENEFITS OF THE ACQUISITION OF LAND USE RIGHTS

The Group will build sports facilities of the new campus of Shijiazhuang Institute of Technology on the Land, which is in line with the Group's development strategy and further enlarges the teaching scale of the Group's vocational education. The new campus will be developed into a new vocational and technical college with landmark attributes and industry-education integration features in the future. In September 2023, the teaching building, dormitory buildings and canteen in phase I and

phase II of the new campus of Shijiazhuang Institute of Technology were put into use; and the first batch of students admitted to the new campus was over 8,200. The Acquisition of Land Use Rights will bring positive influence to the sustainable development of the Group in the future, and is in the interests of the Group and the Shareholders as a whole.

INFORMATION OF THE GROUP AND 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.

The Public Resources Trading Centre of Gaoyi County

The Public Resources Trading Centre of Gaoyi County is a local government authority under the People's Government of Gaoyi County, Shijiazhuang, Hebei Province, the PRC, and is responsible for, among other things, the management of the trading operation of public resources. The Natural Resources and Planning Bureau of Gaoyi County is a local government authority under the People's Government of Gaoyi County, Shijiazhuang, Hebei Province, the PRC, and is responsible for, among other things, the granting of land use rights in Gaoyi County, Shijiazhuang, Hebei Province, the PRC. To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, the Public Resources Trading Centre of Gaoyi County, the Natural Resources and Planning Bureau of Gaoyi County and their ultimate beneficial owner(s) are third parties independent of the Company and its connected person(s).

IMPLICATIONS UNDER THE LISTING RULES

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DEFINITIONS

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

“Acquisition of Land Use Rights”	the acquisition of the land use rights of the Land pursuant to Confirmation Letter
“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
“Confirmation Letter”	the confirmation letter to be entered into between Shijiazhuang Zerui and Public Resources Trading Centre of Gaoyi County in relation to the successful bidding for the land use rights of the Land
“Consideration”	the final bidding price payable by Shijiazhuang Zerui in relation to the Acquisition of Land Use Rights
“Director(s)”	the director(s) of the Company
“Group”	the Company, its subsidiaries and its PRC Operating Entities from time to time
“Land”	a land parcel located at the south of Wancheng Village* (萬城村), Wancheng Town* (萬城鎮), Gaoyi County, Shijiazhuang, Hebei Province, the PRC, with a total area of 21,324.05 sq.m., being the subject matter of the Confirmation Letter
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Natural Resources and Planning Bureau of Gaoyi County”	the Natural Resources and Planning Bureau of Gaoyi County, a local government authority under the People’s Government of Gaoyi County, Shijiazhuang Hebei Province, the PRC
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administration Region of the PRC and Taiwan

“PRC Operating Entities”	Zerui Education, Shijiazhuang Institute of Technology, Shijiazhuang Yuying Experimental High School* (石家莊育英實驗中學), 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 Kindergartens, Hangzhou Yimai Enterprise Management Consulting Co., Ltd.* (杭州一脈企業管理諮詢有限責任公司), Beijing Xin Tian Di Xian Information and Technology Co., Ltd.* (北京新天地線信息技術有限公司) and Zhejiang Peijian Technology Co., Ltd.* (浙江培尖科技有限公司)
“Public Resources Trading Centre of Gaoyi County”	the Public Resources Trading Centre of Gaoyi County, a local government authority under the People’s Government of Gaoyi County, Shijiazhuang, Hebei Province, the PRC
“RMB”	Renminbi, the lawful currency of the PRC for the time being
“Saintach Kindergartens”	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 the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shijiazhuang Institute of Technology”	Shijiazhuang Institute of Technology* (石家莊理工職業學院), a general college 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
“sq.m.”	square metre
“State-Owned Construction Land Use Rights Grant Contract”	the State-Owned Construction Land Use Rights Grant Contract to be entered into with Natural Resources and Planning Bureau of Gaoyi County pursuant to the Confirmation Letter
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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 Yunong and 19.375% by Ms. Luo Xinlan as at the date of this announcement, and one of the Company’s PRC Operating Entities
“%”	per cent

* *for identification purposes only*

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

Hong Kong, 17 April 2024

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.