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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  
GENERAL CONSTRUCTION CONTRACT FOR MAIN BODY AND  
EXTERIOR DECORATION OF DORMITORY BUILDING, PUBLIC  
BATHROOM AND BOILER ROOM**

**GENERAL CONSTRUCTION CONTRACT FOR MAIN BODY AND EXTERIOR  
DECORATION OF DORMITORY BUILDING, PUBLIC BATHROOM AND BOILER  
ROOM**

On 25 June 2024 (after trading hours), Shijiazhuang Zerui and Gezhouba Group entered into the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room of phase III of the new campus of Shijiazhuang Institute of Technology for a consideration of RMB34,972,096.

**LISTING RULES IMPLICATIONS**

As the highest application percentage ratios calculated according to Rule 14.07 of the Listing Rules in respect of the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room, exceeds 5% but all of the applicable percentage ratios are less than 25%, the transaction contemplated under the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room constitutes a discloseable transaction for the Company and therefore subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

On 25 June 2024 (after trading hours), Shijiazhuang Zerui and Gezhouba Group entered into the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room of phase III of the new campus of Shijiazhuang Institute of Technology for a consideration of RMB34,972,096.

## GENERAL CONSTRUCTION CONTRACT FOR MAIN BODY AND EXTERIOR DECORATION OF DORMITORY BUILDING, PUBLIC BATHROOM AND BOILER ROOM

The principal terms of the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room are summarised as follows:

Date:	25 June 2024 (after trading hours)
Parties	(i) Shijiazhuang Zerui (ii) Gezhouba Group
Project:	The construction of the main body and exterior decoration of dormitory building, public bathroom and boiler room of first section of phase III of the new campus of Shijiazhuang Institute of Technology
Construction Scope:	The construction scope includes (i) earthwork, decoration of main body and outdoor, plastering of roofing and indoor; (ii) water supply and drainage works and pipe insulation; (iii) electrical works such as wires, cables, cable bridges, piping, switches, sockets, lightning protection and grounding; and (iv) heating and ventilation works of a total construction area of 20,855 sq.m.
Contract period:	77 calendar days
Contract price:	Fixed price at RMB34,972,096
Price:	The contract price is determined after arm's length negotiation between Shijiazhuang Zerui and Gezhouba Group, based on normal commercial terms, the prevailing market price by reference to the works involved and the qualification of Gezhouba Group.
Commencement date:	1 July 2024
Defect liability period:	24 months commencing from the delivery upon completion and acceptance of the constructions works under the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room (“ <b>Defect Liability Period</b> ”).

Performance guarantee: Pursuant to the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room, Gezhouba Group shall provide performance guarantee in the amount of RMB3,000,000 by way of letter of guarantee. The letter of guarantee shall be returned to Gezhouba Group within 30 days upon the completion of the construction works and the issuance of certificate of acceptance.

Term of payment: The contract price shall be paid in the following manner:

***Progress payments***

- (1) 70% of the corresponding work completed shall be paid within 28 working days after the topping out of the main body of the building and the issuance of the progress payment certificate;
- (2) Payment up to 70% of the corresponding work completed shall be paid within 28 working days after the completion of the second plastering and the issuance of the progress payment certificate;
- (3) Cumulative payment of up to 85% of the contract price shall be paid within 28 working days upon completion and acceptance of the construction works and the issuance of the progress payment certificate; and
- (4) Cumulative payment of up to 97% of the agreed settlement amount shall be paid within 28 working days upon the confirmation of the settlement amount and the issuance of the certificate of payment for completion.

***Quality guarantee***

the remaining 3% shall be used as the quality guarantee deposit of the project and shall be paid without interest after the end of the Defect Liability Period.

The Group will fund the contract price with its internal resources.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE GENERAL CONSTRUCTION CONTRACT FOR MAIN BODY AND EXTERIOR DECORATION OF DORMITORY BUILDING, PUBLIC BATHROOM AND BOILER ROOM**

References are made to the announcements dated 7 March 2022, 28 April 2022, 21 June 2022, 23 June 2022 and 17 April 2024, respectively, 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 2022 to April 2024, the Group successfully bid the land use rights in Gaoyi County, Shijiazhuang City through public tender process and acquired a total of 300,901.53 sq.m. of educational land and 46,269.12 sq.m. of commercial land.

The Group currently focuses on the new campus project of Shijiazhuang Institute of Technology. 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. The new campus of Shijiazhuang Institute of Technology 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 Group considers that entering into the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room are 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 Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room are on normal commercial terms, are fair and reasonable and the entering into of the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room 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.

## **Gezhouba Group**

Gezhouba Group is a company established under the laws of the PRC with limited liability and a wholly owned by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司), a subsidiary of China Energy Engineering Corporation Limited (中國能源建設股份有限公司), a company listed on both the Shanghai Stock Exchange (stock code: 601868) and the Stock Exchange (stock code: 3996).

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, none of the Company and its connected persons (individually or together), directly or indirectly, have the power to exercise or control the exercise of 30% or more of the voting power at the Gezhouba Group's shareholders' general meetings and thus the Gezhouba Group is an Independent Third Party.

## **LISTING RULES IMPLICATIONS**

As the highest application percentage ratios calculated according to Rule 14.07 of the Listing Rules in respect of the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room, exceeds 5% but all of the applicable percentage ratios are less than 25%, the transaction contemplated under the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room constitutes a discloseable transaction for the Company and therefore subject to reporting and announcement 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
“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;
“Director(s)”	the director(s) of the Company

“General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room”	the General Construction Contract for Main Body and Exterior Decoration of Dormitory Building, Public Bathroom and Boiler Room dated 25 June 2024 entered into between Shijiazhuang Zerui and Gezhouba Group
“Gezhouba Group”	China Gezhouba Group Construction Engineering Co., Ltd. (中國葛洲壩集團建設工程有限公司) is a company established under the laws of the PRC with limited liability on 5 December 1996
“Group”	the Company, its subsidiaries and its PRC Operating Entities from time to time
“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
“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)
“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
“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, 25 June 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.*