

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, 21 January 2025 at 11:30 a.m. is set out on pages 16 to 21 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.

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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, 21 January 2025 at 11:30 a.m. or any adjournment thereof
“AGM Notice”	the notice for convening the AGM as set out on pages 16 to 21 of this circular
“Annual Report”	the annual report of the Company for the year ended 31 August 2024
“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
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“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

DEFINITIONS

“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
“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”	19 December 2024, 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), a Controlling Shareholder
“Mr. Yu”	Mr. Yu Guo (于果), a Controlling Shareholder

DEFINITIONS

“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 (excluding treasury Shares, if any) 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)
“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 (including any sale or transfer of treasury Shares) up to 20% of the total number of Shares in issue (excluding treasury Shares, if any) 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
“treasury Shares”	has the meaning ascribed thereto under the Listing Rules
“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:

Dr. Yu Kai (*Co-chairman and
Chief Executive Officer*)
Mr. Wang Rui (*Co-chairman*)

Independent Non-Executive Directors:

Dr. Gerard A. Postiglione
Dr. Rui Meng
Dr. Wu Kin Bing

Registered Office in Cayman Islands:

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

Principal Office in Hong Kong:

Unit 1202, 12/F,
Standard Chartered Bank Building,
4-4A, Des Voeux Road Central,
Central
Hong Kong

30 December 2024

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, Dr. Yu Kai and Dr. Gerard A. Postiglione shall retire by rotation at the AGM and, being eligible, will offer themselves for re-election at the AGM.

Dr. Gerard A. Postiglione (“**Dr. Postiglione**”) has confirmed his independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. During his tenure as independent non-executive Director, he has not been involved in the daily management of the Company and has not been in any relationship or circumstances that would materially affect his exercise of independent judgement. The nomination committee considered Dr. Postiglione 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. Postiglione based on the criteria set out in the nomination policy adopted by the Company including but not limited to his character and integrity, professional qualifications, skills, knowledge, experience as further described in his 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. Postiglione can contribute to the diversity of the Board. Therefore, the nomination committee recommended to the Board the re-election of Dr. Postiglione 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 Dr. Yu Kai and Dr. Gerard A. Postiglione 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 30 January 2024, 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 (excluding treasury Shares, if any) as at the date of passing of such resolution;
- (b) to allot, issue and deal with additional Shares (including any sale or transfer of treasury Shares) up to 20% of the total number of Shares in issue (excluding treasury Shares, if any) 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 2,713,791,221 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 271,379,122 Shares under the Repurchase Mandate and to issue a maximum of 542,758,244 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 16 to 21 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

LETTER FROM THE BOARD

the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment should you so wish.

Where typhoon signal no. 8 (or above) or black rainstorm warning is hoisted or remains hoisted at 8:00 a.m. on Tuesday, 21 January 2025, the AGM convened to be held at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, 21 January 2025 at 11:30 a.m. will be adjourned to such date, time and place as the Board may decide and announce by issuing further announcement.

VOTING BY POLL

Under Article 72 of the Articles of Association, vote(s) of Shareholders at general meeting(s) must be taken by poll except where the chairman, pursuant to Rule 13.39(4) of the Listing Rules, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, each of the resolutions set out in the AGM Notice and to be proposed at the AGM will be put to the vote by way of a poll.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that (i) the re-election of retiring Directors; and (ii) the grant of the general mandates to repurchase Shares and to issue additional Shares and to extend the general mandate to issue additional Shares by the total number of Shares repurchased are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.

Yours faithfully,
For and on behalf of the Board
China Education Group Holdings Limited
Yu Kai **Wang Rui**
Co-Chairmen

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 DIRECTOR

YU KAI (喻愷), aged 39, was appointed as an executive Director and the chief executive officer of the Company in August 2017 and is a member of the Remuneration Committee. He was appointed as the co-chairman of the Board and the chairman of the Nomination Committee in June 2024. He has over 15 years of experience in the education industry.

Dr. Yu is a director of certain subsidiaries and consolidated affiliated entities of the Company. He is also the chairman of the board of directors of Jiangxi School.

Dr. Yu served as an educational consultant to the World Bank. He also provided research services to the Degrees Commission of the State Council of the PRC, the MOE Higher Education Department, the MOE Degree Management and Graduate Education Department and the Research Office of the Jiangxi People's Government. Dr. Yu has published 10 books in China, the US, Germany, Switzerland and Singapore and authored over 30 journal articles covering topics ranging from policy, learning, financing, and investment in education. Dr. Yu served as a reviewer of textbooks for Cambridge University Press.

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

Key awards received by Dr. Yu include:

Date	Awards	Awarding Authority
June 2010	Shanghai Municipal Pujiang Talent Award (上海市浦江人才)	Shanghai Municipal Human Resources and Social Security Bureau (上海市人力資源和社會保障局) and Shanghai Municipal Science and Technology Commission (上海市科學技術委員會)
December 2010	Outstanding Research and Consultation Report in Philosophy and Social Sciences Award (教育部高校哲學社會科學研究優秀諮詢報告)	MOE Department of Social Sciences (教育部社會科學司)
December 2010	Shanghai Municipal Outstanding Achievement in Philosophy and Social Sciences Award Second Class Award for Papers (上海市哲學社會科學優秀成果獎論文類二等獎)	Shanghai Municipal Award Selection Committee for Outstanding Achievement in Philosophy and Social Sciences (上海市哲學社會科學優秀成果評獎委員會)
September 2011	National Outstanding Achievement in Educational Sciences Research Award Second Class Award (全國教育科學研究優秀成果獎二等獎)	MOE
December 2012	Elected to join the New Century Outstanding Talent Support Plan (入選教育部新世紀優秀人才支持計劃)	MOE
December 2014	Jiangxi Provincial Outstanding Achievement in Teaching Award First Class Award (江西省教學成果獎一等獎)	Jiangxi Provincial Department of Education
November 2015	Jiangxi Provincial Outstanding Achievement in Educational Sciences Award First Class Award (江西省教育科學優秀成果獎一等獎)	Jiangxi Provincial Department of Education

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

Dr. Yu is an Adviser for PhD students and Post-docs at Shanghai Jiao Tong University in the field of Economics and Administration of Education.

Dr. Yu received his Bachelor of Engineering degree in Computer Science (First Class Honours) from the Queen's University of Belfast, his Master of Science degree and Doctor of Philosophy degree in Educational Studies from the University of Oxford. Dr. Yu received his Master of Business Administration degree in Finance from China Europe International Business School. Dr. Yu holds Corporate Director Certificate from Harvard Business School.

Dr. Yu is the son of Mr. Yu Guo, the controlling shareholders of the Company. Dr. Yu is a director of Blue Sky, a substantial shareholder of the Company within the meaning of Part XV of the SFO.

As at the Latest Practicable Date, Dr. Yu had share options to subscribe for a maximum of 6,500,000 Shares, other interests in 841,770,608 Shares, 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.

Dr. 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, Dr. Yu is entitled to receive an annual director's fee of HK\$2,650,000 (subject to annual review by the remuneration committee and decision by the majority of the members of 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 DIRECTOR

GERARD A. POSTIGLIONE, aged 73, was appointed as an independent non-executive Director in December 2017. Dr. Postiglione is the chairman of the remuneration committee, a member of the audit committee and a member of the nomination committee.

Dr. Postiglione has been an Emeritus Professor of The University of Hong Kong (HKU) since May 2020 and an Honorary Professor from July 2017 in the Faculty of Education, where he has been a member of the board of The University of Hong Kong's Faculty of Education (formally known as The University of Hong Kong's Academic Board of the School of Education) since 1981. At the Southern University of Science and Technology (南方科技大學), he is a member of the academic committee at the Center for Higher Education Research since August 2018. Dr. Postiglione was Chair Professor in Higher Education of The University of Hong Kong Faculty of Education until June 2017, and was Associate Dean for Research of The University of Hong Kong Faculty of Education from December 2013 to July

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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2016. He was the Director of the Wah Ching Centre for Research on Education in China, The University of Hong Kong from July 2002 to March 2005, and from 2008 to 2015. He is Coordinator of the Consortium for Higher Education Research in Asia, The University of Hong Kong since 2016.

Dr. Postiglione has been a consultant on higher education policy to the Asian Development Bank from 2009 to 2011, 2017 to 2018, 2018 to 2019, 2019 to 2020 and 2020 to 2021. He was a visiting fellow at Yale University from September to December 2003. Dr. Postiglione's academic books include *Crossing Borders in East Asian Higher Education*, *Asian Higher Education*, *Education and Social Change in China*, *Mass Higher Education Development in East Asia: Strategy, Quality and Challenges*, *Rural Education in China's Social Transition*, *Improving Transitions from School to University to Workplace*, and *Education, Social Change, and Regional Development: Mainland China, Taiwan, and Hong Kong*.

Dr. Postiglione received his Bachelor of Science degree in 1972 and his Doctor of Philosophy Degree in 1980, both from the State University of New York.

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

Dr. Postiglione'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 his appointment letter with the Company, Dr. Postiglione 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 2,713,791,221 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 271,379,122 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 2024, 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. On the other hand, Shares repurchased and held by the Company as treasury Shares may be resold on the market at market prices to raise

funds for the Company, or transferred or used for other purposes, subject to compliance with the Listing Rules, the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands.

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 Company may cancel any Shares it repurchased and/or hold such Shares as treasury Shares subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

To the extent that any treasury Shares are deposited with CCASS pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in the Company's own name as treasury Shares, which may include approval by the Board that (i) the Company would not (or would procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury Shares deposited with CCASS and (ii) in the case of dividends or distributions, the Company will withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

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.

In addition, the Company has confirmed that neither the explanatory statement nor the proposed share repurchase has any unusual features.

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 841,770,608 Shares, representing approximately 31.02% 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 841,770,608 Shares, representing approximately 31.02% 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 1,696,541,216 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 62.52% 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 69.46% 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 <i>HK\$</i>	Lowest prices <i>HK\$</i>
2023		
December	4.94	4.36
2024		
January	4.94	3.86
February	4.75	3.51
March	4.78	4.02
April	4.58	3.75
May	5.86	4.40
June	5.42	4.44
July	4.61	3.90
August	4.69	3.87
September	5.53	4.06
October	5.91	4.73
November	5.16	3.35
December (up to and including the Latest Practicable Date)	3.99	3.35

NOTICE OF ANNUAL GENERAL MEETING



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 OF ANNUAL GENERAL MEETING

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, 21 January 2025 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 2024.
2. To declare a final dividend.
3. (a) To re-elect Dr. Yu Kai as executive director.
(b) To re-elect Dr. Gerard A. Postiglione as independent non-executive director.
(c) 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 (including any sale or transfer of treasury 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, debentures, notes and other

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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 (excluding treasury shares, if any) 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

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- (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 to 10% of the total number of shares of the Company in issue (excluding treasury shares, if any) 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).”

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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 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 (excluding treasury shares, if any) 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 (including treasury shares which may be sold or transferred or agreed conditionally or unconditionally to be sold or transferred) 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

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Company shall represent up to 10% of the total number of shares of the Company in issue (excluding treasury shares, if any) 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).”

By order of the Board
China Education Group Holdings Limited
Yu Kai **Wang Rui**
Co-Chairmen

Hong Kong, 30 December 2024

Notes:

1. A shareholder of the Company (the “**Shareholder**”) entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a Shareholder. A Shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her to attend and vote on his/her behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each proxy is so appointed.
2. Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or at any adjournment of it), either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto but the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
3. In order to be valid, the completed proxy form must be deposited at 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 together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time appointed for holding of the Meeting or any adjournment thereof (as the case may be). The completion and return of the proxy form shall not preclude the Shareholders from attending and voting in person at the Meeting (or any adjournment thereof) if they so wish.
4. The register of members of the Company will be closed from Thursday, 16 January 2025 to Tuesday, 21 January 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 15 January 2025.
5. The register of members of the Company will be closed from Friday, 21 February 2025 to Wednesday, 26 February 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 20 February 2025.

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6. In relation to resolution numbered 3, biographies of the retiring directors offering for re-election at the Meeting are set out in Appendix I to the circular of the Company dated 30 December 2024 (the “**Circular**”).
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, 21 January 2025, the Meeting convened to be held at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, 21 January 2025 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.