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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 a stockbroker, a licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in JH Educational Technology INC. (the “**Company**”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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JH Educational Technology INC.
嘉宏教育科技有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1935)

**MAJOR TRANSACTION IN RELATION TO
ACQUISITION OF LAND USE RIGHTS**

A letter from the Board is set out on pages 4 to 9 of this circular.

The Company has obtained written Shareholders' approval in lieu of holding a general meeting of the Company pursuant to the Listing Rules for the Acquisition pursuant to Rule 14.44 of the Listing Rules from Shareholders who hold more than 50% of the total issued Shares giving the right to attend and vote at a general meeting. Accordingly, no general meeting will be held to approve the Acquisition pursuant to Rule 14.44 of the Listing Rules.

This circular is being despatched to the Shareholder for information only.

11 February 2025

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DEFINITIONS

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

“Acquisition”	the acquisition of the land use rights of the Land through the Auction
“Announcement”	the announcement of the Company dated 13 December 2024, in relation to the Acquisition
“Auction”	the public auction held by the Bureau at which the Land was offered for sale
“Board”	the board of Directors
“Bureau”	Zhengzhou City Shangjie District Natural Resources Bureau* (鄭州市上街區自然資源局)
“Company”	JH Educational Technology INC. (嘉宏教育科技有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 23 June 2017 and whose Shares are listed on the Main Board of the Stock Exchange
“Confirmation Letter”	the confirmation letter (成交確認書) entered into between the College of Economics and Business and the Bureau on 13 December 2024
“Consideration”	RMB305.98 million, being the price for the grant of the land use rights for the Land
“Director(s)”	the director(s) of the Company
“Group”	the Company, its subsidiaries and the consolidated affiliated entities
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is not a connected person of the Company pursuant to the Listing Rules
“JH Holdings Group”	JH Holdings Group Company Limited* (嘉宏控股集團有限公司), a limited liability company established under the laws of the PRC on 17 June 2003

DEFINITIONS

“Land”	the plot of land described under the section headed “The Acquisition” in this circular with plot number Zheng Shang Chu [2024] No. 15 and a total site area of approximately 517,731.81 square meters which was offered for sale at the Auction
“Land Use Rights Grant Contract”	the land use rights grant contract (國有建設用地使用權出讓合同) entered into between the College of Economics and Business and the Bureau in relation to the acquisition of the Land by the College of Economics and Business
“Latest Practicable Date”	5 February 2025, being the latest practicable date for ascertaining certain information in this circular
“Listing”	listing of the Shares on the Main Board of the Stock Exchange on 18 June 2019
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding, for the purposes of this circular only, the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

* for identification purpose only

DEFINITIONS

In this circular, the terms “close associate”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

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

LETTER FROM THE BOARD



JH Educational Technology INC.
嘉宏教育科技有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1935)

Executive Directors:

Mr. Chen Yuguo (*Chairman*)
Mr. Chen Yuchun
Mr. Chen Shu
Mr. Chen Nansun
Mr. Chen Lingfeng

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Non-executive Director:

Ms. Zhang Xuli

Principal place of business in

Hong Kong:

Room 2106, 21/F
Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

Independent non-executive Directors:

Ms. Bi Hui
Mr. Fung Nam Shan
Mr. Wang Yuqing

11 February 2025

To the Shareholders

Dear Sir/Madam,

**MAJOR TRANSACTION IN RELATION TO
ACQUISITION OF LAND USE RIGHTS**

1. INTRODUCTION

Reference is made to the Announcement.

The purpose of this circular is to provide the Shareholders with, among other things, (i) details of the Acquisition; (ii) the valuation report of the Land; and (iii) other general information of the Company.

LETTER FROM THE BOARD

2. BACKGROUND

On 13 December 2024, the College of Economics and Business, a consolidated affiliated entity of the Company, successfully bid for the land use rights of the Land located in Shangjie District, Zhengzhou City, Henan Province, the PRC offered for sale by the Bureau at the Auction at a total consideration of RMB305.98 million. The Confirmation Letter in relation to the Acquisition was entered into as a result of the successful bidding, pursuant to which the Land Use Rights Grant Contract in relation to the Acquisition shall be entered into by the College of Economics and Business and the Bureau within 30 days after the execution of the Confirmation Letter.

The Land Use Rights Grant Contract dated 24 December 2024 has been entered into between the College of Economics and Business and the Bureau.

3. THE ACQUISITION

The principal terms of the Confirmation Letter

Date: 13 December 2024 (after trading hours)

Parties to the Confirmation Letter: (i) the College of Economics and Business; and
(ii) the Bureau.

Consideration and payment: The final bidding price is RMB305.98 million, which is the base price of the bidding. The bidding deposit (競買保證金) of RMB61.20 million paid by the College of Economics and Business shall be the deposit (定金) under the Land Use Rights Grant Contract for the Acquisition.

The Consideration has been fully paid as at 26 December 2024, which was funded by the Group's internal resources without using the proceeds from the listing of the Company's shares on the Stock Exchange.

Land Use Rights Grant Contract: If the College of Economics and Business fails to enter into the Land Use Rights Grant Contract with the Bureau within 30 days after the execution of the Confirmation Letter, it shall be considered that the College of Economics and Business has given up its successful bidding and shall bear the corresponding responsibility.

LETTER FROM THE BOARD

The information of the Land

Plot No.: Zheng Shang Chu [2024] No. 15

Location of the Land: South side of Wuyun Road (五雲路南側), east side of Dengfeng Road (登封路東側), Shangjie District, Zhengzhou City, Henan Province, the PRC

Total site area: 517,731.81 square meters

Proposed use of the Land: Higher education use

Term of the land use right: 50 years

4. BASIS OF DETERMINATION OF THE CONSIDERATION

The Consideration, which equals to the base price of the bidding of RMB305.98 million, was arrived at as a result of successful bidding of the Land by the College of Economics and Business at the Auction after taking into account of the followings: (i) the base price of the bidding set at RMB305.98 million; (ii) the current market conditions in the vicinity of the Land and the need of the Group to acquire a land designated for higher education use for the establishment of new campus of the College of Economics and Business in Zhengzhou City; and (iii) the Land's average site area price of approximately RMB591 per square meter (which is calculated with reference to the Consideration and the total site area) is considered to be reasonable as compared with the current benchmark Grade II unit rate for public administration and public service use land in the surrounding area of the Land of RMB720 per square meter published by the People's Government of Zhengzhou City, Shangjie District in 2024.

5. REASON FOR AND BENEFITS OF THE ACQUISITION

The Group will construct a new campus of the College of Economics and Business on the Land, aligning with the Group's development strategy and expanding the scale of its higher education. The Acquisition will significantly enhance the Group's ability to broaden its educational offerings and facilities, positively impacting the Group's sustainable development in the future. The Directors (including the independent non-executive Directors) consider that the Acquisition is in the ordinary and usual course of business of the Group, and the terms thereof are on normal commercial terms and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

LETTER FROM THE BOARD

6. FINANCIAL EFFECTS OF THE ACQUISITION

Given that the Land is yet to be developed, the Company considers that there will not be any material effect on the earnings of the Group immediately after the execution of the Land Use Rights Grant Contract with the Bureau pursuant to the Confirmation Letter.

As the Consideration was financed by the Group's internal resources, the right-of-use assets of the Group increased by approximately RMB305.98 million and the cash and cash equivalents of the Group decreased by approximately RMB305.98 million accordingly.

7. INFORMATION OF THE PARTIES AND THE GROUP

The Bureau

The Bureau is a PRC governmental authority and is responsible for, among other things, the management of the trading operation of public resources. The Bureau falls under the definition of "PRC Governmental Body" under Rule 19A.04 of the Listing Rules. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Bureau and its respective ultimate beneficial owner(s) are Independent Third Parties.

The College of Economics and Business

The College of Economics and Business is a wholly privately owned undergraduate college located in Zhengzhou, Henan Province, the PRC. The College of Economics and Business is a PRC consolidated affiliated entity of the Company and a subsidiary of JH Holdings Group. JH Holdings Group is controlled by the Company through a series of contractual arrangements.

The Group

The Group is mainly engaged in offering formal undergraduate education, junior college education and high school education in the PRC.

8. IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Acquisition exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction of the Company and therefore is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

9. WRITTEN SHAREHOLDERS' APPROVAL

Pursuant to Rule 14.44 of the Listing Rules, written Shareholders' approval may be accepted in lieu of holding a general meeting of the Company if (i) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Acquisition; and (ii) the written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the voting rights at that general meeting of the Company to approve the Acquisition.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of their respective close associates has any material interest in the Acquisition and as such, no Shareholder is required to abstain from voting.

On 13 December 2024, the Company has obtained written Shareholders' approval in lieu of holding a general meeting to approve the Acquisition pursuant to Rule 14.44 of the Listing Rules from (i) Guo's Investment Holdings Limited, which currently holds 378,000,000 Shares (representing approximately 23.61% of the issued share capital of the Company as at the Latest Practicable Date) and is 100% owned by Mr. Chen Yuguo; (ii) Shu's Investment Holdings Limited, which currently holds 216,000,000 Shares (representing approximately 13.49% of the issued share capital of the Company as at the Latest Practicable Date) and is 100% owned by Mr. Chen Shu; (iii) Feng's Investment Holdings Limited, which currently holds 216,000,000 Shares (representing approximately 13.49% of the issued share capital of the Company as at the Latest Practicable Date) and is 100% owned by Mr. Chen Lingfeng; (iv) Chun's Investment Holdings Limited, which currently holds 120,000,000 Shares (representing approximately 7.50% of the issued share capital of the Company as at the Latest Practicable Date) and is 100% owned by Mr. Chen Yuchun; (v) ZXL Investment Holdings Limited, which currently holds 120,000,000 Shares (representing approximately 7.50% of the issued share capital of the Company as at the Latest Practicable Date) and is 100% owned by Ms. Zhang Xuli; (vi) Cao's Investment Holdings Limited, which currently holds 90,000,000 Shares (representing approximately 5.62% of the issued share capital of the Company as at the Latest Practicable Date) and is 100% owned by Mr. Chen Yucao; and (vii) CNS Investment Holdings Limited, which currently holds 60,000,000 Shares (representing approximately 3.75% of the issued share capital of the Company as at the Latest Practicable Date) and is 100% owned by Mr. Chen Nansun. Mr. Chen Yuguo is the younger brother of Mr. Chen Yuchun and Mr. Chen Yucao, father of Mr. Chen Shu and Mr. Chen Lingfeng, uncle of Mr. Chen Nansun and brother-in-law of Ms. Zhang Xuli. Accordingly, no Shareholders' meeting will be held to approve the Acquisition pursuant to Rule 14.44 of the Listing Rules.

LETTER FROM THE BOARD

10. RECOMMENDATIONS

The Directors (including the independent non-executive Directors) consider that the Acquisition is in the ordinary and usual course of business of the Group, and the terms thereof are on normal commercial terms and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

11. GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

12. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
By order of the Board
JH Educational Technology INC.
Chen Yuguo
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for each of the financial years ended 31 December 2021, 2022 and 2023 and the six months ended 30 June 2024 are disclosed in the following documents which have been published on the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (www.jheduchina.com):

- Interim report of the Company for the six months ended 30 June 2024 published on 20 September 2024 (pages 26 to 45)
(available on <https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0920/2024092000347.pdf>)
- Annual report of the Company for the year ended 31 December 2023 published on 16 April 2024 (pages 122 to 201)
(available on <https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0416/2024041600457.pdf>)
- Annual report of the Company for the year ended 31 December 2022 published on 19 April 2023 (pages 129 to 208)
(available on <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0419/2023041900592.pdf>)
- Annual report of the Company for the year ended 31 December 2021 published on 19 April 2022 (pages 107 to 178)
(available on <https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0419/2022041900975.pdf>)

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 December 2024, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had the following indebtedness:

Security and guarantees

As at the close of business of 31 December 2024, the Group did not have any significant security and guarantees.

Bank and other borrowings and interest accruals

As at the close of business of 31 December 2024, the Group did not have any bank and other outstanding borrowings.

Lease liabilities

As at the close of business on 31 December 2024, the lease liabilities of the Group amounted to approximately RMB0.25 million.

Commitments

As at the close of business of 31 December 2024, the Group's capital commitments to make contracted payment amounted to RMB269.71 million.

Contingent liabilities

As at 31 December 2024, the Group did not incur any material contingent liabilities.

Save as aforesaid or as otherwise disclosed above, and apart from intra-group liabilities and normal trade payables, the Group did not have, at the close of business on 31 December 2024, any other debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

Save as aforesaid, the Directors are not aware of any material changes in the indebtedness, contingent liabilities and commitments of the Group since 31 December 2024, the date to which the indebtedness statement is made and up to the Latest Practicable Date.

3. WORKING CAPITAL SUFFICIENCY

The Directors are satisfied after due and careful consideration and taking into account the present internal financial resources available to the Group, the effect of the Acquisition and in the absence of unforeseen circumstances, the Group will have sufficient working capital for its present requirements for at least the next twelve months from the date of this circular. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited consolidated accounts of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTUS OF THE GROUP**Overview**

We are the largest private provider of formal higher education in Zhejiang Province and we are also one of the leading private higher education institutions in Henan Province. In addition to offering higher education services, we provide secondary education services for high school students in Zhejiang Province.

The PRC government has launched a series of favorable policies to continue to support and encourage the development of vocational education in recent years.

In September 2022, the executive meeting of the State Council of the PRC confirmed to support the purchase of equipment and renovation and transformation of colleges and vocational colleges by means of policy-approved subsidies and special refinancing loans. At the same time, the Department of Development Planning of the Ministry of Education of the PRC issued the Notice on Matters Relating to Expanding Investment in the Education Sector to clarify the key support for project loans; the People's Bank of China also announced the establishment of project refinancing loans of over RMB200 billion for equipment renovation and transformation, which will support the improvement of the comprehensive strength of vocational education institutions in the long run and help achieve the high-quality development of vocational education. In March 2023, the Government Work Report of the National Two Sessions mentioned “vigorously develop vocational education and promote the innovation of higher education”. In June 2023, the National Development and Reform Commission, the Ministry of Education and other Government departments jointly issued the Implementation Plan for the Integration of Vocational Education with Industry and Education (2023-2025), which put forward measures and goals to support the integration and development of industry and education in vocational education.

Our major business operations are located in Zhejiang Province and Henan Province. Our two higher education institutions are located in Hangzhou and Zhengzhou, which are the provincial capital cities of Zhejiang Province and Henan Province, respectively. Zhejiang Province is one of the most economically active provinces in China. It attaches great importance to education and its thriving economy is the main driving force for the private higher education market. The economy in Henan Province is developing rapidly at a higher growth rate than the average in China and Henan Province's total revenue of private higher education is continuously growing noticeably. However, Henan Province's higher education enrollment rate significantly lags behind the country's average level and demand for higher education is expected to continue to increase. The employment rates for graduates from our two higher education institutions have been consistently higher than those of similar colleges in their respective provinces. The Group considers it will continue to benefit from the favorable policies on vocational education in China.

Future Prospects

We intend to solidify our position as the largest private provider of formal higher education in Zhejiang Province focusing on nurturing professional talents. We intend to leverage our operating experience in Henan Province to further expand our school network in the PRC and overseas with the proceeds from the Listing and the internal funds generated from our operation. To achieve this goal, we plan to pursue the following business strategies:

1. *Expand our business operations and school network to achieve economies of scale*

- We plan to establish a new campus of College of Economics and Business in Kaifeng, Henan Province, that will primarily offer undergraduate courses. The estimated student capacity is approximately 15,000 students.
- We also plan to establish a new campus of Zhejiang Changzheng Vocational & Technical College* (浙江長征職業技術學院)(“**Changzheng College**”). On 11 October 2016, we entered into a framework agreement with Hangzhou East River Industrial Cluster Management Committee (杭州大江東產業集聚區管委會), an independent third party, pursuant to which the parties agreed to establish a new campus of Changzheng College with an aggregate expected enrollment of not less than 5,000 students.

2. *Acquisitions*

- We plan to acquire or invest in schools that have relatively low utilization rates and/or have substantial growth potential in the PRC. We prefer to acquire the schools including but not limited to for-profit private schools in central China, eastern China and southern China.

3. *Establish or acquire new school overseas*

- We plan to establish a degree-granting higher education institution in California, the United States, namely California School, to offer programs relating to business administration and international business. We have engaged an agent who has experience in post-secondary education to assist us in establishing the California School in California and filing applications with the California Bureau for Private Postsecondary Education regarding the establishment of a higher education institution in California.
- We are also looking for opportunities to acquire suitable target school(s) overseas.

4. *Enhance our profitability by optimizing our pricing strategies*

- The tuition fees and boarding fees we charge are main factors affecting our profitability. We believe we are in a good position to further optimize our pricing without compromising our reputation and our ability to attract and retain students.

The following is the text of a valuation report prepared for the purpose of incorporation in this circular received from Castores Magi (Hong Kong) Limited, an independent valuer, in connection with its valuation as at 15 December 2024 of the property interests intended to be acquired by the Group.

嘉漫(香港)有限公司

CASTORES MAGI (HONG KONG) LIMITED
REGISTERED PROFESSIONAL SURVEYORS (GENERAL PRACTICE)
REAL ESTATE, MINERALS, MACHINERY & EQUIPMENT AND BUSINESS VALUERS

CASTORES



MAGI

Units 2203-4
Alliance Building
133 Connaught Road Central
Hong Kong

11 February 2025

The Directors
JH Educational Technology INC.
Room 2106, 21/F
Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

Dear Sirs,

In accordance with your instructions to value the property interest to be acquired by JH Educational Technology INC. (the “**Company**”) and its subsidiaries (together the “**Group**”), we confirm that we have carried out inspection, made relevant enquiries and searches, and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the value of the relevant property as at 15 December 2024 (the “**valuation date**”) for possible acquisition purpose.

The valuation assignment was handled by Mr. Cheung Wah Fu Ernest who is a Corporate Member from the General Practice Division of the Hong Kong Institute of Surveyors (“**HKIS**”) and is in a position to provide an objective and unbiased valuation. He has no material connection or involvement with the subject asset or other parties to this valuation assignment. He has sufficient current local and national knowledge of the particular market, and the skills and understanding to undertake the valuation competently.

Our valuation of the property interest is our opinion of the Market Value which we would define as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.” Market Value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

Our valuation of the property interest has been made on the assumption that the owner sells the property on the market in its existing state without the benefit of a deferred term contracts, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property.

The property interest has been valued on a market basis with vacant possession by reference to comparable market transactions. This approach rests on the wide acceptance of market price as the best indicator of value and pre-supposes that evidence of recent transactions in the market place can be extrapolated to similar property, subject to allowances for variable factors.

In valuing the property interest, we have adopted comparable transaction method. The comparable transaction method utilizes information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value. As no recent market sales transaction of land use rights related to higher education purpose was found in Shangjie District of Zhengzhou City, the land use rights of the property has been valued on a market basis with vacant possession by reference to “The People’s Government of Zhengzhou City Shangjie District Regarding a Notice of Town Land’s Grading and Price Index Update” (鄭州市上街區人民政府關於公佈鄭州市上街區城鎮土地級別與基準地價的通知) dated 11 January 2024. The market value of the property is derived by adopting the unit rate based on the above document.

The current status of the property regarding major approvals, consents or licences required in the People's Republic of China (the "PRC") is as follows:

Document	Status
State-owned Land Use Rights Auction Transaction Confirmation (國有建設用地使用權掛牌成交確認書)	Yes
State-owned Construction Land Use Rights Grant Contract (<i>issued after valuation date</i>) (國有建設用地使用權出讓合同)	Yes
Immovable Property Title Certificate (<i>issued after valuation date</i>) (不動產權證)	Yes
Construction Land Planning Permit (<i>issued after valuation date</i>) (建設用地規劃許可證)	Yes

In valuing the property interest, we have made reference to the HKIS Valuation Standards 2024 published by the Hong Kong Institute of Surveyors ("HKIS") and the International Valuation Standards 2024 published by the International Valuation Standards Council.

The scope of valuation has been determined with reference to the property list provided by the Company. The property on the list has been included in this certified opinion of value.

In valuing the property interests in the PRC, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

We have relied to a considerable extent on the information provided by the Company and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, occupation, lettings, rental, site and floor areas and all other relevant matters.

We have not carried out detailed site measurements to verify the correctness of the area in respect of the property but have assumed that the site area shown on the documents and official site plans handed to us are correct. Based on our valuation experience of similar properties, we consider the assumptions so made to be reasonable. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements have been taken.

Mr. Cheung Wah Fu Ernest has inspected the property on 8 January 2025, in respect of which we have been provided with such information as we have required for the purpose of our valuation. However, no structural survey, investigation or examination has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. No tests were carried out to any of the services.

No allowance has been made in our report for any charges, mortgages or amounts owing on the property nor for any expenses or taxation, which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, such as mortgage and debenture charge, restrictions and outgoings of an onerous nature, which could affect its value.

We have been shown copies of various documents relating to the property such as contract, property title documents and site plan. However, we have not searched the original documents to verify any amendments, which may not appear on the copies handed to us. Due to restrictions of the land registration system in the PRC, we are unable to search the original documents to verify the existing title of the property in the PRC or any material encumbrances that might be attached to the property. We are not in a position to advise on the Group's title to the property. However, we have relied on the opinion given by the Company's legal advisers in the PRC, 河南國銀(上街)律師事務所, in respect to the Group's title to the property.

We have had no reason to doubt the authenticity and accuracy of the information provided to us by the Company. We have also sought and received confirmation from the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and have no reason to suspect that any material information has been withheld.

Unless otherwise stated, all monetary amounts stated in this certified opinion of value are in Renminbi (RMB).

The conclusion of value is based on generally accepted valuation procedures and practices that rely extensively on assumptions and considerations, not all of which can be easily qualified or ascertained exactly. While we have exercised our professional judgment in arriving at the valuation, you are urged to consider carefully the nature of such assumptions, which are disclosed in this report and should exercise caution when interpreting this report.

We hereby certify that we have neither present nor prospective interest in the Company or the value reported.

Yours faithfully,

For and on behalf of

Castores Magi (Hong Kong) Limited

Cheung Wah Fu Ernest

Director

B.Sc., MHKIS, R.P.S. (GP), MCI Arb, MCIREA

Note: Cheung Wah Fu Ernest is a Registered Professional Surveyor (General Practice) who has over 31 years of experience in valuing properties in Hong Kong and the PRC. His name is included on the List of Property Valuers for Undertaking Valuations for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers set forth by the Hong Kong Institute of Surveyors.

CERTIFIED OPINION OF VALUE

Property interest to be acquired by the Group for building campus and facilities in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 15 December 2024 (RMB)
1. A parcel of land located to the south of Wuyun Road and to the east of Dengfeng Road, Shangjie District, Zhengzhou City, Henan Province, The PRC.	The property comprises a parcel of land having a site area of 517,731.81 sq. m.. The property is designated for higher education purpose.	The property is currently vacant with a building under construction.	No commercial value

Notes:

- Pursuant to a State-owned Land Use Rights Auction Transaction Confirmation (國有建設用地使用權掛牌成交確認書) dated 13 December 2024 made between Zhengzhou City Shangjie District Natural Resources Bureau (鄭州市上街區自然資源局) and The College of Economics and Business (鄭州經貿學院), a consolidated affiliated entity of the Company, a parcel of land known as Zheng Shang Chu (2024) No. 15 (鄭上出〔2024〕15號) having a site area of 517,731.81 sq. m. was successfully bid by the latter party at a consideration of RMB305,980,000.
- Pursuant to a State-owned Construction Land Use Rights Grant Contract (國有建設用地使用權出讓合同) dated 24 December 2024 made between Zhengzhou City Shangjie District Natural Resources Bureau (鄭州市上街區自然資源局) and The College of Economics and Business (鄭州經貿學院), a consolidated affiliated entity of the Company, the land use rights of the parcel of land stated in Note 1 above was granted by the former party to the latter party at a consideration of RMB305,980,000. This parcel of land has a total area of 530,244.2 sq. m., of which the granted area has a site area of 517,731.81 sq. m.. This parcel of land is designated for higher education use and the construction parameters are set out as follows:

Total gross floor area	:	414,185.45 sq. m.
Plot ratio	:	less than 1.2
Building height limit	:	less than 60 metres
Building density	:	less than 30%
Greenery ratio	:	greater than 35%
- Pursuant to an Immovable Property Title Certificate – Yu (2025) Shang Jie Qu Bu Dong Chan Quan Di 0000009 Hao (不動產權證 – 豫(2025)上街區不動產權第0000009號), the property title holder is The College of Economics and Business (鄭州經貿學院), a consolidated affiliated entity of the Company. The land use rights area stated in this certificate is 517,731.81 sq. m. and the land use terms is from 25 December 2024 to 24 December 2074.
- The property is subject to a Construction Land Planning Permit – Di Zi No. 4101062024YG0019454 (建設用地規劃許可證 – 地字第4101062024YG0019454號) dated 31 December 2024 and issued by Zhengzhou City Shangjie District Natural Resources Bureau (鄭州市上街區自然資源局). The land user stated in this permit is The College of Economics and Business (鄭州經貿學院), a consolidated affiliated entity of the Company.

5. In the course of our valuation, we have referred to the legal opinion given by the Company's PRC legal adviser – 河南國銀(上街)律師事務所, *inter alia*, that:
- (i) As at the valuation date (15 December 2024), the land use rights of the parcel of land stated in Note 1 above is vested in the People's Government of Zhengzhou City Shangjie District (鄭州市上街區人民政府).
 - (ii) The land use rights stated in Note 1 above is transferable to a third party.
6. As at the valuation date (15 December 2024), the land use rights transfer process has not yet been completed and as stated in Note 5(i) above, the land use rights was still vested in the People's Government of Zhengzhou City Shangjie District (鄭州市上街區人民政府), therefore, we have ascribed no commercial value to the property.

On the assumption that the Immovable Property Title Certificate (不動產權證) would have been obtained as at the valuation date, the market value of the property was in the amount of RMB316,850,000. Based on the notice known as "The People's Government of Zhengzhou City Shangjie District Regarding a Notice of Town Land's Grading and Price Index Update" (鄭州市上街區人民政府關於公佈鄭州市上街區城鎮土地級別與基準地價的通知) dated 11 January 2024, the Grade II unit rate for public administration and public services land use is RMB720/sq. m.. Considering the inherent characteristics of the subject parcel of land including size, shape and accessibility, we considered an aggregate adjustment of -15% was appropriate to apply to the Grade II unit rate of RMB720/sq. m., which arrived at an adjusted unit rate of RMB612/sq. m.. The valuation was derived by multiplying site area (517,731.81 sq. m.) by the adjusted unit rate (RMB612/sq. m.). It was then rounded to the nearest ten thousand.

1. 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.

2. DISCLOSURE OF INTERESTS

(i) Interests and short positions of Directors and chief executives in the Shares, underlying Shares and debentures

As of the Latest Practicable Date, the interests and short positions of Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations, within the meaning of Part XV of the SFO, which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO (including interests and short positions which they have taken or are deemed to have taken under such provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules (“**Model Code**”) were as follows:

Name of Director	Capacity/Nature of interest	Number of shares	Approximate percentage of capital of the Company (%)	Long position/ Short position
Mr. Chen Yuguo ¹	Interest in a controlled corporation	378,000,000	23.61	Long position
Mr. Chen Shu ²	Interest in a controlled corporation	216,000,000	13.49	Long position
Mr. Chen Lingfeng ³	Interest in a controlled corporation	216,000,000	13.49	Long position
Mr. Chen Yuchun ⁴	Interest in a controlled corporation	120,000,000	7.50	Long position
Ms. Zhang Xuli ⁵	Interest in a controlled corporation	120,000,000	7.50	Long position
Mr. Chen Nansun ⁶	Interest in a controlled corporation	60,000,000	3.75	Long position

Notes:

1. Mr. Chen Yuguo holds the entire issued share capital of Guo's Investment Holdings Limited and is therefore deemed to be interested in the 378,000,000 shares held by Guo's Investment Holdings Limited under the SFO.
2. Mr. Chen Shu holds the entire issued share capital of Shu's Investment Holdings Limited and is therefore deemed to be interested in the 216,000,000 shares held by Shu's Investment Holdings Limited under the SFO.
3. Mr. Chen Lingfeng holds the entire issued share capital of Feng's Investment Holdings Limited and is therefore deemed to be interested in the 216,000,000 shares held by Feng's Investment Holdings Limited under the SFO.
4. Mr. Chen Yuchun holds the entire issued share capital of Chun's Investment Holdings Limited and is therefore deemed to be interested in the 120,000,000 shares held by Chun's Investment Holdings Limited under the SFO.
5. Ms. Zhang Xuli holds the entire issued share capital of ZXL Investment Holdings Limited and is therefore deemed to be interested in the 120,000,000 shares held by ZXL Investment Holdings Limited under the SFO.
6. Mr. Chen Nansun holds the entire issued share capital of CNS Investment Holdings Limited and is therefore deemed to be interested in the 60,000,000 shares held by CNS Investment Holdings Limited under the SFO.

(ii) Interests of Directors and chief executives in the Company's associated corporations

Name of Director	Name of associated corporation	Capacity/Nature of interest	Registered Capital (RMB)	Approximate percentage of shareholding (%)
Mr. Chen Yuguo	JH Holdings Group	Beneficial owner	15,750,000	31.50
Mr. Chen Shu	JH Holdings Group	Beneficial owner	9,000,000	18.00
Mr. Chen Lingfeng	JH Holdings Group	Beneficial owner	9,000,000	18.00
Mr. Chen Yuchun	JH Holdings Group	Beneficial owner	5,000,000	10.00
Ms. Zhang Xuli	JH Holdings Group	Beneficial owner	5,000,000	10.00
Mr. Chen Nansun	JH Holdings Group	Beneficial owner	2,500,000	5.00
Mr. Chen Yuguo	Jingyi Secondary School	Beneficial owner	450,000	45.00
Mr. Chen Yuchun	Jingyi Secondary School	Beneficial owner	150,000	15.00

Save as disclosed above, as of the Latest Practicable Date, no Directors or chief executives of the Company had an interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations, within the meaning of Part XV of the SFO, which were required to be notified to the Company and the Stock Exchange; or an interest or short position which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or be notified to the Company and the Stock Exchange pursuant to the Model Code.

(iii) Substantial Shareholders' and other persons' interests and short positions in Shares and underlying Shares of the Company

As of the Latest Practicable Date, to the knowledge of the Directors of the Company, the following persons, other than Directors and chief executives of the Company, had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein:

Long positions in the Company

Name	Capacity/Nature of interest	Number of shares	Approximate percentage of the issued share capital of the Company (%)	Long position/ Short position
Guo's Investment Holdings Limited ¹	Beneficial owner	378,000,000	23.61	Long position
Ms. Zhao Xiaoyan ²	Spouse interest	378,000,000	23.61	Long position
Shu's Investment Holdings Limited ³	Beneficial owner	216,000,000	13.49	Long position
Ms. Lin Yunru ⁴	Spouse interest	216,000,000	13.49	Long position
Feng's Investment Holdings Limited ⁵	Beneficial owner	216,000,000	13.49	Long position
Chun's Investment Holdings Limited ⁶	Beneficial owner	120,000,000	7.50	Long position
Ms. Zheng Suilan ⁷	Spouse interest	120,000,000	7.50	Long position
ZXL Investment Holdings Limited ⁸	Beneficial owner	120,000,000	7.50	Long position
Mr. Chen Yutian ⁹	Spouse interest	120,000,000	7.50	Long position
Cao's Investment Holdings Limited ¹⁰	Beneficial owner	90,000,000	5.62	Long position
Mr. Chen Yucao ¹⁰	Interest in a controlled corporation	90,000,000	5.62	Long position
Ms. Nan Luoqiu ¹¹	Spouse interest	90,000,000	5.62	Long position

Notes:

1. Mr. Chen Yuguo is the sole shareholder of Guo's Investment Holdings Limited and is therefore deemed to be interested in the shares held by Guo's Investment Holdings Limited upon the Listing.
2. Ms. Zhao Xiaoyan is the wife of Mr. Chen Yuguo, and Ms. Zhao is therefore deemed to be interested in the shares held by Mr. Chen Yuguo upon the Listing.
3. Mr. Chen Shu is the sole shareholder of Shu's Investment Holdings Limited and is therefore deemed to be interested in the shares held by Shu's Investment Holdings Limited upon the Listing.
4. Ms. Lin Yunru is the wife of Mr. Chen Shu, and Ms. Lin Yunru is therefore deemed to be interested in the shares held by Mr. Chen Shu upon the Listing.
5. Mr. Chen Lingfeng is the sole shareholder of Feng's Investment Holdings Limited and is therefore deemed to be interested in the shares held by Feng's Investment Holdings Limited upon the Listing.
6. Mr. Chen Yuchun is the sole shareholder of Chun's Investment Holdings Limited and is therefore deemed to be interested in the shares held by Chun's Investment Holdings Limited upon the Listing.
7. Ms. Zheng Suilan is the wife of Mr. Chen Yuchun and is therefore deemed to be interested in the shares held by Mr. Chen Yuchun upon the Listing.
8. Ms. Zhang Xuli is the sole shareholder of ZXL Investment Holdings Limited and is therefore deemed to be interested in the shares held by ZXL Investment Holdings Limited upon the Listing.
9. Mr. Chen Yutian is the husband of Ms. Zhang Xuli and is therefore deemed to be interested in the shares held by Ms. Zhang Xuli upon the Listing.
10. Mr. Chen Yucao is the sole shareholder of Cao's Investment Holdings Limited and is therefore deemed to be interested in the shares held by Cao's Investment Holdings Limited upon the Listing.
11. Ms. Nan Luoqiu is the wife of Mr. Chen Yucao and is therefore deemed to be interested in the shares held by Mr. Chen Yucao upon the Listing.

Long positions in Jingyi Secondary School

Name	Capacity/Nature of interest	Amount of capital (RMB)	Approximate percentage of shareholding of	Long position/ Short position
			Jingyi Secondary School (%)	
Mr. Chen Yucao	Beneficial owner	250,000	25.00	Long position
Mr. Chen Yutian	Beneficial owner	150,000	15.00	Long position

Long positions in Changzheng College

Name	Capacity/Nature of interest	Approximate percentage of shareholding of	Long position/ Short position
		Changzheng College (%)	
Hangzhou Changzheng Vocational School (杭州長征業餘學校)	Beneficial owner	46.38	Long position
Zhejiang Provincial Committee of the Chinese Kuomintang Revolutionary Committee (中國國民黨革命委員會浙江省委員會) ¹	Interest in a controlled corporation	46.38	Long position

Note:

- The school sponsor's interest in Hangzhou Changzheng Vocational School was 100% owned by Zhejiang Provincial Committee of the Chinese Kuomintang Revolutionary Committee.

Save as disclosed above, as of the Latest Practicable Date, to the knowledge of the Directors, no other persons (not being Directors or chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

3. DIRECTORS' SERVICE CONTACT

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

4. DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors or their respective close associates had any interests in any business which competed or might compete, either directly or indirectly, with the business of the Group as at the Latest Practicable Date.

5. MATERIAL INTEREST

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting on the date of this circular which was significant in relation to the business of the Group.

6. MATERIAL CONTRACTS

The Group has entered into the following contract (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this circular which is or may be material: the loan agreement dated 17 June 2024 entered into between JH Holdings Group and Mr. Chen Yuguo in relation, pursuant to which JH Holdings Group agreed to lend to Mr. Chen Yuguo a RMB loan facility (excluding the accrued interests) of RMB55 million.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice for inclusion in this circular:

Name	Qualification
Castores Magi (Hong Kong) Limited	Independent property valuer

Such expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter of advice or references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, such expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, such expert had no direct or indirect interests in any assets which has been acquired or disposed of by or leased to, or proposed to be acquired, disposed of by or leased to any member of the Group since 31 December 2023 (the date to which the latest published audited consolidated financial statements of the Company were made up).

8. LITIGATION AND CLAIMS

As at the Latest Practicable Date, the Group was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Group.

9. GENERAL

The company secretary of the Company is Ms. Sze Suet Ling, who is a Chartered Secretary, a Chartered Governance Professional, and an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Headquarters and principal place of business in the PRC is at No. 618 Liuweng Road, Liushi Town, Yueqing City, Zhejiang Province, the PRC. The principal place of business in Hong Kong is at Room 2106, 21/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong. The Hong Kong branch share registrar of the Company is Computershare Hong Kong Investor Services Limited, located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

10. DOCUMENTS ON DISPLAY

Copies of the following documents are published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jheduchina.com) during the period of 14 days from the date of this circular:

- a) the Confirmation Letter;
- b) the valuation report on the Acquisition of land use rights of the Land, the text of which is set out in Appendix II to this circular; and
- c) the written consent referred to in the section headed "Expert and Consent" in Appendix III to this circular.