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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 TRANSACTIONS
IN RELATION TO CONSTRUCTION CONTRACTS**

A letter from the Board is set out on pages 4 to 17 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 Construction Contracts and transactions contemplated thereunder 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 Construction Contracts and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

31 March 2025

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 10 March 2025, in relation to, among other things, the Construction Contracts and the transactions contemplated thereunder
“Board”	the board of Directors
“Changzheng College”	Zhejiang Changzheng Vocational & Technical College* (浙江長征職業技術學院), a private higher education institution established under the laws of the PRC on 18 November 2005, of which the school capital contributor’s interest is owned as to 53.62% by JH Holdings Group and 46.38% by Hangzhou Changzheng Vocational School* (杭州長征業餘學校), and a consolidated affiliated entity of the Company
“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
“College of Economics and Business”	Zhengzhou College of Economics and Business* (鄭州經濟學院), a wholly privately-owned undergraduate college located in Zhengzhou, Henan Province, the PRC, which is a PRC consolidated affiliated entity of the Company and a subsidiary of JH Holdings Group
“Construction Contract (Dormitory Buildings)”	the construction contract dated 10 March 2025 entered into between the College of Economics and Business and the Contractor in relation to the construction of dormitory buildings, details of which are set out under the section headed “The Construction Contracts”
“Construction Contract (Public Buildings and Faculty Apartments)”	the construction contract dated 10 March 2025 entered into between the College of Economics and Business and the Contractor in relation to the construction of public buildings and faculty apartments, details of which are set out under the section headed “The Construction Contracts”

DEFINITIONS

“Construction Contract (Teaching and Training Buildings)”	the construction contract dated 10 March 2025 entered into between the College of Economics and Business and the Contractor in relation to the construction of teaching and training buildings, details of which are set out under the section headed “The Construction Contracts”
“Construction Contracts”	collectively, the Construction Contract (Dormitory Buildings), the Construction Contract (Public Buildings and Faculty Apartments) and the Construction Contract (Teaching and Training Buildings)
“Contractor”	Henan Xianrui Construction Engineering Co., Ltd.* (河南先睿建築工程有限公司), a limited liability company incorporated in the PRC on 12 October 2022
“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
“IPO Proceeds”	the net proceeds of the Company from the initial public offering and listing of its shares on the Main Board of the Stock Exchange on 18 June 2019
“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
“Jingyi Secondary School”	Yueqing Jingyi Secondary School Company Limited* (樂清市精益中學有限公司), a limited liability company established under the Laws of the PRC on 13 March 2023 as a result of conversation of Yueqing Jingyi Secondary School* (樂清市精益中學), a private formal high school education institution established under the laws of the PRC on 25 September 1997, into a for-profit private school. Yueqing Jingyi Secondary School Company Limited is owned as to 45% by Mr. Chen Yuguo (陳餘國), as to 25% by Mr. Chen Yucao (陳餘曹), as to 15% by Mr. Chen Yuchun (陳餘春) and as to 15% by Mr. Chen Yutian (陳餘鈿) as of the Latest Practicable Date, and a consolidated affiliated entity of the Company

DEFINITIONS

“Latest Practicable Date”	27 March 2025, being the latest practicable date for ascertaining certain information in this circular
“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
“Shangjie Campus”	the new campus of the College of Economics and Business located in Shangjie District, Zhengzhou City, Henan Province, the PRC
“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

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

LETTER FROM THE BOARD



嘉宏教育
JH educational technology inc

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

31 March 2025

To the Shareholders

Dear Sir/Madam,

**MAJOR TRANSACTION IN RELATION TO
CONSTRUCTION CONTRACTS**

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 Construction Contracts and the transactions contemplated thereunder; and (ii) other general information of the Company.

LETTER FROM THE BOARD

2. BACKGROUND

References are also made to the announcements of the Company dated 13 December 2024 and 27 December 2024 and the circular of the Company dated 10 February 2025 in relation to the acquisition of land use rights of the lands located in Shangjie District, Zhengzhou City, Henan Province, the PRC. To initiate the construction of the Shangjie Campus, the Group has (i) completed the necessary filings and obtained the required approvals from relevant government authorities, including but not limited to the construction land planning permits; and (ii) invited qualified contractors to provide quotations and ultimately selected the Contractor for the construction projects after comprehensive evaluation.

On 10 March 2025, the College of Economics and Business and the Contractor entered into the Construction Contracts, pursuant to which, the College of Economics and Business has engaged the Contractor to perform the construction projects of teaching and training buildings, public buildings and faculty apartments and dormitory buildings with an aggregate consideration of RMB825,631,614.70.

3. THE CONSTRUCTION CONTRACTS

Construction Contract (Teaching and Training Buildings)

The principal terms of the Construction Contract (Teaching and Training Buildings) are as follows:

Date:	10 March 2025 (after trading hours)
Parties:	(i) the College of Economics and Business; and (ii) the Contractor.
Subject matter:	The construction project under the Construction Contract (Teaching and Training Buildings) comprises the Phase I teaching and training buildings of the College of Economics and Business, with a total gross floor area of 76,311.86 square meters, which include one training building and three teaching buildings. The construction project is situated in the Shangjie Campus of the College of Economics and Business, located at the intersection of Huaiyang Road (淮陽路) and Wuyun Road (五雲路), Shangjie District, Zhengzhou City, Henan Province, the PRC.

LETTER FROM THE BOARD

Pursuant to the Construction Contract (Teaching and Training Buildings), the scope of work for the Contractor in respect of the construction project includes all earthwork, main construction works, steel scaffolding works, water, electricity and fire protection installation works, secondary structure masonry and plastering works, external wall insulation and painting works, roof waterproofing and anti-corrosion works, safety and civilized construction works, as well as various mechanical equipment, construction cables and distribution boxes, and others which are specified in the bill of quantities.

Construction period: The construction of the Phase I teaching and training buildings is expected to commence on 20 March 2025 and complete on 10 October 2025, encompassing a total of 205 calendar days.

Consideration: The consideration of Construction Contract (Teaching and Training Buildings) amounts to RMB196,121,480.20.

The consideration will be funded by a combination of the IPO Proceeds, as to approximately 50.3% and external loan, as to approximately 49.7%.

Payment: **Prepayment**

The College of Economics and Business shall make a prepayment of 10% of the total consideration of the Construction Contract (Teaching and Training Buildings), i.e. RMB19,612,148.02, to the Contractor within seven days prior to the agreed-upon start date of construction. As at the Latest Practicable Date, the Company has paid the prepayment under the Construction Contract (Teaching and Training Buildings) in full.

LETTER FROM THE BOARD

Milestone Payment

- Payments shall be made monthly, contingent upon the progress of the construction project, where the Contractor required to submit a report detailing the completed work for the period from the 20th of the previous month to the 19th of the current month to the construction project supervisor (工程監理人) by the 25th of each month, which shall also contain a payment application and any relevant materials. The construction project supervisor shall complete the review of such report from the Contractor within seven days of receipt and calculate the payment amount based on such report. The construction project supervisor shall then submit the reviewed report to the College of Economics and Business within five days following the review. Payment to the Contractor shall be made within five days after the College of Economics and Business receives and reviews the report.

After the construction projects have been completed, 85% of the total consideration (including the prepayment), i.e. RMB166,703,258.17, should have been paid.

- Within 14 days following the acceptance of the construction project, 95% of the total consideration (including the prepayment), i.e. RMB186,315,406.19, should have been paid.
- Within one month after the final project audit, 97% of the total consideration (including the prepayment), i.e. approximately RMB190,237,835.79, should have been paid.

As at the Latest Practicable Date, the Company hasn't made any milestone payment under the Construction Contract (Teaching and Training Buildings).

LETTER FROM THE BOARD

Quality Assurance Fund

3% of the total consideration of the Construction Contract (Teaching and Training Buildings), i.e. approximately RMB5,883,644.41 shall be withheld as a quality assurance fund to ensure the Contractor fulfills their obligation to rectify defects during the defect liability period. The defect liability period shall be 24 months, commencing from the date of completion of the construction project. Upon the expiration of the defect liability period, the College of Economics and Business shall pay the quality assurance fund to the Contractor.

Construction Contract (Public Buildings and Faculty Apartments)

The principal terms of the Construction Contract (Public Buildings and Faculty Apartments) are as follows:

Date: 10 March 2025 (after trading hours)

Parties: (i) the College of Economics and Business; and
(ii) the Contractor.

Subject matter: The construction project under the Construction Contract (Public Buildings and Faculty Apartments) comprises the Phase I public buildings and faculty apartments of the College of Economics and Business, with a total gross floor area of 108,543.70 square meters, which include various facilities such as a library and administration complex, a gymnasium, a science and arts building, dining halls, commercial buildings, student activity centers, an administration building, a grandstand, faculty dormitories and apartments, etc. The construction project is situated in the Shangjie Campus of the College of Economics and Business, located at the intersection of Huaiyang Road (淮陽路) and Wuyun Road (五雲路), Shangjie District, Zhengzhou City, Henan Province, the PRC.

LETTER FROM THE BOARD

Pursuant to the Construction Contract (Public Buildings and Faculty Apartments), the scope of work for the Contractor in respect of the construction project includes all earthwork, main construction works, steel scaffolding works, water, electricity and fire protection installation works, secondary structure masonry and plastering works, external wall insulation and painting works, roof waterproofing and anti-corrosion works, safety and civilized construction works, as well as various mechanical equipment, construction cables and distribution boxes, and others which are specified in the bill of quantities.

Construction period: The construction of the Phase I public buildings and faculty apartments is expected to commence on 20 March 2025 and complete on 10 October 2025, encompassing a total of 205 calendar days.

Consideration: The consideration of Construction Contract (Public Buildings and Faculty Apartments) amounts to RMB276,652,979.70.

The consideration will be funded by a combination of the IPO Proceeds, as to approximately 50.3% and external loan, as to approximately 49.7%.

Payment: **Prepayment**

The College of Economics and Business shall make a prepayment of 10% of the total consideration of the Construction Contract (Public Buildings and Faculty Apartments), i.e. RMB27,665,297.97, to the Contractor within seven days prior to the agreed-upon start date of construction. As at the Latest Practicable Date, the Company has paid the prepayment under the Construction Contract (Public Buildings and Faculty Apartments) in full.

LETTER FROM THE BOARD

Milestone Payment

- Payments shall be made monthly, contingent upon the progress of the construction project, where the Contractor required to submit a report detailing the completed work for the period from the 20th of the previous month to the 19th of the current month to the construction project supervisor (工程監理人) by the 25th of each month, which shall also contain a payment application and any relevant materials. The construction project supervisor shall complete the review of such report from the Contractor within seven days of receipt and calculate the payment amount based on such report. The construction project supervisor shall then submit the reviewed report to the College of Economics and Business within five days following the review. Payment to the Contractor shall be made within five days after the College of Economics and Business receives and reviews the report.

After the construction projects have been completed, 85% of the total consideration (including the prepayment), i.e. approximately RMB235,155,032.75, should have been paid.

- Within 14 days following the acceptance of the construction project, 95% of the total consideration (including the prepayment), i.e. approximately RMB262,820,330.72, should have been paid.
- Within one month after the final project audit, 97% of the total consideration (including the prepayment), i.e. approximately RMB268,353,390.31, should have been paid.

As at the Latest Practicable Date, the Company hasn't made any milestone payment under the Construction Contract (Public Buildings and Faculty Apartments).

LETTER FROM THE BOARD

Quality Assurance Fund

3% of the total consideration of the Construction Contract (Public Buildings and Faculty Apartments), i.e. approximately RMB8,299,589.39, shall be withheld as a quality assurance fund to ensure the Contractor fulfills their obligation to rectify defects during the defect liability period. The defect liability period shall be 24 months, commencing from the date of completion of the construction project. Upon the expiration of the defect liability period, the College of Economics and Business shall pay the quality assurance fund to the Contractor.

Construction Contract (Dormitory Buildings)

The principal terms of the Construction Contract (Dormitory Buildings) are as follows:

Date:	10 March 2025 (after trading hours)
Parties:	(i) the College of Economics and Business; and (ii) the Contractor.
Subject matter:	The construction project under the Construction Contract (Dormitory Buildings) comprises the Phase I dormitory buildings of the College of Economics and Business, with a total gross floor area of 154,761.91 square meters, which include eight dormitory buildings. The construction project is situated in the Shangjie Campus of the College of Economics and Business, located at the intersection of Huaiyang Road (淮陽路) and Wuyun Road (五雲路), Shangjie District, Zhengzhou City, Henan Province, the PRC.

LETTER FROM THE BOARD

Pursuant to the Construction Contract (Dormitory Buildings), the scope of work for the Contractor in respect of the construction project includes all earthwork, main construction works, steel scaffolding works, water, electricity and fire protection installation works, secondary structure masonry and plastering works, external wall insulation and painting works, roof waterproofing and anti-corrosion works, safety and civilized construction works, as well as various mechanical equipment, construction cables and distribution boxes, and others which are specified in the bill of quantities.

Construction period: The construction of the Phase I dormitory buildings is expected to commence on 20 March 2025 and complete on 10 October 2025, encompassing a total of 205 calendar days.

Consideration: The consideration of Construction Contract (Dormitory Buildings) amounts to RMB352,857,154.80.

The consideration will be funded by a combination of the IPO Proceeds, as to approximately 50.3% and external loan, as to approximately 49.7%.

Payment: **Prepayment**

The College of Economics and Business shall make a prepayment of 10% of the total consideration of the Construction Contract (Dormitory Buildings), i.e. RMB35,285,715.48, to the Contractor within seven days prior to the agreed-upon start date of construction. As at the Latest Practicable Date, the Company has paid the prepayment under the Construction Contract (Dormitory Building) in full.

LETTER FROM THE BOARD

Milestone Payment

- Payments shall be made monthly, contingent upon the progress of the construction project, where the Contractor required to submit a report detailing the completed work for the period from the 20th of the previous month to the 19th of the current month to the construction project supervisor (工程監理人) by the 25th of each month, which shall also contain a payment application and any relevant materials. The construction project supervisor shall complete the review of such report from the Contractor within seven days of receipt and calculate the payment amount based on such report. The construction project supervisor shall then submit the reviewed report to the College of Economics and Business within five days following the review. Payment to the Contractor shall be made within five days after the College of Economics and Business receives and reviews the report.

After the construction projects have been completed, 85% of the total consideration (including the prepayment), i.e. RMB299,928,581.58, should have been paid.

- Within 14 days following the acceptance of the construction project, 95% of the total consideration (including the prepayment), i.e. RMB335,214,297.06, should have been paid.
- Within one month after the final project audit, 97% of the total consideration (including the prepayment), i.e. approximately RMB342,271,440.16, should have been paid.

As at the Latest Practicable Date, the Company hasn't made any milestone payment under the Construction Contract (Dormitory Building).

LETTER FROM THE BOARD

Quality Assurance Fund

3% of the total consideration of the Construction Contract (Dormitory Buildings), i.e. approximately RMB10,585,714.64, shall be withheld as a quality assurance fund to ensure the Contractor fulfills their obligation to rectify defects during the defect liability period. The defect liability period shall be 24 months, commencing from the date of completion of the construction project. Upon the expiration of the defect liability period, the College of Economics and Business shall refund the quality assurance fund to the Contractor.

4. BASIS OF DETERMINATION OF THE CONSIDERATION

The considerations of the Construction Contracts were determined after arm's length negotiations between the College of Economics and Business and the Contractor with reference to, among others, the scope and complexity of the construction works, prevailing market rates for such works, local market conditions, materials used, and labor costs, etc.

5. REASON FOR AND BENEFITS OF ENTERING INTO THE CONSTRUCTION CONTRACTS

The construction of the Shangjie Campus of the College of Economics and Business in Shangjie District, Zhengzhou City, Henan Province, aligns with the Group's development strategy and expanding the scale of its higher education business. The estimated student capacity of Shangjie Campus is approximately 20,000 students. The Shangjie Campus will significantly enhance the Group's ability to broaden its educational offerings and facilities, positively impacting the Group's sustainable development in the future.

Before entering into the Construction Contracts with the Contractor, the Company obtained fee quotations from several qualified contractors within its supplier database first, and then comprehensively evaluated the contractors through their offer documents submitted and Company's past experience with them. Various factors have been taken into account for the selection of contractor for the construction project, including (i) capabilities of the contractors, such as their technical expertises, resources, and ability to meet project requirements, (ii) experience of the contractors, such as performance in similar projects and their familiarity with the specific needs of the College of Economics and Business, (iii) fee quotes provided by the contractors, such as average unit price and total consideration, and (iv) key terms of the contracts. The Contractor's construction team includes several qualified constructors (一級建造師), and the Contractor holds multiple certifications, including but not limited to the qualification of Class B General Construction Contractor of Construction Works (建築工程施工總承包二級). The team was also involved in a previous construction project of another campus

LETTER FROM THE BOARD

for the College of Economics and Business in 2017, where their responsibilities encompassed the construction of various facilities, including the teaching building, student activity center, gymnasium, training center, and the rooftop structure for the western dining area, covering both civil engineering and interior decoration work. Throughout their previous engagements, the team demonstrated their capability by successfully completing all construction tasks within the designated timelines.

After assessing the above-mentioned factors, the Contractor was selected for the construction project with the final consideration determined after arm's length negotiations between the College of Economics and Business and the Contractor after taking into account others, the scope and complexity of the construction works, prevailing market rates for such works, local market conditions, materials used, and labor costs, etc. The Directors are of the view that the terms of each of the Construction Contracts entered into with the Contractor (including the consideration and the payment terms) are the best available terms for the construction of the Shangjie Campus.

In light of the above, the Directors are of the view that the terms and conditions of the Construction Contracts are fair and reasonable and on normal commercial terms and the entering into of the Construction Contract is in the interests of the Group and the Shareholders as a whole.

6. INFORMATION OF THE PARTIES AND THE GROUP

The Contractor

The Contractor, Henan Xianrui Construction Engineering Co., Ltd.* (河南先睿建築工程有限公司), mainly engaged in construction businesses. The Contractor is 100% owned by Wenzhou Jinlong Electrical Appliances Co., Ltd.* (溫州瑾隆電器有限公司), which is in turn held as to 85.0% and 15.0% by Zheng Mo (鄭墨) and Gao Xiaohui (高曉輝), respectively. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Contractor 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.

LETTER FROM THE BOARD

The Group

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

7. IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the transactions contemplated under the Construction Contracts, on aggregate basis, exceeds 25% but is less than 100%, the transactions contemplated thereunder constitute major transactions of the Company and therefore are subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

8. 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 Construction Contracts and the transactions contemplated thereunder; 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 Construction Contracts and the transactions contemplated thereunder.

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 Construction Contracts and the transactions contemplated thereunder and as such, no Shareholder is required to abstain from voting.

On 10 March 2025, the Company has obtained written Shareholders' approval in lieu of holding a general meeting to approve the Construction Contracts and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules from Shareholders who held 74.96% of the issued share capital of the Company in aggregate, including (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

LETTER FROM THE BOARD

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 Construction Contracts and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

9. RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the opinion that the terms of the Construction Contracts and the transactions contemplated thereunder are on normal commercial terms and fair and reasonable and the entering into the Construction Contracts is in the interests of the Company and the Shareholders as a whole. If a general meeting were to be convened for the approval of Construction Contracts and the transactions contemplated thereunder, the Board would recommend the Shareholders to vote in favour of the resolution to approve the Construction Contract and the transactions contemplated thereunder at such general meeting.

10. GENERAL

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

11. 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 2022, 2023 and 2024 are disclosed in the following documents which have been published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.jheduchina.com):

- Annual results announcement of the Company for the year ended 31 December 2024 published on 28 March 2025 (pages 2 to 23);
- Annual report of the Company for the year ended 31 December 2023 published on 16 April 2024 (pages 128 to 200); and
- Annual report of the Company for the year ended 31 December 2022 published on 19 April 2023 (pages 136 to 208).

2. INDEBTEDNESS STATEMENT

As at the close of business on 28 February 2025, 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 28 February 2025, the Group did not have any significant security and guarantees.

Bank and other borrowings and interest accruals

As at the close of business of 28 February 2025, the Group had bank and other outstanding borrowings amounted to RMB60.0 million which are not guaranteed or secured.

Lease liabilities

As at the close of business on 28 February 2025, the lease liabilities of the Group amounted to approximately RMB2.8 million.

Commitments

As at the close of business of 28 February 2025, the Group's capital commitments to make contracted payment amounted to approximately RMB153.6 million.

Contingent liabilities

As at 28 February 2025, the Group did not incur any 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 28 February 2025, 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 28 February 2025, the date to which the indebtedness statement is made and up to the Latest Practicable Date.

3. WORKING CAPITAL SUFFICIENCY

The Directors are satisfied that, after due and careful consideration and taking into account the present financial resources available to the Group, the effect of the Construction Contracts and the transactions contemplated thereunder and in the absence of unforeseen circumstances, the working capital of the Group is sufficient 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 2024, being the date to which the latest published audited consolidated accounts of the Group were made up.

5. FINANCIAL EFFECTS OF THE CONSTRUCTION CONTRACTS ON THE GROUP

As of 31 December 2024, the audited consolidated total assets and total liabilities of the Group amounted to approximately RMB4,706.2 million and RMB865.2 million, respectively. The consideration payable under the Construction Contracts will be financed by the IPO Proceeds and external loans.

When the considerations under the Construction Contracts are incurred, the relevant portion of the considerations will be capitalised to “property, plant and equipment” hence the amount of the property, plant and equipment of the Group is expected to increase by approximately RMB825.6 million following the completion of the works. The payment of the considerations, and the payments and expenses incurred and to be incurred in connection with the construction works under the Construction Contracts would result in a decrease in “cash and cash

equivalents” of approximately RMB415.0 million and an increase in “bank borrowings” of approximately RMB410.6 million as the considerations under the Construction Contracts will be funded by IPO Proceeds and external loans.

The Company considers that there will not be any material effect on the earnings of the Group immediately due to the execution of the Construction Contracts. Since the considerations are expected to be funded by IPO Proceeds and external loans, the cash and cash equivalents of the Group will decrease and the Group’s bank borrowings will increase, and as a result, the bank interest income of the Group will be reduced and the finance costs from interest-bearing loans will increase. The finance costs from interest-bearing loans that are directly attributable to the Construction Works will be capitalised in the construction cost of the plant during the construction period.

6. 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 Prospect

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 Shangjie District, Zhengzhou City, Henan Province, that will primarily offer undergraduate courses. The estimated student capacity is approximately 20,000 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.

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

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 Jingyi Secondary School (%)
Mr. Chen Yucao	Beneficial owner	250,000	25.00
Mr. Chen Yutian	Beneficial owner	150,000	15.00

Long positions in Changzheng College

Name	Capacity/ Nature of interest	Approximate percentage of shareholding of Changzheng College (%)
Hangzhou Changzheng Vocational School (杭州長征業餘學校)	Beneficial owner	46.38
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

Note:

1. 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 2024, 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:

- (i) 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;
- (ii) the land use rights grant contract dated 24 December 2024 entered into between the College of Economics and Business and Zhengzhou City Shangjie District Natural Resources Bureau* (鄭州市上街區自然資源局), a PRC government authority and the grantor of the land use rights of the land, in respect of the grant of the land use rights for the land located in Shangjie District, Zhengzhou City, Henan Province, the PRC with a total site area of approximately 517,731.81 square meters at a consideration of RMB305.98 million; and

- (iii) the land use rights grant contract dated 7 January 2025 entered into between the College of Economics and Business and Zhengzhou City Shangjie District Natural Resources Bureau* (鄭州市上街區自然資源局), a PRC government authority and the grantor of the land use rights of the land, in respect of the grant of the land use rights for the land located in Shangjie District, Zhengzhou City, Henan Province, the PRC with a total site area of approximately 229,284.93 square meters at a consideration of RMB135.97 million.

7. 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.

8. 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 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 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.

9. DOCUMENTS AVAILABLE 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) Construction Contract (Dormitory Buildings);
- b) Construction Contract (Public Buildings and Faculty Apartments); and
- c) Construction Contract (Teaching and Training Buildings).