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China Education Group Holdings Limited

中國教育集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 839)

**PROPOSED ISSUANCE OF U.S.\$200,000,000 5.625 PER CENT.
BONDS DUE 2029**

Reference is made to the announcement of the Company dated 15 June 2026 in respect of the proposed Bonds Issue.

The Board is pleased to announce that on 16 June 2026, the Company entered into the Subscription Agreement with the Joint Lead Managers in connection with the Bonds Issue.

The Company estimates that the gross proceeds from the Bonds Issue, before deducting commissions to be charged by the Joint Lead Managers and other estimated expenses payable in connection with the offering of the Bonds, will be approximately U.S.\$197,926,000. The net proceeds from the offering of the Bonds are proposed to be used by the Company for refinancing and general corporate purposes including capital expenditure and working capital.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issue to Professional Investors only. A confirmation of the eligibility for the listing of the Bonds has been received from the Stock Exchange. Listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Company or the Bonds.

As the conditions to completion under the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, potential investors and Shareholders are urged to exercise caution when dealing in the securities of the Company.

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Any Bonds to be issued have not been, and will not be, registered under the U.S. Securities Act, or the securities laws of any state of the United States, or any other jurisdiction, and may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state or local securities laws. The Bonds will be offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act. This announcement and the information contained herein are not for distribution, directly or indirectly, in or into the United States. No public offer of the Bonds is being or will be made in the United States. None of the Bonds will be offered to the public in Hong Kong other than to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance.

THE SUBSCRIPTION AGREEMENT

Date

16 June 2026

Parties to the Subscription Agreement

- (a) the Company as the issuer of the Bonds; and
- (b) the Joint Lead Managers.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Joint Lead Managers is an independent third party and is not a connected person of the Company.

The obligations of the Joint Lead Managers to subscribe and pay for the Bonds are conditional upon satisfaction of certain conditions as set out in the Subscription Agreement.

PRINCIPAL TERMS OF THE BONDS

The following is a summary of certain provisions of the Bonds and the Trust Deed. This summary does not purport to be complete and is subject in its entirety to provisions of the documents relating to the Bonds. Terms defined in the Terms and Conditions shall have the same meanings when used in this summary.

Bonds Offered

Subject to the fulfillment of certain conditions set out in the Subscription Agreement, the Company will issue the Bonds in the aggregate principal amount of U.S.\$200,000,000 which will mature on 24 June 2029, unless the Bonds are redeemed earlier pursuant to the terms thereof. At maturity, the Bonds are payable at their principal amount.

Issue Price

The issue price of the Bonds will be 98.963 per cent. of the aggregate principal amount of the Bonds.

Interest

The Bonds will bear interest on their outstanding principal amount from and including 24 June 2026 at the rate of 5.625 per cent. per annum, payable semi-annually in arrear in equal instalments on 24 June and 24 December in each year, commencing on 24 December 2026.

Status of the Bonds

The Bonds will constitute direct, unconditional, senior, unsubordinated and (subject to the Terms and Conditions) unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable laws and regulations and subject to the Terms and Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Negative Pledge

The Company will covenant that so long as any Bond remains outstanding, the Company will not, and the Company will ensure that none of its Subsidiaries will, create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto the Company's obligations under the Bonds are secured equally and rateably by (i) the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (ii) such other security as shall be approved by an Extraordinary Resolution of the Bondholders.

Redemption for Taxation Reasons

The Bonds may be redeemed at the option of the Company in whole, but not in part, at any time, on giving not less than 15 nor more than 30 days' notice to the Bondholders in accordance with the Terms and Conditions and in writing to the Trustee and the Principal Paying Agent (which notice shall be irrevocable), at their principal amount together with any unpaid interest accrued to, but excluding, the date fixed for redemption, in the event of certain tax changes if, immediately prior to the giving of such notice, the Company satisfies certain conditions as described in the Terms and Conditions.

Redemption for Change of Control

At any time following the occurrence of a Change of Control, a Holder will have the right, at such Holder's option, to require the Company to redeem all but not some only of that Holder's Bonds on the Put Settlement Date at 101 per cent. of their principal amount, together with, in each case, any unpaid interest accrued up to but excluding such Put Settlement Date.

Company Early Redemption (Company Par Call)

Subject to the Terms and Conditions, the Company may redeem all, but not some only, of the Bonds at any time on or after 24 May 2029 at their principal amount together with unpaid interest accrued up to but excluding the date fixed for redemption, by giving not less than 15 nor more than 30 days' notice to the Bondholders in accordance with the Terms and Conditions and in writing to the Trustee and the Principal Paying Agent (which notice shall be irrevocable).

Make Whole Redemption

Subject to the Terms and Conditions, the Company may, at any time prior to 24 May 2029, on giving not less than 30 nor more than 60 days' notice to the Bondholders in accordance with the Terms and Conditions and in writing to the Trustee and the Principal Paying Agent (which notice shall be irrevocable and shall specify the date fixed for redemption (the "**Optional Redemption Date**")), redeem all, but not some only, of the Bonds at the Make Whole Redemption Price together with unpaid interest accrued to but excluding the Optional Redemption Date.

Events of Default

Under the Terms and Conditions, an event of default occurs if:

- (a) the Company fails to pay (i) any amount of principal or premium (if any) in respect of the Bonds on the due date for payment thereof or (ii) any amount of interest in respect of the Bonds on the due date for payment thereof and such failure to pay interest continues for a period of 14 days after the due date for such payment; or
- (b) the Company does not perform or comply with any one or more of its other obligations under the Bonds or the Trust Deed or the Agency Agreement, which default is, in the opinion of the Trustee, incapable of remedy or, if such default is, in the opinion of the Trustee, capable of remedy, such default is not remedied within thirty (30) calendar days after notice of such default have been given to the Company by the Trustee; or

- (c) (i) any other present or future indebtedness of the Company or any of its Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described); or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period; or (iii) the Company or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds U.S.\$135,000,000 or its equivalent in any other currency (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this paragraph (c) operates); or
- (d) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the whole or any material part of the property, assets or revenues of the Company or any Principal Subsidiary and is not discharged or stayed within thirty (30) calendar days after the date(s) thereof or, if later, the date therein specified for payment and in respect of an unsatisfied judgement, no further appeal or judicial review from such judgment is permissible under applicable law; or
- (e) a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or substantially all of the undertaking, assets and revenues of the Company or any of its Principal Subsidiaries and such possession or appointment remains undischarged or unstayed for a period of not less 30 days; or
- (f) (A) the Company or any of its Principal Subsidiaries becomes insolvent or is unable to pay all or substantially all of its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts (as and when such debts fall due); (B) an administrator or liquidator is appointed (or application for any such appointment is made) in respect of the Company or any of its Principal Subsidiaries for the whole or substantially all of the undertaking, assets and revenues of the Company or any of its Principal Subsidiaries; or (C) the Company or any of its Principal Subsidiaries takes any proceeding under any law for a readjustment or deferment of all or substantially all of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of all or substantially all of its indebtedness or any guarantee of any such indebtedness given by it; or

- (g) an order is made or an effective resolution is passed for the winding-up or dissolution of the Company or any Principal Subsidiary (except for a members' voluntary solvent winding up of a Principal Subsidiary) and in the case of the order applied for by persons other than the Company or the Principal Subsidiary, as the case may be, such order is not stayed or discharged within 30 days, or the Company or any Principal Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the (i) purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation: (A) on terms approved by the Bondholders by Extraordinary Resolution, or (B) in the case of a Principal Subsidiary, whereby the undertaking and assets of a Principal Subsidiary are transferred to or otherwise vested in the Company or any of its Subsidiaries, or (ii) a solvent winding up of any Principal Subsidiary other than the Company, or (iii) a disposal of a Principal Subsidiary on an arm's length basis; or
- (h) all or any substantial part of the undertaking, assets and revenues of the Company or any of its Principal Subsidiaries is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government; or
- (i) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Company lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under the Bonds, the Trust Deed and the Agency Agreement, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds, the Trust Deed and the Agency Agreement admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or
- (j) it is or will become unlawful for the Company to perform or comply with any one or more of its obligations under any of the Bonds, the Trust Deed and the Agency Agreement; or
- (k) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (c) to (g) above (both inclusive).

If an event of default occurs the Trustee at its discretion may, and if so requested in writing by Holders of at least 25 per cent. of the aggregate principal amount of the Bonds then outstanding, or if so directed by an Extraordinary Resolution shall (provided in any such case that the Trustee shall have first been indemnified and/or secured and/or pre-funded to its satisfaction), give notice to the Company that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with any accrued and unpaid interest.

INFORMATION ABOUT THE GROUP AND PROPOSED USE OF PROCEEDS

The Group is a leading provider of vocational education services. The Group is committed to developing more high-quality skilled professionals and enhancing the core competencies of vocational schools by cultivating a “dual-qualified” teaching workforce, establishing open regional academia-industry practice centers, expanding student development pathways, and innovating international exchange and cooperation mechanisms. The Group’s education management system has received ISO-9001 certification, and Deloitte Touche Tohmatsu has named the Group one of China’s “Best Managed Companies” for seven consecutive years. The Group operates in China, Australia, and the United Kingdom and has been listed on the main board of the Stock Exchange since 2017. The World Bank Group has designated the Group as an “inclusive business” due to its successful promotion of social equity.

The Company estimates that the gross proceeds from the Bonds Issue, before deducting commissions to be charged by the Joint Lead Managers and other estimated expenses payable in connection with the offering of the Bonds, will be approximately U.S.\$197,926,000. The net proceeds from the offering of the Bonds are proposed to be used by the Company for refinancing and general corporate purposes including capital expenditure and working capital.

The Directors consider that the Bonds Issue, the Terms and Conditions and the Subscription Agreement are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

LISTING AND RATING

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issue to Professional Investors only. A confirmation of the eligibility for the listing of the Bonds has been received from the Stock Exchange. Listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Company or the Bonds.

The Bonds are expected to be rated “BBB” by S&P. In addition, the Company has been assigned a long-term issuer credit rating of “BBB” with a stable outlook by S&P. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, qualification, suspension, reduction or withdrawal at any time by the assigning rating agency. The significance of each rating should be analysed independently from any other rating. A revision, qualification, suspension, reduction or withdrawal at any time of the rating assigned to the Company or the Bonds may adversely affect the liquidity or market price of the Bonds.

As the conditions to completion under the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, potential investors and Shareholders are urged to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Agency Agreement”	an agency agreement relating to the Bonds to be entered into between, among others, the Company and the Trustee and the Principal Paying Agent named therein on or about the Closing Date
“Board”	the board of directors of the Company
“Bonds”	U.S.\$200,000,000 5.625 per cent. Bonds due 2029 to be issued by the Company
“Bonds Issue”	the issue of the Bonds by the Company
“China” or “PRC”	the People’s Republic of China, which shall for the purpose of this announcement only, exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Closing Date”	24 June 2026 or such other date as shall be agreed between the Company and the Joint Lead Managers
“Company”	China Education Group Holdings Limited (中國教育集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its Subsidiaries (including its consolidated affiliated entities)

“Holder(s)” or “Bondholder(s)”	the person in whose name a Bond is registered in the Register (or in the case of a joint holding, the first named thereof)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Joint Lead Managers”	UBS AG Hong Kong Branch and China International Capital Corporation Hong Kong Securities Limited (as the joint global coordinators, joint bookrunners and joint lead managers in respect of the offer and sale of the Bonds), China Minsheng Banking Corp., Ltd. Hong Kong Branch and Industrial Bank Co., Ltd. Hong Kong Branch (as the joint bookrunners and joint lead managers in respect of the offer and sale of the Bonds) and Standard Chartered Bank, BOCOM International Securities Limited, Bank of Communications Co., Ltd. Hong Kong Branch, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, China CITIC Bank International Limited and Nanyang Commercial Bank, Limited (as the joint lead managers in respect of the offer and sale of the Bonds)
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Register”	a register in respect of the Bonds maintained outside the United Kingdom
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	registered holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the agreement dated 16 June 2026 entered into among the Company and the Joint Lead Managers in relation to the Bonds Issue

“Subsidiary”	in relation to any person (the “first Person”) at any particular time, any other person (the “second Person”) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person. For the avoidance of doubt, each of the consolidated affiliated entities whose financial statements are consolidated with those of the Company pursuant to International Financial Reporting Standards and their respective subsidiaries will be considered a Subsidiary of the Company
“S&P”	S&P Global Ratings, a division of S&P Global Inc.
“Terms and Conditions”	the terms and conditions of the Bonds
“Trust Deed”	the trust deed constituting the Bonds to be made between the Company and the Trustee on or about the Closing Date
“United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended

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

Hong Kong, 17 June 2026

As at the date of this announcement, the executive directors of the Company are Dr. Yu Kai and Mr. Wang Rui, and the independent non-executive directors of the Company are Dr. Gerard A. Postiglione, Dr. Rui Meng and Dr. Wu Kin Bing.