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### **China New Higher Education Group Limited** **中國新高教集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 2001)**

## **COMPLETION OF PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

The Board is pleased to announce that the completion of the Placing took place on 21 September 2020 in accordance with the terms and conditions of the Placing and Subscription Agreement, where an aggregate of 44,000,000 Placing Shares were successfully placed to no less than six placees, who and whose ultimate beneficial owners are, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Independent Third Parties, at the Placing Price of HK\$5.35 for each Placing Share.

As all conditions of the Subscription have been fulfilled, the Company allotted and issued 44,000,000 Subscription Shares to the Seller at HK\$5.35 per Subscription Share on 25 September 2020.

Reference is made to the announcement of the Company dated 17 September 2020 in respect of, among other things, the Placing of existing Shares and top-up Subscription of new Shares under General Mandate (the "**Announcement**"). Unless defined otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

## **COMPLETION OF THE PLACING AND THE SUBSCRIPTION**

The Board is pleased to announce that the completion of the Placing took place on 21 September 2020. An aggregate of 44,000,000 Placing Shares have been successfully placed by the Placing Agent to no less than six placees at the Placing Price of HK\$5.35 for each Placing Share pursuant to the terms and conditions of the Placing and Subscription Agreement. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Placees are Independent Third Parties. None of the placees has become a Substantial Shareholder of the Company immediately after the Placing.

As all conditions for the completion of the Subscription had been fulfilled, the Company allotted and issued 44,000,000 Subscription Shares to the Seller at HK\$5.35 per Subscription Share on 25 September 2020. The net proceeds from the Subscription (after deducting all fees, costs and expenses properly incurred by the Seller and the Company (including the Placing Agent's commission, the stamp duty, the Stock Exchange trading fee and the SFC transaction levy) to be borne by the Company, and other expenses incurred by the Company, in connection with the Placing and the Subscription) amount to approximately HK\$232.79 million.

The Company intends to use the estimated net proceeds of the Subscription primarily for (a) further investments in existing schools to improve quality and efficiency; (b) potential acquisitions of new schools, especially in the Greater-bay, Sichuan-Chongqing and certain other areas; and (c) general corporate purposes. As of the date of this announcement, (i) the Company intends to acquire new schools but has not identified any specific acquisition targets; (ii) no agreement has been entered by the Group in respect of any such acquisitions; and (iii) no allocation plan of such net proceeds between further investments in existing schools, possible acquisitions of new schools and general corporate purposes has been formulated. The Company will make announcement(s) in respect of any such acquisition(s) in compliance with the requirements of the Listing Rules where appropriate.

The table below sets out the shareholding structures of the Company (i) immediately before the completion of the Placing and the Subscription; (ii) immediately after the completion of the Placing, but before the completion of the Subscription; and (iii) immediately after the completion of the Placing and the Subscription, respectively:

	Immediately before the completion of the Placing and the Subscription		Immediately after the completion of the Placing, but before the completion of the Subscription <sup>(1)</sup>		Immediately after the completion of the Placing and the Subscription <sup>(1)</sup>	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
<b>Controlling Shareholders</b>						
Seller <sup>(2)</sup>	518,852,625	33.66%	474,852,625	30.81%	518,852,625	32.73%
Aspire Education Technology <sup>(2)</sup>	175,160,100	11.36%	175,160,100	11.36%	175,160,100	11.05%
Aspire Education Consulting <sup>(2)</sup>	56,000,000	3.63%	56,000,000	3.63%	56,000,000	3.53%
<b>Total for Controlling Shareholders</b>	<b>750,012,725</b>	<b>48.66%</b>	<b>706,012,725</b>	<b>45.80%</b>	<b>750,012,725</b>	<b>47.31%</b>
<b>Public Shareholders</b>						
Placees	–	–	44,000,000	2.85%	44,000,000	2.78%
Other Public Shareholders	791,457,685	51.34%	791,457,685	51.34%	791,457,685	49.92%
<b>Total:</b>	<b>1,541,470,410</b>	<b>100%</b>	<b>1,541,470,410</b>	<b>100%</b>	<b>1,585,470,410</b>	<b>100%</b>

*Notes:*

- Certain figures and percentage figures included in the above table have been subject to rounding adjustments.
- As at the date of this announcement, (a) Mr. Li is the sole shareholder of the Seller and he is therefore deemed to be interested in the Shares held by the Seller under the SFO; (b) Mr. Li holds 61.48% shares in Aspire Education Technology and he is therefore deemed to be interested in the Shares held by Aspire Education Technology under the SFO; and (c) Mr. Li holds 79.19% shares in Aspire Education Consulting and he is therefore deemed to be interested in the Shares held by Aspire Education Consulting under the SFO.
- As at the date of this announcement, Mr. Li is deemed to be interested in 1,452,500 underlying Shares which may be issued to him upon exercise of the share options granted to him by the Company.

As at the date of this announcement, the completion of the issue of the Convertible Bonds has not been taken place. The Company will issue further announcement(s) when and as appropriate according to the Listing Rules.

By order of the Board  
**China New Higher Education Group Limited**  
**Li Xiaoxuan**  
*Chairman*

Hong Kong, 25 September 2020

*As at the date of this announcement, the executive Directors were Mr. Li Xiaoxuan, Mr. Zhao Shuai and Ms. Shen Chunmei, and the independent non-executive Directors were Mr. Hu Jianbo, Mr. Kwong Wai Sun Wilson, Mr. Chan Tung Hoi and Dr. Pang Tsz Kit Peter.*