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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)

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

The Board announces that the Company as borrower entered into a facilities agreement relating to up to US\$100,000,000 senior secured term loan and revolving loan facilities (with a greenshoe option of up to US\$25,000,000) with, among others, various banks as lenders and Credit Suisse AG, Singapore Branch (incorporated in Switzerland with limited liability), as mandated lead arranger and bookrunner, agent of the finance parties and security trustee for the secured parties. The Facilities Agreement contains provisions which require certain specific performance obligations on the controlling shareholder (as defined in the Listing Rules) of the Company, including requiring the controlling shareholder of the Company to avoid series of events of default as stated below.

This announcement is made pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of China New Higher Education Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that on 3 June 2021, the Company (the “**Borrower**”) entered into a facilities agreement relating to up to US\$100,000,000 senior secured term loan and revolving loan facilities (with a greenshoe option of up to US\$25,000,000) (the “**Facilities**”) with, among others, various banks as lenders and Credit Suisse AG, Singapore Branch (the “**Mandated Lead Arranger & Bookrunner, MLAB**”, as mandated lead arranger and bookrunner, agent of the finance parties and security trustee, the “**Agent**” and the “**Security Agent**”) for the secured parties (the “**Facilities Agreement**”). The term of the Facilities is 3 years from its first utilisation. The purposes of the Facilities are, among others, for the repayment and/or discharge of the outstanding amount under an existing term loan facility obtained by the Group as set out in its announcement of 22 February 2018, and the general corporate purposes of the Group.

The Facilities is initially guaranteed by Aspire Education Information Co., Ltd. and Aspire Education Holding Co., Limited, both being wholly-owned subsidiaries of the Group, and Mr. Li Xiaoxuan, the controlling shareholder of the Company (the “**Guarantors**”).

It is provided in the Facilities Agreement, among other things, that an event of default will occur if any of the following takes place:

- (i) Mr. Li Xiaoxuan does not pay on the due date any amount payable pursuant to the Facilities Agreement and personal guarantee (the “**Finance Documents**”);
- (ii) Mr. Li Xiaoxuan does not comply with any provisions in the Finance Documents and if the failure is capable of being remedied, not remedied within ten (10) business days of the earlier of (A) the Agent giving notice to the Borrower, and (B) the Borrower or the Guarantors becoming aware of the failure to comply;
- (iii) Any representation or statement made or deemed to be made by Mr. Li Xiaoxuan in Finance Documents or any other document delivered by or on behalf of any of the Borrower or the Guarantors under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made, unless those circumstances are capable of remedy and are remedied within ten (10) business days of the earlier of the Agent giving notice of the misrepresentation, breach of warranty or misstatement to the Borrower and the Borrower or the Guarantors becoming aware of the misrepresentation, breach of warranty or misstatement;
- (iv) Mr. Li Xiaoxuan is or is deemed for the purposes of any applicable law to be unable to pay his debts as they fall due or bankrupt, suspends making payments on any of his debts or by reason of actual or anticipated financial difficulties, commences negotiations with one or more of his creditors with a view to rescheduling any of his indebtedness, admits his inability to pay his debts as they fall due or commits an act of bankruptcy;
- (v) Mr. Li Xiaoxuan enters into any composition, scheme, individual voluntary arrangement or other arrangement with his creditors or has an interim order made in relation to him, any person presents a petition or files documents with a court or any registrar for his bankruptcy; and/or
- (vi) Mr. Li Xiaoxuan repudiates a Finance Document or evidences an intention to repudiate a Finance Document.

In case of occurrence of an event of default which is continuing, the Agent may, and shall if so directed by the majority lenders, by notice to the Company: (i) cancel all or part of the total commitments under the Facilities; (ii) declare that all or part of the Facilities, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable; (iii) declare that all or part of the Facilities be payable on demand by the Agent acting on the instructions of the majority lenders; and/or (iv) exercise or direct the Security Agent to exercise any or all of its rights, powers, authorities, discretions or remedies under the Finance Documents.

As at the date of this announcement, Mr. Li Xiaoxuan, as one of the executive Directors, the chairman of the Board and the controlling shareholder of the Company, indirectly held approximately 47.30% of the issued share capital of the Company by virtue of (1) his 100% interest in Aspire Education Management Co., Ltd., and (2) his controlling interest in Aspire Education Technology Co., Ltd. and Aspire Education Consulting Co., Ltd.

The Company will make continuing disclosure in respect of the Facilities in its subsequent interim and annual reports pursuant to the requirements of Rule 13.21 of the Listing Rules.

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

Hong Kong, 3 June 2021

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