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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)

SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
ENTERING INTO COOPERATION AGREEMENT WITH
ZHONGYUAN TRUST

Reference is made to the announcement of China New Higher Education Group Limited dated 24 December 2025 (the “**Announcement**”) in relation to the discloseable transaction with respect to the Cooperation Agreement with Zhongyuan Trust. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Company would like to provide the following supplemental information in respect of the Announcement.

FURTHER INFORMATION OF THE TRUST PLAN

Maximum contribution by the Group

As disclosed in the Announcement, the targeted capital size of the trust shall be RMB700,000,000, of which RMB430,000,000 shall be contributed by Yun Ai Group and/or affiliated entities and the remaining capital is expected to be contributed by external investor(s). Yun Ai Group and/or any other member of the Group shall not have any obligation, undertaking or arrangement to contribute any shortfall if third-party fundraising is insufficient.

Legal nature and economic terms of the trust

According to the PRC laws, the establishment of legal trusts does not constitute a new independent legal entity. As such, the establishment of the trust essentially creates a legal relationship wherein the trustee, based on the entrustment by the settlor, holds, manages or disposes of the trust property, according to the will of the settlor and in its own name for the benefit of the beneficiary or for any intended purposes. The legal nature of the investors' interests is a beneficial interest in the trust property (i.e., the investors, as settlors/beneficiaries, entrust assets to the trust company for management and are entitled to the trust benefits generated therefrom).

Set out below are some key terms of the trust plan set by the Group:

Expected return: The expected annualized rate of return is capped at 3%. This rate is determined by the Group with reference to the Group's current average financing cost for short-term loans and represents a reduction of approximately 50 basis points compared to the Group's financing cost for five-year loans.

Payment priority: All investors (including the Group and third parties) hold pari passu rights and are entitled to equal ranking regarding distributions based on their respective capital contribution ratios.

Maturity/Exit: The trust may be terminated upon: (i) expiration of the trust period without extension; (ii) the trust purpose being achieved or becoming impossible to achieve; (iii) mutual agreement by the trust parties; or (iv) force majeure or default events.

Default remedies: If a settlor, beneficiary, or the trustee fails to perform its obligations under the trust deed, it constitutes a default. The defaulting party shall bear the corresponding liability as stipulated in the trust deed. If such default causes loss, the defaulting party shall indemnify the non-defaulting party or other relevant parties for all losses incurred.

If any borrower fails to repay the principal and/or interest payments to the trust, it will constitute a default under the loan agreement with the trust. In such circumstances, the loan will become immediately due and payable and the borrower will be required to, among others, pay default interests and liquidated damages.

Scope of investment: The scope of investment of the trust is limited to the operational expenditures for the construction of new and existing campuses under Yun Ai Group, upgrades to teaching facilities, development of academic disciplines and programs, faculty development, and establishment of scientific research and innovation platforms. It does not involve expenditures in non-educational fields or disguised investments.

The nature of the investment is entrusted loans, with the borrowers being new and existing schools of the Group which are consolidated affiliated entities of the Group. The trust will not provide loans to any party outside the Group. The Company confirms that providing entrusted loans to Group entities described above is the only investment that the trust can make.

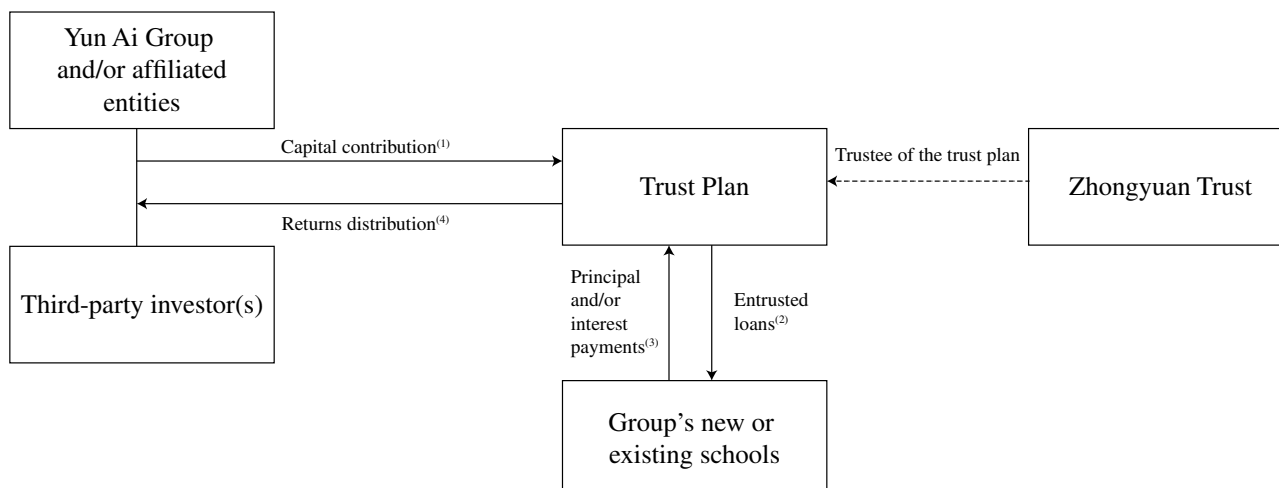
**Target independent
third-party
investors:**

The Group will comprehensively consider and evaluate potential investors' recognition of the Group's high-quality development strategy, as well as the industrial synergy with the local economic development of the institutions, in order to select and introduce the most suitable investors who meet the conditions as qualified investors under the relevant PRC laws.

To ensure the trust strictly adheres to the investment scope (i.e., only lending within the Group), the Company has established the following internal control measures:

- (i) a clear governance structure requiring approval within the Group;
- (ii) implementation of a comprehensive lifecycle management mechanism covering pre-investment, mid-investment, and post-investment phases. This involves strict control over fund allocation prior to investment and ongoing monitoring to ensure transactions align with established strategies. Additionally, post-investment reviews will be conducted to assess risks, including legal and cash flow implications; and
- (iii) regular internal control evaluations reported to the Audit Committee of the Board. Any violation of the investment scope will result in accountability proceedings against the executing and approving personnel.

Structure and fund flow of the trust plan



Notes:

- (1) Yun Ai Group and/or affiliated entities and potential third-party investors inject capital into the trust.
- (2) The trust utilizes the funds primarily to grant entrusted loans to the Group's new or existing schools (the "**Project Schools**").
- (3) The Project Schools pay interest/principal to the trust.
- (4) The trust distributes the returns to the investors (Yun Ai Group and/or affiliated entities and third-party investor(s) (if any)) according to their beneficial interests in the trust.

The trust deed, which is the governing document of the trust, will safeguard the Group's control over the trust through the following mechanisms, ensuring the trust plan is treated as a consolidated entity:

- (i) The Group (as the primary settlor) has the final decision-making power regarding the scale of the trust; and
- (ii) The trust deed contains an arbitrary cancellation clause, stating: "If the Settlor/Beneficiary decides to terminate the entrustment within the trust period, this Trust shall terminate." Therefore, as the Settlor/Beneficiary, the Group possesses independent absolute decision-making power regarding the existence, duration, and termination of the trust, thereby substantiating the "control" position.

REASONS FOR ESTABLISHING THE TRUST PLAN

The Board considers that the establishment of the trust plan serves as an efficient strategic platform to attract investors and facilitate the provision of entrusted loans to the Group's existing or new schools, and the trust plan offers commercial and strategic advantages to the Group for the following reasons:

Capital efficiency and cost optimization

The trust plan enables the Group to effectively lock in and deploy its internal funds of RMB430 million alongside low-cost financing, ensuring that core development projects can commence immediately. The structure is designed to optimize capital utilization and reduce overall financing costs through diversified funding sources. The current projected overall financing cost is not expected to exceed 3% per annum, allowing the Group to seize a window of opportunity for low-cost financing. This rate is substantially consistent with the Group's current average financing cost for short-term loans and represents a reduction of approximately 50 basis points compared to the Group's financing cost for five-year loans.

Preservation of governance and operational stability

The trust plan is structured to separate economic benefits from management control. Future investors in the Trust Scheme will hold beneficial interests in the trust plan rather than equity ownership in the Group. This structure ensures that the management and operation of the schools remain centralized under the Company's control, ensuring operational continuity and preserving the stability of the Group's decision-making process.

Flexibility of exit mechanism and diversification of capital

The trust plan provides a flexible investment platform regarding the entry and exit of investors. This enhanced liquidity lowers the entry barrier for potential investors and enables the Group to attract a broader range of capital partners, particularly those seeking financial returns without the burden of operational involvement, thereby facilitating a more diversified capital base for the Group's future expansion.

FURTHER INFORMATION ABOUT ZHONGYUAN TRUST

Zhongyuan Trust shall act as the trustee and manager of the trust plan and they are primarily responsible for managing the trust assets, i.e. the capital injected by Yun Ai Group and/or affiliated entities and potential third-party investors, and ensuring that the funds will be strictly applied towards the intended development projects. The total service fees to be provided to Zhongyuan Trust for the aforesaid asset management service shall not exceed 0.1% of the actual assets under the trust in each fiscal year.

Zhongyuan Trust also offers financial consultancy services which includes capital structure design and financing strategy recommendations; and risk management consultancy service includes compliance reviews and market risk assessments. Service fees shall be based on the actual services rendered and calculated at agreed rates according to the complexity and the stage of execution of each service. The specific scope of services and service fees shall be subject to the specific cooperation agreements to be separately executed in the future, if needed. Under the current mutual agreement under the Cooperation Agreement, Zhongyuan Trust shall only be responsible for providing the above asset management service in relation to the trust plan. The Company currently has no intention to engage Zhongyuan Trust for any financial consultancy service or risk management consultancy service.

In the event that separate agreement will need to be entered into with Zhongyuan Trust for extra services to be provided, the Company will strictly adhere to the requirements of the Listing Rules and make announcement as and when appropriate. In addition, the Company will implement the following measures to ensure any future agreements are fair, reasonable, and in the interests of shareholders:

- (i) The Company will determine the service fees with reference to prevailing market rates for similar services to ensure they are on normal commercial terms;
- (ii) Future agreements must be submitted to the Audit Committee of the Board for independent review and approval before signing; and
- (iii) Future agreements will incorporate performance benchmarks and default remedies, entitling the Company to withhold payment or seek compensation should the services fail to meet the agreed standards.

COMPLIANCE WITH CHAPTERS 14 AND 14A OF THE LISTING RULES

Given that the actual control power of the trust plan vested with Yun Ai Group or its designated affiliates and the trust will be consolidated into the Group as a structured entity or otherwise, any future investments to be made by the trust will be subject to the requirements under Chapters 14 and 14A of the Listing Rules.

Any future investment by third-party investor(s) will cause the equity interest of the Group in the trust to decrease. Thus, any such transaction will constitute a deemed disposal of equity interest in the trust under Rule 14.29 of the Listing Rules. In addition, if any third-party investor is a connected person of the Company, its investment to the trust will constitute a connected transaction. The Company will comply with the reporting, announcement, circular, and independent shareholders' approval requirements under Chapter 14 or 14A of the Listing Rules as and when appropriate.

Save as above, all other information as set out in the Announcement remains unchanged and shall continue to be valid for all purposes, while this announcement is supplemental to and should be read in conjunction with the Announcement.

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

Hong Kong, 8 April 2026

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