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CHINA CHUNLAI EDUCATION GROUP CO., LTD.
中國春來教育集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1969)

VOLUNTARY ANNOUNCEMENT
ENTERING INTO THE LOAN AGREEMENT

This is a voluntary announcement made by China Chunlai Education Group Co., Ltd. (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to announce that on 24 May 2021, the College of Engineering and Technology of Yangtze University* (長江大學工程技術學院) (“**Hubei College**”) as borrower (the “**Borrower**”) and China Everbright Bank Co. Ltd., Jingzhou Branch* (中國光大銀行股份有限公司荊州分行) as lender (the “**Lender**”) entered into a loan agreement (the “**Loan Agreement**”), pursuant to which Lender has agreed to make available a term loan facility in an amount of RMB90,000,000 (the “**Loan**”) to the Borrower.

The principal terms of the Loan Agreement are summarised as follows:

THE LOAN AGREEMENT

| | | |
|---------------------|---|---|
| Date | : | 24 May 2021 |
| Lender | : | China Everbright Bank Co. Ltd., Jingzhou Branch* (中國光大銀行股份有限公司荊州分行) |
| Borrower | : | College of Engineering and Technology of Yangtze University* (長江大學工程技術學院) |
| Purpose of the Loan | : | For the construction of the Borrower’s new campus |
| Term of the Loan | : | 5 years, commencing on 10 June 2021 |
| Interest | : | To be separately agreed by the Borrower and the Lender |
| Security | : | The Loan Agreement is secured by a guarantee provided by each of the Company, PRC Holdco, School Sponsor, Hubei Chunlai and WFOE (as defined below) |

To the best knowledge, information, and belief of the Directors, the Lender and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

GUARANTEE

On 25 May 2021, each of the Company, Henan Chunlai Education Technology Co., Ltd.* (河南春來教育科技有限公司) (“**PRC Holdco**”), Henan Shangqiu Chunlai Education Corporation* (河南商丘春來教育集團) (the “**School Sponsor**”), Hubei Chunlai Education Technology Co., Ltd.* (湖北春來教育科技有限公司) (“**Hubei Chunlai**”) and Henan Chunlai Education Information Consultancy Co., Ltd.* (河南春來教育信息諮詢有限公司) (“**WFOE**”, and each of PRC Holdco, School Sponsor, Hubei Chunlai and WFOE is a member of the Group) entered into a guarantee agreement with the Lender (collectively, the “**Guarantee Agreements**”), pursuant to which each of the Company, PRC Holdco, School Sponsor, Hubei Chunlai and WFOE shall provide a guarantee in favour of the Lender for the Borrower’s liabilities under the Loan Agreement (including but not limited to the Loan, interest, damages, compensation, and fees incurred by the Lender in connection with any enforcement actions).

REASONS FOR AND THE BENEFITS OF ENTERING INTO THE LOAN AGREEMENT

By entering into the Loan Agreement, the Group can diversify its financing channels, replenish capital required for its operations and optimise the Group’s liability structure in order to construct its new campus.

The terms of the Loan Agreement and the Guarantee Agreements were determined at after arm’s length negotiations between the parties thereto, and the Board considers that the terms of each of the Loan Agreement and the Guarantee Agreements were fair and reasonable, on normal commercial terms, and in the interests of the Company and its shareholders as a whole.

By Order of the Board of Directors
China Chunlai Education Group Co., Ltd.
Hou Junyu
Executive Director

Hong Kong, 10 June 2021

As at the date of this announcement, the Board comprises Mr. Hou Junyu as executive Director, Ms. Jiang Shuqin as executive Director, Ms. Zhang Jie as executive Director and chief executive officer, Mr. Hou Chunlai as non-executive Director and chairman, and Dr. Jin Xiaobin, Ms. Fok, Pui Ming Joanna and Mr. Lau, Tsz Man as independent non-executive Directors.

* *The English translation of company names in Chinese is for identification purposes only. If there is any inconsistency between the Chinese names of entities or enterprises established in China and their English translations, the Chinese names shall prevail.*