

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 LINE OF CREDIT 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 19 January 2024, Shangqiu University* (商丘學院), as credit recipient (the “**Credit Recipient**”), and Zhongyuan Bank Co. Ltd., Shangqiu Branch* (中原銀行股份有限公司商丘分行), as creditor (the “**Creditor**”), entered into a line of credit agreement (the “**Line of Credit Agreement**”), pursuant to which the Creditor has agreed to make available a credit limit with a principal amount of up to RMB240,000,000 (the “**Credit Line**”) to the Credit Recipient.

The principal terms of the Line of Credit Agreement are summarised as follows:

THE LINE OF CREDIT AGREEMENT

Date	:	19 January 2024
Creditor	:	Zhongyuan Bank Co. Ltd., Shangqiu Branch* (中原銀行股份有限公司 商丘分行)
Credit Recipient	:	Shangqiu University* (商丘學院)
Term	:	2 years, commencing on 19 January 2024
Use of credit line	:	The Credit Recipient can apply to the Creditor for the use of the Credit Line within its credit limit, and sign a specific business contract with the Creditor separately to determine the terms and conditions of the credit use arrangement, including but not limited to the interest rate of the loan under the Line of Credit Agreement

To the best knowledge, information, and belief of the Directors, the Creditor 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).

GUARANTEE

On 19 January 2024, each of the Company, Henan Chunlai Education Technology Co., Ltd.* (河南春來教育科技有限公司) (the “**PRC Holdco**”), and Henan Shangqiu Chunlai Education Corporation* (河南商丘春來教育集團) (the “**School Sponsor**”), Mr. Hou Junyu (“**Mr. Hou**”) and Ms. Song Mengmeng (“**Ms. Song**”) entered into a guarantee agreement with the Creditor (collectively, the “**Guarantee Agreements**”). Pursuant to the Guarantee Agreements, each of the Company, the PRC Holdco, the School Sponsor, Mr. Hou and Ms. Song shall provide a guarantee in favour of the Creditor for the Credit Recipient’s liabilities under the Line of Credit Agreement (including but not limited to the principal, interest, damages, compensation, and fees incurred by the Creditor in connection with any enforcement actions).

PLEDGE OF RECEIVABLES

In respect of the Line of Credit Agreement, the Credit Recipient entered into an account receivables pledge agreement with the Creditor, pursuant to which the Credit Recipient agreed to pledge its account receivables in favour of the Creditor for its liabilities under the Line of Credit Agreement (including but not limited to the principal, interest, damages, compensation, and fees incurred by the Creditor in connection with any enforcement actions).

REASONS FOR AND THE BENEFITS OF ENTERING INTO THE AGREEMENT

By entering into the Line of Credit Agreement, the Group can diversify its financing channels, replenish capital required for its operations and optimise the Group’s liability structure.

The terms of the Line of Credit Agreement and the related security documents were determined after arm’s length negotiations between the parties thereto, and the Board (including all independent non-executive Directors) considers that the terms of the Line of Credit Agreement and the related security documents are 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
China Chunlai Education Group Co., Ltd.
Hou Junyu
Executive Director

Hong Kong, 19 January 2024

As at the date of this announcement, the Board comprises Mr. Hou Junyu and Ms. Jiang Shuqin as executive Directors, 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 translations of the company names in Chinese are 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.*