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If you have sold or transferred all your shares in China Beststudy Education Group, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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China Beststudy Education Group
卓越教育集团*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3978)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of China Beststudy Education Group to be held at Floor 8, No. 186 Zhong Shan Wu Road, Yue Xiu District, Guang Zhou, PRC on Tuesday, 14 May 2019 at 2:30 p.m. is set out on pages 15 to 18 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.beststudy.com>).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at Floor 8, No. 186 Zhong Shan Wu Road, Yue Xiu District, Guang Zhou, PRC on Tuesday, 14 May 2019 at 2:30 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 15 to 18 of this circular, or any adjournments thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Company”	China Beststudy Education Group 卓越教育集團*, a company incorporated in the Cayman Islands as an exempted company with limited liability on 27 August 2010, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Elite BVI”	Elite Education Investment Co. Ltd., a company incorporated in the British Virgin Islands with limited liability on 18 August 2010, which is wholly owned by Mr. Junjing Tang
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 15 to 18 of this circular

* For identification purposes only

DEFINITIONS

“Jameson Ying BVI”	Jameson Ying Industrial Co. Ltd., a company incorporated in the British Virgin Islands with limited liability on 18 August 2010, which is wholly owned by Mr. Gui Zhou
“Latest Practicable Date”	29 March 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus of the Company dated 12 December 2018
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages 15 to 18 of this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) with a nominal value of US\$0.00005 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers
“Texcellence BVI”	Texcellence Holding Company Limited, a company incorporated in the British Virgin Islands with limited liability 18 August 2010, which is wholly owned by Mr. Junying Tang
“%”	per cent



China Beststudy Education Group
卓越教育集团*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3978)

Executive Directors:

Junjing Tang (*Chairman*)
Junying Tang
Gui Zhou

Non-executive Directors:

Wenhui Xu
Wen Li

Independent Non-executive Directors:

Yingmin Wu
Yu Long
Peng Xue

Registered Office:

4th Floor, Harbour Place
103 South Church Street
P.O. Box 10240
Grand Cayman, KY1-1002
Cayman Islands

*Headquarters and Principal Place of
Business in the PRC:*

35/F, Tower B
China International Center
No. 33 Zhongshansan Road
Yuexiu District, Guangzhou
Guangdong, PRC

Principal Place of Business in Hong Kong:

Room 1901, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

8 April, 2019

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting.

* For identification purpose only

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 109 of the Articles of Association, Mr. Junjing Tang, Mr. Gui Zhou and Mr. Wenhui Xu shall retire by rotation at the Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

In accordance with article 113 of the Articles of Association, Ms. Wen Li shall retire from her office as Director at the Annual General Meeting. Ms. Wen Li, being eligible, will offer herself for re-election at the Annual General Meeting.

Details of the above retiring Directors are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

By written resolutions passed by the then shareholders of the Company on 3 December 2018, a general mandate was granted to the Directors to issue Shares. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 15 to 18 of this circular (i.e. a total of 169,944,000 Shares on the basis that the total number of existing issued Shares of the Company (849,720,000 Shares) remains unchanged on the date of the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

4. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

By written resolutions passed by the then shareholders of the Company on 3 December 2018, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages 15 to 18 of this circular (i.e. a total of 84,972,000 Shares based on 849,720,000 Shares in issue as at the Latest Practicable Date and on the basis that such number of Shares in issue remains unchanged on the date of the Annual General Meeting). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Repurchase Mandate.

LETTER FROM THE BOARD

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate is set out in Appendix II to this circular.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 15 to 18 of this circular.

Pursuant to the Listing Rules and Article 72 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting is to be decided by poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange ([http:// www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<http://www.beststudy.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

6. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and granting of the Repurchase Mandate and the Issuance Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Tang Junjing
Chairman

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. Junjing Tang

Position and Experience

Mr. Junjing Tang (唐俊京), aged 49, is an executive Director, the chairman of the Board and the chief executive officer, being responsible for the overall development, operation and management of the Company. Mr. Junjing Tang co-founded the Group as a key senior management member of Guangzhou Beststudy Training Center (廣州卓越教育培訓中心) (formerly known as “Guangzhou Beststudy Tuition Center (廣州卓越教育補習中心)” from June 1998 to September 2000) in October 1997. He was appointed as a Director on 27 August 2010 and designated as an executive Director on 13 June 2018, and was appointed as the chairman of the Board and the chief executive officer on 13 June 2018. He has served as a director and the chairman of the board of directors of Guangzhou Beststudy Educational Co., Ltd. (廣州市卓越里程教育科技有限公司) (“Guangzhou Beststudy”) since July 2000 and served as the principal of Guangzhou Beststudy Training Center from October 1997 to June 2000. Mr. Junjing Tang has over 20 years’ experience in the PRC education industry.

Mr. Junjing Tang has also served as the chairman of the board of directors of Huoerguosi Lexue Venture Capital Investment Co., Ltd. (霍爾果斯樂學創業投資有限公司) since December 2016. Prior to founding the Group, Mr. Junjing Tang served as the manager of Guangzhou Riya Advertising Co., Ltd. (廣州市瑞雅廣告有限公司), which is primarily engaged in advertisement business from July 1994 to September 1997.

Mr. Junjing Tang obtained a master’s degree in business administration from China Europe International Business School (中歐國際工商學院) and a bachelor’s degree in international finance from Shenzhen University (深圳大學) in October 2011 and June 1993, respectively.

Mr. Junjing Tang has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Junjing Tang has entered into a service agreement with the Company. The initial term of the service contract shall commence from the date of his appointment and continue for a period of three years after or until the third annual general meeting of the Company since the date of the Prospectus, whichever is earlier (subject always to re-election as and when required under the Articles of Association), until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than three months’ prior notice in writing.

Relationships

Mr. Junjing Tang is the brother of Mr. Junying Tang, an executive Director and a senior vice president of the Company. Save as disclosed above, he does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Listing Rules.

Interests in Shares

As at the Latest Practicable Date, Mr. Junjing Tang was interested in a total of 456,934,231 Shares, representing approximately 53.77% of the total number of Shares in issue. Pursuant to the SFO, Mr. Junjing Tang is deemed to be interested in (i) 171,165,101 Shares held by Elite BVI (a company wholly owned by Mr. Junjing Tang); (ii) 143,510,888 Shares held by Texcellence BVI (a company wholly owned by Mr. Junying Tang) and 142,258,242 Shares held by Jameson Ying BVI (a company wholly owned by Mr. Gui Zhou), as he, Mr. Junying Tang and Mr. Gui Zhou are parties acting in concert.

Director's emoluments

For the financial year ended 31 December 2018, based on the remuneration policy of the Company, Mr. Junjing Tang received HK\$1,659,000 as director's emoluments, among which, RMB1,124,000 is remuneration, allowances and other benefits in kind; RMB500,000 is the discretionary bonus; and RMB35,000 is pension scheme contribution.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is disclosable nor is Mr. Junjing Tang involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Junjing Tang that need to be brought to the attention of the Shareholders.

(2) Mr. Gui Zhou (周貴)*Position and Experience*

Mr. Gui Zhou (周貴), aged 46, is an executive Director, a senior vice president being responsible for the overall management of the Company, and administration, campus construction, and investment and strategic cooperation. Mr. Gui Zhou co-founded the Group as a senior management member of Guangzhou Beststudy Training Center in October 1997. He was appointed as a Director on 21 January 2011 and designated as an executive Director on 13 June 2018. Mr. Gui Zhou has over 20 years' experience in the PRC education industry.

Mr. Gui Zhou has also served as a director of Huoerguosi Lexue Venture Capital Investment Co., Ltd. since December 2016. From July 1994 to September 1997, he served as a deputy manager of Guangzhou Ruiya Advertisement Co., Ltd. Mr. Gui Zhou obtained an executive master's degree in business administration from Cheung Kong Graduate School of Business (長江商學院) and a bachelor's degree in international trade from Sun Yat-Sen University in October 2012 and June 1994, respectively.

Mr. Gui Zhou has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Gui Zhou has entered into a service agreement with the Company. The initial term of the service contract shall commence from the date of his appointment and continue for a period of three years after or until the third annual general meeting of the Company since the date of the Prospectus, whichever is earlier (subject always to re-election as and when required under the Articles of Association), until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than three months' prior notice in writing.

Relationships

Mr. Gui Zhou does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Listing Rules.

Interests in Shares

As at the Latest Practicable Date, Mr. Gui Zhou was interested in a total of 456,934,231 Shares, representing approximately 53.77% of the total number of Shares in issue. Pursuant to the SFO, Mr. Junjing Tang is deemed to be interested in (i) 142,258,242 Shares held by Jameson Ying BVI; (ii) 171,165,101 Shares held by Elite BVI and 143,510,888 Shares held by Texcellence BVI, as he, Mr. Junjing Tang and Mr. Junying Tang are parties acting in concert.

Director's emoluments

For the financial year ended 31 December 2018, based on the remuneration policy of the Company, Mr. Gui Zhou received HK\$1,653,000 as director's emoluments, among which, RMB1,121,000 is remuneration, allowances and other benefits in kind; RMB500,000 is the discretionary bonus; and RMB32,000 is pension scheme contribution.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is disclosable nor is Mr. Gui Zhou involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Gui Zhou that need to be brought to the attention of the Shareholders.

(3) Mr. Wenhui Xu (徐文輝)

Position and Experience

Mr. Wenhui Xu (徐文輝), aged 49, is a non-executive Director, being responsible for overseeing the corporate development and strategic planning of the Group. Mr. Wenhui Xu joined the Group in January 2011, serving as a director of Guangzhou Beststudy since then. He was appointed as a Director on 21 January 2011 and designated as a non-executive Director on 13 June 2018. Mr. Wenhui Xu has over 15 years' experience in corporate finance and corporate management.

Mr. Wenhui Xu has served as an executive director and the general manager of Tibet Zhuohe Chuangye Equity Investment Management Co., Ltd. (西藏卓合創業投資管理有限公司) since June 2016. He has served as a director of Sichuan Great Wall Software Technology Co., LTD (四川長城軟件科技股份有限公司), a company quoted on NEEQ (stock code: 430426), which is primarily engaged in software development and system integration, since January 2012. He has served as a director of Laoniangjiu Catering Co., Ltd. (老娘舅餐飲有限公司), a Chinese style fast-food chain restaurants operator, since March 2008. He has also served as a director of Shenzhen Daxin Investment Consulting Co., Ltd. (深圳市達鑫投資諮詢有限公司), which is primarily engaged in investment consultation, since June 2006. He served as an executive director of Kingdee International Software Group Company Limited (金蝶國際軟件集團有限公司), a company currently listed on the Main Board of the Stock Exchange (stock code: 268) and primarily engaged in software development, from the listing of the company on the GEM of the Stock Exchange in February 2001 to March 2004.

Mr. Wenhui Xu obtained a master's degree in business administration from China Europe International Business School and a bachelor's degree in economics from Shenzhen University in September 2010 and June 1992, respectively. Mr. Wenhui Xu passed the certified public accountant national unified examination (註冊會計師全國統一考試) organized by the Ministry of Finance of the PRC in April 1997. Mr. Wenhui Xu became a member of the Shenzhen Institute of Certified Public Accountants (non-practising) in December 2009.

Save as disclosed above, Mr. Wenhui Xu has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Wenhui Xu has entered into an appointment letter with the Company. The initial term for the appointment letter is three years from the date of the Prospectus or until the third annual general meeting of the Company since the date of listing, whichever is sooner, (subject always to re-election as and when required under the Articles of Association) until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing.

Relationships

Mr. Wenhui Xu does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Listing Rules.

Interests in Shares

As at the Latest Practicable Date, Mr. Wenhui Xu was interested in a total of 49,531,366 Shares, representing approximately 5.83% of the total number of Shares in issue, pursuant to the SFO, through his deemed interest in Commqua Holding Co. Ltd., a company incorporated in the British Virgin Islands with limited liability, which is wholly owned by Mr. Wenhui Xu.

Director's emoluments

Mr. Wenhui Xu is not entitled to any directors' emolument.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is disclosable nor is Mr. Wenhui Xu involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Wenhui Xu that need to be brought to the attention of the Shareholders.

(4) Ms. Wen Li (李雯)*Position and Experience*

Ms. Wen Li (李雯), aged 49, is a non-executive Director, being responsible for overseeing the corporate development and strategic planning of the Group. Ms. Wen Li joined the Group in February 2017 as a director of Guangzhou Beststudy, and was appointed as a non-executive Director in June 2018.

Ms. Wen Li has served as an executive director and the general manager of Shenzhen Dezhiquing Investment Co., Ltd. (深圳市德之青投資有限公司), an executive director and the general manager of Shenzhen Deqing Investment Co., Ltd. (深圳德青投資有限公司) and a vice president of Shenzhen Dexun Investment Co., Ltd. (深圳市德迅投資有限公司) since December 2016, June 2014 and August 2007, respectively.

Ms. Wen Li passed the higher education accounting specialist examination (高等教育會計專業專科考試) at Jinan University (暨南大學) in December 2002. Ms. Wen Li obtained the certificate of accounting professional (intermediate level) in the PRC (中國中級會計資格) granted by the Ministry of Personnel of the PRC (中華人民共和國人事部) in May 2004.

Ms. Wen Li has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Ms. Wen Li has entered into an appointment letter with the Company. The initial term for the appointment letter is three years from the date of the Prospectus or until the third annual general meeting of the Company since the date of listing, whichever is sooner, (subject always to re-election as and when required under the Articles of Association) until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing.

Relationships

Ms. Wen Li does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Listing Rules.

Interests in Shares

As at the Latest Practicable Date, Ms. Wen Li was not interested in shares in the Company pursuant to Part XV of the SFO.

Director's emoluments

Ms. Wen Li is not entitled to any directors' emolument.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is disclosable nor is Ms. Wen Li involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Wen Li that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 849,700,000 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, i.e. being 849,700,000 Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a total of 84,970,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share or earnings per Share and will only be made where the Directors believe that such repurchases will benefit the Company and Shareholders.

3. FUNDING OF REPURCHASE

Purchases must be funded out of funds legally available for the purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of Hong Kong and the Cayman Islands. A listed company may not purchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. As a matter of the Cayman Islands law, any repurchases by the Company may be made out of the Company's profits or the Company's share premium account, or out of the proceeds of a new issue of shares made for the purpose of the repurchase, or, if so authorised by the Articles of Association of the Company, out of capital. Any amount of premium payable on the purchase over the par value of the shares to be repurchased must be out of the profits of the Company, or from sums standing to the credit of the Company's share premium account, or, if so authorised by the Articles of Association of the Company, out of capital.

4. IMPACT OF REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2018) in the event that the Repurchase

Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during the period from 27 December 2018 (the date of listing of the Shares on the Stock Exchange) up to and including the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
2018		
December (<i>starting on 27 December 2018</i>)	2.480	2.160
2019		
January	2.920	2.360
February	3.030	2.360
March (<i>up to the Latest Practicable Date</i>)	3.650	2.900

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers

Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Junjing Tang, Mr. Junying Tang, Mr. Gui Zhou, Elite BVI, Texcellence BVI and Jameson Ying BVI, being parties acting in concert and the controlling shareholders of the Company, were jointly interested in a total of 456,934,231 Shares representing approximately 53.77% of the total issued share capital of the Company by virtue of the SFO. In the event that the Directors exercise the proposed Repurchase Mandate in full, the shareholding of Mr. Junjing Tang, Mr. Junying Tang, Mr. Gui Zhou, Elite BVI, Texcellence BVI and Jameson Ying BVI as a group would be increased to approximately 59.75% of the issued share capital of the Company.

The Directors consider that such increase would not give rise to an obligation on them to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the percentage of Shares held by the public to less than 25% of the Company's total issued share capital. The Directors have no intention to exercise the Repurchase Mandate to such an extent as may result in the public shareholding falling below the minimum public float requirement and will ensure that the Company shall comply with the requirements of the Listing Rules, including the minimum percentage of Shares being held in public hands.

8. REPURCHASES MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



China Beststudy Education Group

卓越教育集團*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3978)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of China Beststudy Education Group (the “Company”) will be held at Floor 8, No. 186 Zhong Shan Wu Road, Yue Xiu District, Guang Zhou, PRC on Tuesday, 14 May 2019 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2018.
2. To re-elect
 - (a) Mr. Junjing Tang as an executive director of the Company.
 - (b) Mr. Gui Zhou as an executive director of the Company.
 - (c) Mr. Wenhui Xu as a non-executive director of the Company.
 - (d) Ms. Wen Li as a non-executive director of the Company.
3. To re-appoint Ernst & Young as auditors and to authorize the board of directors to fix auditors’ remuneration.
4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;

* For identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

(b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);

NOTICE OF ANNUAL GENERAL MEETING

- (ii) an issue of shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities which carry rights to subscribe for or are convertible into shares;
- (iii) the exercise of options under a share option scheme of the Company; and
- (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Right Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board

Tang Junjing

Chairman

Hong Kong, 8 April 2019

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy to attend and, on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Wednesday, 8 May 2019 to Tuesday, 14 May 2019, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4: 30 p.m. on 13 May 2019.
5. A circular containing further details concerning items 2, 4, 5 and 6 set out in the above notice will be sent to all shareholders of the Company together with the 2018 Annual Report.
6. If a black rainstorm warning or a tropical cyclone warning signal number 8 or above is hoisted at or after 2:30 p.m. on 14 May 2019, the above meeting will not be held on 14 May 2019 but will be held on the first Business Day immediately after that date at the same time and place at 2:30 p.m..