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**天立教育国际控股有限公司**  
**Tianli Education International Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1773)**

**PLACING OF EXISTING SHARES  
AND TOP-UP SUBSCRIPTION OF NEW SHARES  
UNDER GENERAL MANDATE**

**Managers**



**CICC**  
**中金公司**



**CITIC**  
**SECURITIES**

**THE PLACING AND SUBSCRIPTION AGREEMENT**

On 16 December 2020 (before trading hours), the Company, the Seller and the Managers entered into the Placing and Subscription Agreement, pursuant to which, (a) the Seller has agreed to appoint the Managers, and each of the Managers has agreed to, on a several (and not joint nor joint and several) basis, act as an agent of the Seller and to procure not less than six (6) Placees, on a best effort basis to purchase, a total of 91,000,000 existing Shares at the Placing Price; and (b) the Seller has agreed to subscribe for, and the Company agreed to allot and issue to the Seller, a total of 91,000,000 new Shares at the Subscription Price (being the same as the Placing Price), in each case upon the terms and subject to the conditions set out in the Placing and Subscription Agreement.

The Sale Shares represent: (a) approximately 4.39% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 4.20% of the enlarged total number of Shares in issue upon completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to completion of the Subscription other than the allotment and issue by the Company of the Subscription Shares).

## **USE OF PROCEEDS**

The gross proceeds from the Subscription are expected to be HK\$702,520,000. The net proceeds from the Subscription (after deducting all relevant fees, costs and expenses to be borne or incurred by the Company in connection with the Placing and the Subscription, including the Managers' commission, stamp duty, the Stock Exchange trading fee and the SFC transaction levy) are expected to be approximately HK\$694,138,186. The net Subscription Price, after deducting such fees, costs and expenses, is therefore estimated to be approximately HK\$7.63 per Subscription Share. The Company intends to use the net proceeds from the Subscription for (1) potential future mergers and acquisitions of high quality targets at reasonable prices and (2) expansion of self-built and self-operated projects in first-tier and core cities.

## **GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES**

The Subscription Shares will be allotted and issued under the General Mandate. Under the General Mandate, the Company is authorized to issue up to 415,000,000 new Shares. As at the date of this announcement, 415,000,000 new Shares remain available for issuance under the General Mandate. Accordingly, the allotment and issue of the Subscription Shares is not subject to the approval of the Shareholders.

## **LISTING APPLICATION FOR THE SUBSCRIPTION SHARES**

An application will be made to the Listing Committee for granting approval for the listing of, and permission to deal in, the Subscription Shares.

## **DISPENSATION FROM RULE 26 OF THE TAKEOVERS CODE**

As a result of the Placing, the aggregate percentage shareholding of the Seller will be reduced from approximately 41.98% to approximately 37.60% and as a result of the Subscription, aggregate percentage shareholding of the Seller will be increased from approximately 37.60% to approximately 40.22%. An application will be made to the Executive for the granting of the Waiver. Completion of the Subscription will be subject to, among other things, obtaining the Waiver.

**The Placing and Subscription Agreement may be terminated pursuant to the termination provisions contained therein. In addition, Shareholders and potential investors should note that each of the completions of the Placing and the Subscription is subject to the conditions under the Placing and Subscription Agreement to be fulfilled. As the Placing and the Subscription may or may not proceed, Shareholders and investors are advised to exercise caution when deal in the Shares.**

## **THE PLACING AND SUBSCRIPTION AGREEMENT**

On 16 December 2020 (before trading hours), the Company, the Seller and the Managers entered into the Placing and Subscription Agreement, pursuant to which, (a) the Seller agreed to appoint the Managers, and each of the Managers agreed to, on a several (and not joint nor joint and several) basis, act as an agent of the Seller and to procure not less than six (6) Placees, on a best effort basis, to purchase a total of 91,000,000 existing Shares at the Placing Price; and (b) the Seller conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue to the Seller, a total of 91,000,000 new Shares at the Subscription Price (being the same as the Placing Price), in each case upon the terms and subject to the conditions set out in the Placing and Subscription Agreement.

Details of the Placing and the Subscription are set out below.

### **THE PLACING**

#### **The Placing and the number of the Sale Shares**

The Seller agreed to appoint the Managers, and each of the Managers agreed to, on a several (and not joint nor joint and several) basis, act as an agent of the Seller and to procure not less than six (6) Placees, on a best effort basis, to purchase a total of 91,000,000 existing Shares at the Placing Price, upon the terms and subject to the conditions set out in the Placing and Subscription Agreement.

The Sale Shares represent: (a) approximately 4.39% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 4.20% of the enlarged total number of Shares in issue upon completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to completion of the Subscription other than the allotment and issue by the Company of the Subscription Shares).

#### **Placees**

It is expected that the Sale Shares will be offered to no less than six Placees which are professional, institutional and/or individual investors. As far as the Company and the Seller are aware, none of the Seller and the Company and any of their respective directors, officers and employees is or has been participating in introducing, screening, selecting or identifying Placees. The choice of Placees for the Sale Shares shall be determined solely by the Managers, subject to the requirements of the Listing Rules and the Takeovers Code.

Immediately after completion of the Placing, it is expected that none of the Placees will become a substantial shareholder of the Company.

## **Placing Price**

The Placing Price is HK\$7.72 per Share and represents:

- (i) a discount of approximately 11.97% to the closing price of HK\$8.77 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (ii) a discount of approximately 10.02% to the average closing price of approximately HK\$8.58 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Date; and
- (iii) a discount of approximately 2.89% to the average closing price of approximately HK\$7.95 per Share as quoted on the Stock Exchange for the twenty (20) consecutive trading days up to and including the Last Trading Date.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis among the Company, the Seller and the Managers. The Directors consider that the Placing Price and the terms and conditions of the Placing and Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **Conditions of the Placing**

The Placing shall be subject to the following conditions:

- (a) before the closing of the Placing, there shall not have occurred:
  - (i) any material adverse change, or any development reasonably likely to involve a material adverse change, in the condition, financial or otherwise, or in the earnings, assets, business, operations or prospects of the Company, or the Company and its subsidiaries taken as a whole; or
  - (ii) any suspension or limitation of trading (a) in any of the Company's securities by the Stock Exchange (other than a suspension for no more than half a business day as a result of the entry into the Placing and Subscription Agreement and provided that the Company has used all its reasonable endeavours to avoid the occurrence of any such suspension of trading) or (b) generally on any of the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the London Stock Exchange, the New York Stock Exchange, the Nasdaq National Market or the Singapore Stock Exchange; or

- (iii) any outbreak or escalation of hostilities, act of terrorism, the declaration by any of Hong Kong, the Cayman Islands, the British Virgin Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any member of the European Economic Area (“EEA”) (together, the “**Applicable Jurisdictions**”) of a national emergency or war or other calamity or crisis; or
- (iv) any material disruption in commercial banking or securities settlement or clearance services in any of the Applicable Jurisdictions and/or a general moratorium on commercial banking activities having been declared by the relevant authorities in any of the Applicable Jurisdictions; or
- (v) any material adverse change or development involving a prospective material adverse change in or affecting the financial markets in any of the Applicable Jurisdictions or in international financial, political or economic conditions, currency exchange rates, exchange controls or taxation,

that, in the sole judgment of the Managers, would make the placement of the Sale Shares or the enforcement of contracts to purchase the Sale Shares impracticable or inadvisable, or would materially prejudice trading of the Sale Shares in the secondary market; or

- (b) the representations and warranties made by any of the Company and the Seller pursuant to the Placing and Subscription Agreement being true and accurate and not misleading as of the date of the Placing and Subscription Agreement and the Closing Date;
- (c) each of the Company and the Seller having complied with all of the agreements and undertakings and satisfied all of the conditions on its part to be complied with or satisfied under the Placing and Subscription Agreement on or before the Closing Date; and
- (d) the Managers having received on the Closing Date the relevant legal opinion to the Managers, such opinion to be in form and substance reasonably satisfactory to the Managers.

The Company and the Seller shall use their respective reasonable endeavours to procure the fulfilment of the foregoing sale conditions on or before the Closing Date. The Managers may in their sole discretion waive any of the conditions of the Placing, in whole or in part and with or without conditions, by notice to the Company and the Seller.

The Board is not aware of the occurrence of any of the above events as at the date of this announcement.

### **Completion of the Placing**

Completion of the Placing is expected to take place in the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited on the Closing Date.

## **THE SUBSCRIPTION**

### **Subscription Shares**

The Seller has agreed to subscribe as principal for, and the Company has agreed to issue, an aggregate number of 91,000,000 Subscription Shares at the Placing Price free from all pledges, liens, charges and encumbrances, equities, security interests or other claims on the terms and subject to the constitutional documents of the Company and the conditions set out in the Placing and Subscription Agreement.

The maximum number of Subscription Shares represents (i) approximately 4.39% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 4.20% of the enlarged total number of Shares in issue upon completion of the Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the date of completion of the Subscription other than the allotment and issue by the Company of the Subscription Shares).

The Subscription Shares have an aggregate nominal value of HK\$9,100,000 based on the par value of HK\$0.1 per Share and a market value of HK\$798,070,000 based on the closing price of HK\$8.77 per Share as quoted on the Stock Exchange on the Last Trading Date.

### **Ranking of the Subscription Shares**

The Subscription Shares shall, when fully paid, rank *pari passu* in all respects with the other Shares in issue or to be issued by the Company on or prior to the date of completion of the Subscription, including the rights to all dividends and other distributions declared, made or paid on or after the date of allotment.

### **General Mandate to issue the Subscription Shares**

The Subscription Shares will be allotted and issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM to allot, issue and otherwise deal with securities of the Company not exceeding 20% of the total number of Shares in issue as at the date of the AGM. Under the General Mandate, the Company is authorized to issue up to 415,000,000 new Shares. As at the date of this announcement, 415,000,000 new Shares remain available for issuance under the General Mandate. Accordingly, the allotment and issue of the Subscription Shares is not subject to the approval of the Shareholders.

### **Subscription Price**

The Subscription Price is the same as the Placing Price, being HK\$7.72 per Subscription Share.

The net price for the Subscription, after deduction of all relevant fees, costs and expenses to be borne or incurred by the Company, is estimated to be approximately HK\$7.63 per Subscription Share.

## **Conditions of the Subscription**

Completion of the Subscription is conditional upon the satisfaction of the following conditions:

- (a) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares and such listing and permission not subsequently being revoked prior to the delivery (or deposit, as the case may be) of the definitive share certificate(s) representing the Subscription Shares under the Placing and Subscription Agreement;
- (b) completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement; and
- (c) the Seller having obtained the Waiver from the SFC under Note 6 to Rule 26 of the Takeovers Code in connection with the Subscription and such Waiver not having been subsequently revoked prior to the delivery (or deposit, as the case may be) of the definitive share certificates representing the Subscription Shares under the Placing and Subscription Agreement.

The Placing and Subscription Agreement has not provided for the right of the parties to waive the above conditions.

## **Completion of the Subscription**

Completion of the Subscription shall take place on the second Business Day after the date upon which the last of the conditions of the Subscription shall have been satisfied, provided that it shall take place on a date no later than a date falling 14 days after the date of the Placing and Subscription Agreement, i.e. 30 December 2020 (or at such other time and/or date as the Company, the Seller and the Managers may agree in writing and in compliance with the Listing Rules).

If the conditions of the Subscription are not fulfilled within 14 days after the date of the Placing and Subscription Agreement or such later date as may be agreed between the Company, the Seller and the Managers, the obligations and liabilities of the Seller and the Company under the Subscription shall be null and void and neither the Company nor the Seller shall have any claim against the other for costs, damages, compensation or otherwise.

Pursuant to Chapter 14A of the Listing Rules, if the Subscription is not completed within 14 days after the date of the Placing and Subscription Agreement, the Subscription will be regarded as a connected transaction, and the Company would need to issue a circular and hold an extraordinary general meeting to seek the approval of the independent Shareholders before the Subscription can proceed.



## **LOCK-UP UNDERTAKINGS**

Pursuant to the Placing and Subscription Agreement:

- (a) The Seller shall not, and shall procure that none of its nominees, any person controlled by it, any trust associated with it or any person acting on its or their behalf shall, without the prior written consent of the Managers, (i) offer, sell, lend, contract to sell, pledge, grant any option over, make any short sale or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Seller or any affiliate of the Seller or any person in privity with the Seller or any affiliate of the Seller), directly or indirectly, any equity securities of the Company or any securities convertible into, or exercisable, or exchangeable for, equity securities of the Company, (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (iii) publicly announce an intention to effect any such transaction, for a period beginning on the date of the Placing and Subscription Agreement and ending on the date which is 90 days after the Closing Date. The foregoing shall not apply to the sale of the Shares under the Placing and Subscription Agreement; and
- (b) The Company shall not, and the Seller shall procure that the Company will not, without the prior written consent of the Managers, (i) effect or arrange or procure placement of, allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for, or enter into any transaction which is designed to, or might reasonably be expected to, result in any of the aforesaid (whether by actual disposition or effective economic disposition due to cash settlement or otherwise), directly or indirectly, any equity securities of the Company or any securities convertible into, or exercisable, or exchangeable for, equity securities of the Company, or (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (iii) publicly announce an intention to effect any such transaction, for a period beginning on the date of the Placing and Subscription Agreement and ending on the date which is 90 days after the Closing Date. The foregoing shall not apply to the issue of the Subscription Shares under the Placing and Subscription Agreement or the share option scheme of the Company adopted on 24 June 2018.

## **INFORMATION ON THE PARTIES**

### **The Seller**

The Seller is an investment holding company which is wholly-owned by Mr. Luo Shi (the executive Director, chairman, chief executive officer and controlling shareholder (as defined under the Listing Rules) of the Company), and holds 862,641,316 Shares.

As at the date of this joint announcement, Mr. Luo Shi is deemed to be interested in an aggregate of 871,119,569 Shares, which comprise (i) 862,641,316 Shares which were held via the Seller as aforementioned; (ii) 1,956,520 Shares, being Shares granted to Ms. Tu Mengxuan (the spouse of Mr. Luo Shi) under the Pre-IPO Restricted Share Award Scheme (of which 391,304 Shares have been vested as at the date of this announcement), to which Mr. Luo Shi is deemed to be interested by virtue of the SFO; and (iii) 6,521,733 Shares which were granted to Mr. Luo Shi under the Pre-IPO Restricted Share Award Scheme (of which 3,913,038 Shares have been vested as at the date of this announcement).



## **The Managers**

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Managers and their respective ultimate beneficial owners: (a) is independent of, and not connected with, the Company and its connected persons; and (b) is independent of, and not acting in concert with, the Seller and persons acting in concert with the Seller.

## **The Company and the Group**

The Company is an investment holding company. Established in 2002, the Group is a leading private education service provider in Western China. It primarily offers K-12 educational services, supplemented by tutoring services for K-12 students and pre-kindergarten children. The Group is one of the largest private K-12 school operators in Western China.

## **REASONS FOR THE PLACING AND THE SUBSCRIPTION AND USE OF PROCEEDS**

The gross proceeds from the Subscription are expected to be HK\$702,520,000. The net proceeds from the Subscription (after deducting all relevant fees, costs and expenses to be borne or incurred by the Company in connection with the Placing and the Subscription, including the Managers' commission, stamp duty, the Stock Exchange trading fee and the SFC transaction levy) are expected to be approximately HK\$694,138,186. The net Subscription Price, after deducting such fees, costs and expenses, is therefore estimated to be approximately HK\$7.63 per Subscription Share.

The Company intends to use the net proceeds from the Subscription for (1) potential future mergers and acquisitions of high quality targets at reasonable prices and (2) expansion of self-built and self-operated projects in first-tier and core cities. As at the date of this announcement, the Company has not identified any specific target for such mergers and acquisitions or expansion of self-built and self-operated projects, and no allocation plan of such net proceeds among potential future mergers and acquisitions and expansion of self-built and self-operated projects in first-tier and core cities has been formulated. The Company will closely monitor the business of the Group and the market conditions for any such mergers and acquisitions or expansion of self-built and self-operated projects in first-tier and core cities, and will make announcement(s) in respect of any such expansion(s) or acquisition(s) in compliance with the requirements of the Listing Rules where appropriate.

The Directors (including the independent non-executive Directors) are of the view that the Placing and the Subscription will provide a good opportunity to raise additional funds to strengthen the financial position and to broaden the shareholder base and capital base of the Group to facilitate future development and can also increase the liquidity of the Shares. The Directors are of the view that the terms of the Placing and Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **FUND RAISING ACTIVITY DURING THE PAST TWELVE MONTHS**

The Company has not undertaken any equity fund raising exercise over the period of twelve months prior to the date of this announcement.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there is no change to the issued share capital of the Company from the date of this announcement to the date of completion of the Placing and the Subscription, the shareholding structure of the Company before and after completion of the Placing and the Subscription is summarised as follows:

	As at the date of this announcement		Immediately after completion of the Placing but before the completion of the Subscription		Immediately after completion of the Placing and the Subscription	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
The Seller (together with persons acting in concert (as defined under the Takeovers Code) (Note 1)	871,119,569	41.98	780,119,569	37.60	871,119,569	40.22
Ms. Yang Zhaotao (Note 2)	1,956,520	0.09	1,956,520	0.09	1,956,520	0.09
Mr. Wang Rui (Note 3)	1,956,520	0.09	1,956,520	0.09	1,956,520	0.09
Mr. Tian Mu (Note 4)	3,700,737	0.18	3,700,737	0.18	3,700,737	0.17
THE CORE TRUST						
COMPANY LIMITED (Note 5)	102,655,158	4.95	102,655,158	4.95	102,655,158	4.74
Placees (Note 6)	0	0	91,000,000	4.39	91,000,000	4.20
Other public Shareholders	1,093,611,496	52.70	1,093,611,496	52.70	1,093,611,496	50.49
<b>Total:</b>	<b><u>2,075,000,000</u></b>	<b><u>100</u></b>	<b><u>2,075,000,000</u></b>	<b><u>100</u></b>	<b><u>2,166,000,000</u></b>	<b><u>100</u></b>

### Notes:

- The 871,119,569 Shares comprise the following: (i) 862,641,316 Shares directly held by the Seller, which is in turn wholly-owned by Mr. Luo Shi; (ii) 1,956,520 Shares which were granted to Ms. Tu Mengxuan (the spouse of Mr. Luo Shi) under the Pre-IPO Restricted Share Award Scheme (of which 391,304 Shares have been vested as at the date of this announcement), which Mr. Luo Shi is deemed to be interested under the SFO; and (iii) 6,521,733 Shares which were granted to Mr. Luo Shi under the Pre-IPO Restricted Share Award Scheme, 3,913,038 Shares of which have been vested as at the date of this announcement.
- Ms. Yang Zhaotao is an executive Director. She has been granted 1,956,520 shares under the Pre-IPO Restricted Share Award Scheme, 1,173,912 shares of which have been vested as at the date of this announcement.
- Mr. Wang Rui is an executive Director and has been granted 1,956,520 shares under the Pre-IPO Restricted Share Award Scheme, 1,173,912 shares of which have been vested as at the date of this announcement.
- Mr. Tian Mu is a non-executive Director who wholly-owns 100% of the issued share capital of Healthy and Peaceful Limited, which in turn holds 3,700,737 shares of the Company, and therefore he is deemed or taken to be interested in the issued share capital of the Company in which Healthy and Peaceful Limited has shareholding interests.

5. THE CORE TRUST COMPANY LIMITED controlled TCT (BVI) Limited as to 100% and hence was deemed to be interested in the shares or interests held by TCT (BVI) Limited in the Company. TCT (BVI) Limited controlled Sky Vista Limited and Sky Vista 2nd Limited as to 100% respectively, and hence was deemed to be interested in the shares or interests held by Sky Vista Limited and Sky Vista 2nd Limited in the Company. Sky Vista Limited and Sky Vista 2nd Limited were established by THE CORE TRUST COMPANY LIMITED as special purpose vehicles for holding shares of the Company granted under the Pre-IPO Restricted Share Award Scheme and Restricted Share Award Scheme respectively on behalf of the eligible persons. The shareholdings of THE CORE TRUST COMPANY LIMITED is based on the latest available information on the website of the Stock Exchange.
6. It is assumed that there would be no other issue of new Shares and no repurchase of existing Shares before completion of the Subscription, and the Placing Shares have been placed to not less than six independent Placees. It is expected that none of the Placees will become a substantial shareholder of the Company immediately after the completion of the Placing.

## LISTING APPLICATION FOR THE SUBSCRIPTION SHARES

An application will be made to the Listing Committee for granting approval for the listing of, and permission to deal in, the Subscription Shares.

## DISPENSATION FROM RULE 26 OF THE TAKEOVERS CODE

As a result of the Placing, the aggregate percentage shareholding of the Seller and parties acting concert with it will be reduced from approximately 41.98% to approximately 37.60% and as a result of the Subscription, aggregate percentage shareholding of the Seller and parties acting concert with it will be increased from approximately 37.60% to approximately 40.22%. An application will be made to the Executive for the granting of the Waiver. Completion of the Subscription will be subject to, among other things, obtaining the Waiver.

**The Placing and Subscription Agreement may be terminated pursuant to the termination provisions contained therein. In addition, Shareholders and potential investors should note that each of completions of the Placing and the Subscription is subject to the conditions under the Placing and Subscription Agreement to be fulfilled. As the Placing and the Subscription may or may not proceed, Shareholders and investors are advised to exercise caution when deal in the Shares.**

## DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this announcement:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“AGM”	the annual general meeting of the Company held on 11 May 2020 at which, among other things, a resolution for the grant of the General Mandate to the Directors was duly passed by the Shareholders
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Closing Date”	the second business day after the date of the Placing and Subscription Agreement or at such other time and/or date as the Seller and the Managers agree

“Company”	Tianli Education International Holdings Limited (天立教育國際控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 1773)
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“CICC”	China International Capital Corporation Hong Kong Securities Limited, incorporated in Hong Kong with limited liability and a registered institution under the SFO to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities, each as defined under the SFO
“CLSA”	CLSA Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 7 (providing automated trading services) regulated activities under the SFO, an indirectly wholly-owned subsidiary of CITIC Securities Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6030)
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“General Mandate”	the general mandate granted to the Directors by a resolution of the Shareholders passed at the AGM to allot, issue and otherwise deal with securities of the Company not exceeding 20% of the total number of Shares in issue as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Managers”	CICC and CLSA
“Last Trading Date”	15 December 2020, being the last trading day prior to the signing of the Placing and Subscription Agreement, which took place before trading hours on 16 December 2020
“Listing Committee”	the listing committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Placees”	purchasers whom the Managers have procured to purchase any of the Sale Shares pursuant to their obligations under the Placing and Subscription Agreement and who is not (i) a connected person of the Company; (ii) a person who is acting in concert with the Seller; (iii) a substantial shareholder of the Company; or (iv) an associate of the Seller
“Placing”	the placing of the Sale Shares by the Managers to the Placees at the Placing Price pursuant to the Placing and Subscription Agreement
“Placing and Subscription Agreement”	the placing and subscription agreement entered into between the Company, the Seller and the Managers dated 16 December 2020 in respect of the Placing and the Subscription
“Placing Price”	HK\$7.72 per Sale Share
“PRC”	the People’s Republic of China
“Pre-IPO Restricted Share Award Scheme”	the pre-IPO restricted share award scheme for the award of Shares to eligible participants, adopted by the Company on 26 January 2018, the principal terms of which are set out in the section headed “Statutory and General Information – D. Restricted Share Award Scheme” in Appendix V to the prospectus issued by the Company on 28 June 2018
“Restricted Share Award Scheme”	the restricted share award scheme for the award of Shares to eligible participant, adopted by the Company on 17 December 2018, pursuant to the announcement made by the Company on 17 December 2018
“Sale Shares”	91,000,000 existing Shares beneficially owned by the Seller and to be sold pursuant to the Placing and Subscription Agreement
“Securities Act”	the U.S. Securities Act of 1933, as amended
“Seller”	Sky Elite Limited, a company wholly owned by Mr. Luo Shi
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares”	ordinary shares of par value of HK\$0.1 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by the Seller at the Subscription Price pursuant to the terms and conditions of the Placing and Subscription Agreement

“Subscription Price”	the price per Subscription Share payable by the Seller, which price shall be the same as the Placing Price (being HK\$7.72 per Subscription Share)
“Subscription Shares”	up to 91,000,000 Shares to be allotted and issued to the Seller (equivalent to the number of the Sale Shares actually sold by the Seller under the Placing) by the Company under the Subscription
“substantial shareholders”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC
“Waiver”	a waiver to be granted by the Executive under Note 6 to Rule 26 of the Takeovers Code in connection with the Subscription
“%”	per cent

By order of the board of directors  
**Tianli Education International Holdings Limited**  
**Luo Shi**  
*Chairman, Executive Director and Chief Executive Officer*

The PRC, 16 December 2020

*As at the date of this announcement, the Board comprises Mr. Luo Shi as chairman and executive Director, Ms. Yang Zhaotao and Mr. Wang Rui as executive Directors, Mr. Tian Mu as non-executive Director, and Mr. Liu Kai Yu Kenneth, Mr. Yang Dong and Mr. Cheng Yiqun as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*