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Edvantage Group Holdings Limited
中匯集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 0382)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

References are made to the prospectus of the Company dated 4 July 2019 and the annual report of the Company for the year ended 31 August 2020, in relation to, among other things, the 2019 Agreements and the continuing connected transactions contemplated thereunder which are partially exempt.

On 30 August 2021 (Hong Kong time after trading hours), the Group entered into the 2021 Agreements to update and renew the corresponding 2019 Agreements and the continuing connected transactions contemplated thereunder.

As counterparties to the 2021 Agreements include Mr. Liu, Ms. Chen, Mr. Liu Yung Kan and/or their respective associates, all of whom are connected persons of the Company under Chapter 14A of the Listing Rules, the transactions contemplated the 2021 Agreements therefore constitute continuing connected transaction of the Group.

The transactions contemplated under the 2021 Agreements are entered into on normal commercial terms or better that are fair and reasonable, and one or more of the applicable percentage ratios in respect of each of such transactions on an annual basis under Chapter 14A of the Listing Rules will exceed 0.1% but will be lower than 5%. Pursuant to Rule 14A.76(2)(a) of the Listing Rules, these transactions are exempt from the circular and shareholders' approval requirements under Chapter 14A of the Listing Rules, but are subject to the reporting, annual review, and announcement requirements.

INTRODUCTION

References are made to the prospectus of the Company dated 4 July 2019 and the annual report of the Company for the year ended 31 August 2020, in relation to, among other things, the 2019 Agreements and the continuing connected transactions contemplated thereunder which are partially exempt.

The term of the 2019 Agreements and the relevant continuing connected transactions contemplated thereunder will expire on 31 August 2021, among which the term of each of the Australia Lease (2019) Framework Agreement and PRC Lease (2019) Framework Agreement will be automatically renewed for a further term of three years upon expiry if the Group does not give a notice of contrary intention subject to compliance with any regulatory requirements (including the Listing Rules).

As the term of the 2019 Agreements will soon expire and the Group wishes to continue the cooperation thereunder, the Group entered into the 2021 Agreements to renew the continuing connected transactions contemplated under the corresponding 2019 Agreements; further, the Group has served a written confirmation on the counterparty confirming the automatic renewal of the Australia Lease (2019) Framework Agreement for a further term of three years upon the expiry of its current term on 31 August 2021.

On 30 August 2021 (Hong Kong time after trading hours), the following parties entered into the following agreements:

1. a written confirmation among GBCA, Global Move and Triple Way confirming automatic renewal of the Australia Lease (2019) Framework Agreement;
2. the PRC Lease (2021 Renewal) Framework Agreement among the Company (for itself and on behalf of its Subsidiaries) and Mr. Liu, Ms. Chen and Mr. Liu Yung Kan (for themselves and on behalf of their respective associates);
3. the Hotel Service (2021 Renewal) Framework Agreement between the Company (for itself and on behalf of its Subsidiaries) and Sun City Hotel;
4. the Vehicle Service (2021 Renewal) Framework Agreement between the Company (for itself and on behalf of its Subsidiaries) and Weijia Vehicle;
5. the Travel (2021 Renewal) Framework Agreement between the Company (for itself and on behalf of its Subsidiaries) and Yizhong Travel;
6. the Technical School Trademark (2021 Renewal) Agreement between Sun City Development and Mr. Liu Yung Kwong (for himself and on behalf of his associates);
7. the Technical School Lease (2021 Renewal) Framework Agreement between the Company (for itself and on behalf of its Subsidiaries) and Mr. Liu Yung Kwong (for himself and on behalf of his associates); and
8. the Property Management (2021 Renewal) Framework Agreement between Yixiang Property Management and Mr. Liu Yung Kwong (for himself and on behalf of his associates).

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

The background, principal terms and relevant pricing policy of the 2021 Agreements are set out below:

1. Australia Lease (2019) Framework Agreement

On 24 June 2019, GBCA, Global Move and Triple Way entered into the Australia Lease (2019) Framework Agreement, pursuant to which Global Move and Triple Way agreed to enter into leases with GBCA in respect of properties in the central business district in Melbourne, Australia (the “**Australian Properties**”) for a term commencing on the Listing Date and expiring on 31 August 2021. Pursuant to the Australia Lease (2019) Framework Agreement, if GBCA does not give notice of a contrary intention and subject to compliance with any regulatory requirements (including the Listing Rules), the term shall be automatically renewed for a further term of three years upon expiry of its current term on 31 August 2021.

Pursuant to the written confirmation dated 30 August 2021 entered into among GBCA, Global Move and Triple Way and subject to compliance with any regulatory requirements (including the Listing Rules), the term of the Australia Lease (2019) Framework Agreement shall be automatically renewed upon the expiry of its current term on 31 August 2021 for a further term of three years commencing from 1 September 2021 and expiring on 31 August 2024.

The Australian Properties leased to the Group pursuant to the Australia Lease (2019) Framework Agreement so automatically renewed are:

(a) 338 Queen Street, Melbourne

Lessee:	GBCA
Lessor:	Global Move
Property:	part of the ground floor and level 1 to level 3 of 338 Queen Street, Melbourne, VIC3000, Australia
GFA:	722 to 858 sq.m.
Use:	GBCA’s school campus
Duration:	From 1 September 2021 to 31 August 2024

(b) 337–339 La Trobe Street, Melbourne

Lessee:	GBCA
Lessor:	Triple Way
Property:	part of the ground floor and level 1 and level 2 of 337–339 La Trobe Street (including the exterior of the building), Melbourne, VIC3000, Australia
GFA:	508 sq.m.
Use:	GBCA’s school campus
Duration:	From 1 September 2021 to 31 August 2024

Pricing policy

The rents under the Australia Lease (2019) Framework Agreement are determined based on arm & length negotiations between the parties with reference to the prevailing market rental quotations of similar properties in the same vicinity from Independent Third Parties, and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties.

2. PRC Lease (2021 Renewal) Framework Agreement

On 24 June 2019, the Company (for itself and on behalf of its Subsidiaries) and Mr. Liu, Ms. Chen and Mr. Liu Yung Kan (for themselves and on behalf of their respective associates) (the “**PRC Lessors**”) entered into the PRC Lease (2019) Framework Agreement, pursuant to which the Lessors agreed to lease land, buildings and ancillary facilities in the PRC (the “**PRC Properties**”) to the Group for a term commencing on the Listing Date and expiring on 31 August 2021. Pursuant to the PRC Lease (2019) Framework Agreement, if the Company does not give notice of a contrary intention and subject to compliance with any regulatory requirements (including the Listing Rules), the term shall be automatically renewed for a further term of three years upon expiry.

Since the Group and the PRC Lessors intend to continue with the transactions contemplated under the PRC Lease (2019) Framework Agreement and, in addition to the transactions contemplated thereunder, the Group and the PRC Lessors intend to enter into other leases in respect of other premises not covered under the PRC Lease (2019) Framework Agreement, on 30 August 2021, the Group and the PRC Lessors enter into the PRC Lease (2021 Renewal) Framework Agreement for a term of three

years commencing from 1 September 2021 and expiring on 31 August 2024, the terms of which are substantially the same as the PRC Lease (2019) Framework Agreement, save and except that (i) the scope of the PRC Properties to be leased under the PRC Lease (2021 Renewal) Framework Agreement has been extended so as to include those land in the PRC and the premises and buildings thereon that the PRC Lessors legally own or have the right to lease or grant licence thereto from time to time, including but not limited to those PRC Properties as specified in the PRC Lease (2021 Renewal) Framework Agreement (including two new leases, namely leases no. (g) to (h) below) instead of only covering those PRC Properties set out in the previous PRC Lease (2019) Framework Agreement (i.e. leases no. (a) to (f) below); (ii) the scope is made clear to cover licensing and making available/sharing the right to use the PRC Properties in addition to renting and leasing the PRC Properties under the previous PRC Lease (2019) Framework Agreement; and (iii) the term will no longer be automatically renewed for a further term of three years upon expiry.

Pursuant to the terms of the PRC Lease (2021 Renewal) Framework Agreement, the PRC Lease (2019) Framework Agreement will not be automatically renewed and shall expire on 31 August 2021, and the PRC Lease (2021 Renewal) Framework Agreement shall become effective from 1 September 2021.

As at the date of the PRC Lease (2021 Renewal) Framework Agreement, the PRC Properties contemplated to be leased to the Group as specified the PRC Lease (2021 Renewal) Framework Agreement are as follows:

(a) 151 Guangshen Road and 86 Weishan North 2nd Road

Lessee:	Huashang Vocational College
Lessor:	Sun City Hotel
Property:	No. 151 Guangshen Road, Xintang Town, Zengcheng District, Guangzhou, PRC and No. 86, Weishan North 2nd Road, Xintang Town, Zengcheng District, Guangzhou, PRC
GFA:	Shared spaces and common areas of 9,638 sq.m.
Use:	Facilities of Huashang Hospitality Management School, used for trainings and internships as scheduled from time to time

(b) 128 Tongyuan Middle Road, Licheng Street

Lessee: Huashang Vocational College

Lessor: Weijia Vehicle

Property: No. 128 Tongyuan Middle Road, Licheng Street, Zengcheng District, Guangzhou, PRC

GFA: 5,694 sq.m

Use: One of the facilities of Intelligent Engineering School, used for trainings and student accommodation

(c) Unit 418 at Sun City Hotel

Lessee: Woguan Education

Lessor: Sun City Hotel

Property: Unit 418, Sun City Hotel, No. 151 Guangshen Road, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 40 sq.m.

Use: Office space

(d) Unit 409 at Sun City Hotel

Lessee: Zhiheng Education

Lessor: Sun City Hotel

Property: Unit 409, Sun City Hotel, No. 151 Guangshen Road, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 40 sq.m.

Use: Office space

(e) Unit 408 at Sun City Hotel

Lessee: Huajia Renovation

Lessor: Sun City Hotel

Property: Unit 408, Sun City Hotel, No. 151 Guangshen Road, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 20 sq.m.

Use: Office space

(f) Administrative office, 3rd Floor of Sun City Hotel

Lessee: Sun City Development

Lessor: Sun City Hotel

Property: Administrative office, 3rd Floor, Sun City Hotel, No. 151 Guangshen Road, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 30 sq.m.

Use: Office space

(g) Unit 414 at Sun City Hotel

Lessee: Huagang Enterprise Management

Lessor: Sun City Hotel

Property: Unit 414, Sun City Hotel, No. 151 Guangshen Road, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 20 sq.m.

Use: Office space

(h) Unit 411 at Sun City Hotel

Lessee: Xinyue Trading

Lessor: Sun City Hotel

Property: Unit 411, Sun City Hotel, No. 151 Guangshen Road, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 20 sq.m.

Use: Office space

Pricing policy

The rents under the PRC Lease (2021 Renewal) Framework Agreement are determined based on arm's length negotiations between the parties with reference to the prevailing market rental quotations of similar properties with reference to the above arrangements in the same vicinity from Independent Third Parties, and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties.

3. Hotel Service (2021 Renewal) Framework Agreement

On 30 August 2021, the Company (for itself and on behalf of its Subsidiaries) and Sun City Hotel entered into the Hotel Service (2021 Renewal) Framework Agreement, pursuant to which Sun City Hotel will (i) provide to our Group various hotel services, which are accommodation, catering, and meeting and conference services and (ii) provide course materials to Huashang Hospitality Management School (the “**Hotel Services**”) for a term commencing on 1 September 2021 and expiring on 31 August 2024, the terms of which are substantially the same as the Hotel Service (2019) Framework Agreement.

Pricing policy

The fees for the Hotel Services shall be determined after arm's length negotiations between the parties with reference to the type of hotel services required and the estimated number of guests involved in a particular event. The service fees and calculation method shall be agreed between the parties based on the specific type of services provided in each transaction. In all instances, the fees for the Hotel Services shall be based on comparable market rates charged by Independent Third Parties for similar hotel services with comparable proximity, and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties.

4. Vehicle Service (2021 Renewal) Framework Agreement

On 30 August 2021, the Company (for itself and on behalf of its Subsidiaries) and Weijia Vehicle entered into the Vehicle Service (2021 Renewal) Framework Agreement, pursuant to which Weijia Vehicle will provide maintenance and repair services for the vehicles owned by Huashang College and Huashang Vocational College and assist in our procurement of new vehicles (the “**Vehicle Services**”) for a term commencing on 1 September 2021 and expiring on 31 August 2024, the terms of which are substantially the same as the Vehicle Service (2019) Framework Agreement.

Pricing policy

The fees for the Vehicle Services shall be determined after arm’s length negotiations between the parties with reference to the nature of the services and type of vehicles involved. The service fees and calculation method shall be agreed between the parties based on the specific type of services provided in each transaction. In all instances, the fees for the Vehicle Services shall be based on comparable market rates available to us from Independent Third Parties for similar services, and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties.

5. Travel (2021 Renewal) Framework Agreement

On 30 August 2021, the Company (for itself and on behalf of its Subsidiaries) and Yizhong Travel entered into the Travel (2021 Renewal) Framework Agreement, pursuant to which Yizhong Travel, as the Group’s travel agent, would assist the Group in making travel arrangements such as flights, ground transport and hotel reservations (the “**Booking Services**”) for the staff and teachers of our schools when they travel for work purposes for a term commencing on 1 September 2021 and expiring on 31 August 2024, the terms of which are substantially the same as the Travel (2019) Framework Agreement.

Pricing policy

The fees for the Booking Services shall be determined after arm’s length negotiations between the parties with reference to the type of bookings and the number of bookings involved. The service fees and calculation method shall be agreed between the parties based on the specific type of services provided in each transaction. In all instances, the fees for the Booking Services shall be based on comparable market rates charged by Independent Third Parties for similar services, and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties.

6. Technical School Arrangements

A. Technical School Trademark (2021 Renewal) Agreement

On 30 August 2021, Sun City Development and Mr. Liu Yung Kwong (for himself and on behalf of his associates) entered into the Technical School Trademark (2021 Renewal) Agreement, pursuant to which Sun City Development granted Mr. Liu Yung Kwong and his associates (which include Huashang Technical School) rights to use the ‘’ trademark (the “**Huashang Trademark**”) for the sole purpose of vocational training in consideration for an annual licensing fee of 2% of operating profits of Huashang Technical School, subject to the annual monetary cap set out in the section headed “PROPOSED ANNUAL CAPS” below, for a term commencing on 1 September 2021 and expiring on 31 August 2024, the terms of which are substantially the same as the Technical School Trademark (2019) Agreement, save and except that (i) the counterparty of the Technical School Trademark (2021 Renewal) Agreement has been changed from Huashang Technical School to Mr. Liu Yung Kwong, who is the ultimate controlling and majority shareholder of Huashang Technical School, and (ii) the trade mark licensees (i.e. persons whom are granted the right to use the Huashang Trademark) has been expanded from Huashang Technical School to Mr. Liu Yung Kwong and his associates from time to time.

B. Technical School Lease (2021 Renewal) Framework Agreement

On 30 August 2021, the Company (for itself and on behalf of its Subsidiaries) and Mr. Liu Yung Kwong (for himself and on behalf of his associates) entered into the Technical School Lease (2021 Renewal) Framework Agreement, pursuant to which Huashang College and Huashang Vocational College will lease the following property (collectively “**Technical School Premises**”) to Mr. Liu Yung Kwong and his associates from time to time, the terms of which are substantially the same as the Technical School Lease (2019) Agreement, save and except that (i) the scope of the Technical School Premises to be leased under the Technical School Lease (2021 Renewal) Framework Agreement has been extended so as to include those land in the PRC and the premises, properties and facilities thereon that the Group legally owns or has the right to lease or grant licence thereto from time to time, including but not limited to those Technical School Premises as specified in the Technical School Lease (2021 Renewal) Framework Agreement (including two new leases in respect of the Jiangmen Property and Zhaoqing Property) instead of only covering Zengcheng Property set out in the previous Technical School Lease (2019) Agreement; (ii) the scope is made clear to cover licensing and making available/sharing the right to use the Technical School Premises in addition to renting and leasing the Technical School Premises under the previous Technical School Lease (2019) Agreement; (iii) the counterparty of the Technical School Lease (2021 Renewal) Framework Agreement has been changed from Huashang Technical School to Mr. Liu Yung Kwong, who is the ultimate controlling and majority shareholder of Huashang Technical School; and (iv) the scope of lessees has been expanded from Huashang Technical School to Mr. Liu Yung Kwong and his associates from time to time. Further details of the Technical School Premises contemplated to be leased as specified in the Technical School Lease (2021 Renewal) Framework Agreement are as follows:

(I) Zengcheng Property

Lessor:	Huashang Vocational College
Term:	1 September 2021 and expiring on 31 August 2024
Property:	Zengcheng Property
GFA:	21,095 sq.m.
Use:	Huashang Technical School’s campus

(II) Jiangmen Property

Lessor: Huashang Vocational College

Term: 1 September 2021 and expiring on 31 August 2024

Property: Jiangmen Property

GFA: 17,037 to 84,368 sq.m.

Use: Huashang Technical School's campus

(III) Zhaoqing Property

Lessor: Huashang College

Term: 1 September 2021 and expiring on 31 August 2024

Property: Zhaoqing Property

GFA: 21,623 to 52,052 sq.m.

Use: Huashang Technical School's campus

C. Property Management (2021 Renewal) Framework Agreement

On 30 August 2021, Yixiang Property Management, and Mr. Liu Yung Kwong (for himself and on behalf of his associates) entered into the Property Management (2021 Renewal) Framework Agreement, pursuant to which Yixiang Property Management will provide property management services to Mr. Liu Yung Kwong and his associates from time to time in respect of the certain premises (described below), the terms of which are substantially the same as the Property Management (2019) Agreement, save and except that (i) the scope of the premises in respect of which the property management services are to be provided under the Property Management (2021 Renewal) Framework Agreement has been extended to include those land in the PRC and the premises, properties and facilities thereon that Mr. Liu Yung Kwong and his associates from time to time legally own or have the right to use from time to time, including but not limited to those premises as specified in the Property Management (2021 Renewal) Framework Agreement (namely Zengcheng Property, Huizhi Property, Jiangmen Property and Zhaoqing Property) instead of only covering Zengcheng Property set out in the previous Property Management (2019) Agreement; (ii) the counterparty of the Property Management (2021 Renewal) Framework Agreement has been

changed from Huashang Technical School to Mr. Liu Yung Kwong, who is the ultimate controlling and majority shareholder of Huashang Technical School, and (iii) the scope of service recipients has been expanded from Huashang Technical School to Mr. Liu Yung Kwong and his associates from time to time. Further details of services contemplated to be provided in respect of those premises as specified in the Property Management (2021 Renewal) Framework Agreement are as follows:

(I) Zengcheng Property

Term: 1 September 2021 and expiring on 31 August 2024

Property: Zengcheng Property

GFA: 21,095 sq.m.

Service: Include apartment management, cleaning services, maintenance of plant, replacement and repair of furniture and facilities and security service

(II) Jiangmen Property

Term: 1 September 2021 and expiring on 31 August 2024

Property: Jiangmen Property

GFA: 17,037 to 84,368 sq.m.

Service: Include apartment management, cleaning services, maintenance of plant, replacement and repair of furniture and facilities and security service

(III) Zhaoqing Property

Term: 1 September 2021 and expiring on 31 August 2024

Property: Zhaoqing Property

GFA: 21,623 to 52,052 sq.m.

Service: Include apartment management, cleaning services, maintenance of plant, replacement and repair of furniture and facilities and security service

(IV) Huizhi Property

Term:	1 September 2021 and expiring on 31 August 2024
Property:	Huizhi Property
GFA:	78,344 sq.m.
Service:	Include apartment management, cleaning services, maintenance of plant, replacement and repair of furniture and facilities and security service

Pricing policy

The licensing fee payable for the Huashang Trademark is determined following arm's length negotiations between the parties with reference to the historical and the expected annual gross revenues of Huashang Technical School, the primary user of the Huashang Trademark.

The aggregate fees under the Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement were determined based on arm's length negotiations between the parties with reference to (i) the prevailing market rates of rent for similar premises in the same vicinity used for similar purposes and (ii) the prevailing market rates of various property management services for premises in the same vicinity used for similar purposes, on terms no less favourable from the perspective of the Group than those offered to Independent Third Parties.

HISTORICAL FIGURES

The following table sets out (i) the actual amounts and original annual caps for the two years ended 31 August 2019 and 31 August 2020; and (ii) the actual amounts for the nine months ended 31 May 2021 with the original annual caps for the year ending 31 August 2021, under the 2019 Agreements:

	For the year ended 31 August		For the nine months ended 31 May 2021 (unaudited) (for actual amount only)/for the year ending 31 August 2021 (for original annual cap only)
	2019 (audited) (AU\$'000)	2020 (audited) (AU\$'000)	(AU\$'000)
<i>Australia Lease (2019) Framework Agreement</i>			
• Actual	480	499	313
• Original annual cap	540	506	524
	(RMB'000)	(RMB'000)	(RMB'000)
<i>PRC Lease (2019) Framework Agreement</i>			
• Actual	1,371	1,357	1,080
• Original annual cap	1,486	1,916	1,916
<i>Hotel Service (2019) Framework Agreement</i>			
• Actual	1,761	515	724
• Original annual cap	4,644	5,321	6,026
<i>Vehicle Service (2019) Framework Agreement</i>			
• Actual	318	399	30
• Original annual cap	608	651	696
<i>Travel (2019) Framework Agreement</i>			
• Actual	1,600	313	388
• Original annual cap	1,705	610	652
<i>Technical School Trademark (2019) Agreement, Technical School Lease (2019) Agreement and Property Management (2019) Agreement</i>			
• Actual	1,978	2,398	1,798
• Original annual cap	1,999	3,329	3,345

PROPOSED ANNUAL CAPS

The following table sets out the respective proposed annual caps of the continuing connected transactions under the 2021 Agreements for the three years ending 31 August 2024:

	For the year ending 31 August		
	2022 (AU\$'000)	2023 (AU\$'000)	2024 (AU\$'000)
<i>Australia Lease (2019) Framework Agreement</i>	476	493	510
	(RMB'000)	(RMB'000)	(RMB'000)
<i>PRC Lease (2021 Renewal) Framework Agreement</i>	2,032	2,046	2,058
<i>Hotel Service (2021 Renewal) Framework Agreement</i>	6,328	6,644	6,976
<i>Vehicle Service (2021 Renewal) Framework Agreement</i>	731	768	806
<i>Travel (2021 Renewal) Framework Agreement</i>	785	819	855
<i>Technical School Trademark (2021 Renewal) Agreement, Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement</i>	16,664	25,445	36,359

BASIS OF THE PROPOSED ANNUAL CAPS

Australia Lease (2019) Framework Agreement

The proposed annual caps in relation to the Australia Lease (2019) Framework Agreement (as renewed) are determined with reference to the following factors:

- (i) the historical amounts of the relevant leases under the Australia Lease (2019) Framework Agreement; and
- (ii) the estimated annual maximum amount of total value of right-of-use asset in respect of the Australian Properties contemplated to be leased under the Australia Lease (2019) Framework Agreement during the renewed term with reference to the opinion given by an independent property valuer.

PRC Lease (2021 Renewal) Framework Agreement

The proposed annual caps in relation to the PRC Lease (2021 Renewal) Framework Agreement are determined with reference to the following factors:

- (i) the historical amounts of the relevant leases under the PRC Lease (2019) Framework Agreement; and
- (ii) the estimated annual maximum amount of total value of right-of-use asset in respect of the PRC properties contemplated to be leased by the Group under the PRC Lease (2021 Renewal) Framework Agreement with reference to the opinion given by an independent property valuer.

Hotel Service (2021 Renewal) Framework Agreement

The proposed annual caps in relation to the Hotel Service (2021 Renewal) Framework Agreement are determined with reference to the following factors:

- (i) the historical amounts under the Hotel Service (2019) Framework Agreement;
- (ii) the expected volume of our students, staff and guests participating in, and the number and scale of, our schools' activities (including school celebrations and academic conferences) in the relevant years; and
- (iii) the expected amount of course materials Huashang Hospitality Management School will need for its teaching operations in the relevant years.

Vehicle Service (2021 Renewal) Framework Agreement

The proposed annual caps in relation to the Vehicle Service (2021 Renewal) Framework Agreement are determined with reference to the following factors:

- (i) the historical amounts under the Vehicle Service (2019) Framework Agreement; and
- (ii) the Group's anticipated needs for the Vehicle Services in the relevant years with reference to the age of the Group's vehicles and the Group's anticipated replacement schedule.

Travel (2021 Renewal) Framework Agreement

The proposed annual caps in relation to the Travel (2021 Renewal) Framework Agreement are determined with reference to the following factors:

- (i) the historical amounts under the Travel (2019) Framework Agreement chargeable on a basis reflecting the cost of, and the commission for, the Booking Services up to 31 August 2021; and
- (ii) the estimated service fees chargeable on a commission basis with effect from 1 September 2021; and
- (iii) the travel frequency of the Group staff and teachers in the relevant years.

Technical School Trademark (2021 Renewal) Agreement, Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement

The proposed annual caps in relation to the Technical School Trademark (2021 Renewal) Agreement are determined with reference with to the following factors:

- (i) the historical amounts under the Technical School Trademark (2019) Agreement; and
- (ii) the historical and the expected annual gross revenue of Huashang Technical School, the expected primary user of the Huashang Trademark.

The proposed annual caps in relation to the Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement are determined with reference to the following factors:

- (i) the expanded scope under the Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement in respect of the addition of the Jiangmen Property, Zhaoqing Property and Huizhi Property;
- (ii) the fee arrangements contemplated under such agreements; and
- (iii) the estimated annual maximum amount of total value of right-of-use asset in respect of the properties contemplated to be leased under the Technical School Lease (2021 Renewal) Framework Agreement with reference to the relevant information from an independent property valuer.

REASONS FOR AND BENEFITS OF THE 2021 AGREEMENTS

The Directors (including the independent non-executive Directors) consider that the terms of the 2021 Agreements and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and it is in the interests of the Company and the shareholders of the Company as a whole to enter into the 2021 Agreements, for reasons as follows:

Australia Lease (2019) Framework Agreement

GBCA has occupied the Australian Properties since the school was established in 2015. These leases enable GBCA to continue to secure suitable premises at a fair market price. The continuation of these arrangements will avoid unnecessary disruptions to our students and our business, and avoid the costs associated with identifying other suitable premises, relocating our school, and re-complying with regulatory requirements on educational establishments for the new premises.

PRC Lease (2021 Renewal) Framework Agreement

Huashang Hospitality Management School and Intelligent Engineering School, the schools within Huashang Vocational College, and certain subsidiaries of the Group occupied the PRC Properties during the years ended 31 August 2020 and 2021. The premises described in paragraphs (a) and (b) under the section headed “Renewal of Continuing Connected Transactions — 2. PRC Lease (2021 Renewal) Framework Agreement” above form part of the learning facilities of Huashang Hospitality Management School and Intelligent Engineering School, respectively, providing space for trainings, internships or accommodation. The premises described in paragraphs (c) to (h) under the section headed “Renewal of Continuing Connected Transactions — 2. PRC Lease (2021 Renewal) Framework Agreement” above were office units used by certain subsidiaries of the Group for administrative purposes.

The lease of these premises allows the Group to secure suitable premises at a fair market value. The continuation and entering into (as the case maybe) of these lease arrangements will avoid unnecessary disruptions to students and business of the Group, and avoid the costs associated with identifying other suitable premises and relocating certain facilities of our schools.

Hotel Service (2021 Renewal) Framework Agreement

During the years ended 31 August 2020 and 2021, Sun City Hotel had provided the Hotel Services for our students, staff and guests participating in our schools' activities (including school celebrations and academic conferences) and for the teaching operations of Huashang Hospitality Management School. In view of the reliability of the Hotel Services provided by Sun City Hotel, the proximity of Sun City Hotel to our schools and the resulting convenience for our guests, students and teaching staff, the continuing procurement of the Hotel Services is in line with the business and economic interests of our Group.

Vehicle Service (2021 Renewal) Framework Agreement

During the years ended 31 August 2020 and 2021, Weijia Vehicle had provided the Vehicle Services to our Group. In view of the reliability of the Vehicle Services provided by Weijia Vehicle and its proximity to our schools, the continuing procurement of the Vehicle Services is in line with the business and economic interests of our Group.

Travel (2021 Renewal) Framework Agreement

During the years ended 31 August 2020 and 2021, Yizhong Travel had provided the Booking Services to our Group. In view of its reliability and understanding of our business needs acquired through years of cooperation, the continuing procurement of the Booking Services is in line with the business and economic interests of our Group.

Technical School Trademark (2021 Renewal) Agreement, Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement

The Group disposed of Sun City Industrial, which holds 100% of the sponsor interest in Huashang Technical School, in November 2018. For details of the disposal, see the section headed "History, Reorganisation and Corporate Structure — Corporate Reorganisation — 4. Disposals and deregistration — Disposal of Sun City Industrial" as described in the Prospectus. Prior to the disposal, Huashang Technical School had used the Huashang Trademark and the Zengcheng Property for its school campus. Following the disposal, Huashang Technical School continues to use the Huashang Trademark and Zengcheng Property for the continuity of its operation.

To meet its growing business needs, Huashang Technical School would like to increase the use of the Jiangmen Property and Zhaoqing Property.

The Technical School Trademark (2019) Agreement, Technical School Lease (2019) Agreement and Property Management (2019) Agreement will expire on 31 August 2021 and the parties therefore entered into the Technical School Trademark (2021 Renewal) Agreement, Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement to continue with the transactions contemplated under the expiring agreements and on top of them, enhance the cooperation between the parties thereto.

The Directors (including the independent non-executive Directors) believe that the transactions contemplated under the Technical School Trademark (2021 Renewal) Agreement, Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement are in the interest of the Group, as they will generate a steady stream of income at a fair market rate by (i) monetising the Huashang Trademark in the education sector, (ii) facilitating the transition subsequent to the disposal and (iii) recovering part of our fixed cost of property management services.

LISTING RULES IMPLICATIONS

Each of Global Move and Triple Way is a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50% respectively.

Sun City Hotel is a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50% respectively.

Weijia Vehicle is a company owned by Mr. Liu, Ms. Chen, Ms. Ye Runmian (葉潤棉), the spouse of Mr. Liu Yung Kan (廖榕根), Mr. Liu Kong Wai (廖廣偉), the son of Mr. Liu Yung Kan, and Mr. Liu Yung Kwong (廖榕光), brother of Mr. Liu, as to 22.5%, 22.5%, 28%, 12% and 15%, respectively.

Yizhong Travel is a company wholly-owned by Sun City Group, which in turn is indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50%, respectively.

Mr. Liu Yung Kwong (廖榕光) is a brother of Mr. Liu and Mr. Liu Yung Kan.

In view of such interests, each of Mr. Liu, Ms. Chen, Mr. Liu Yung Kan who is a brother (and hence an associate within the meaning of the Listing Rules) of Mr. Liu, and Ms. Liu Yi Man who is a daughter (and hence an associate within the meaning of the Listing Rules) of Mr. Liu and Ms. Chen, had abstained from voting in the board meeting during which the Board approved the 2021 Agreements to avoid any potential conflict of interests.

As the counterparties to the 2021 Agreements as set out in details above include Mr. Liu and Ms. Chen (executive Directors and controlling shareholders of the Company), Mr. Liu Yung Kan (non-executive Director of the Company) and/or their respective associates, all of whom are connected persons of the Company under Chapter 14A of the Listing Rules, the transactions contemplated under the 2021 Agreements constitute continuing connected transaction of the Group.

The transactions contemplated under each of the 2021 Agreements are entered into on normal commercial terms or better that are fair and reasonable, and one or more of the applicable percentage ratios in respect of such transactions on an annual basis under Chapter 14A of the Listing Rules will exceed 0.1% but will be lower than 5%. Pursuant to Rule 14A.76(2)(a) of the Listing Rules, these transactions are exempt from the circular and shareholders' approval requirements under Chapter 14A of the Listing Rules, but are subject to the reporting, annual review, and announcement requirements.

GENERAL INFORMATION OF THE PARTIES

Information of the Group

The Group is the largest private higher education group in the Guangdong-Hong Kong-Macau Greater Bay Area of the PRC in terms of total student enrolment of business majors for the 2017/2018 school year according to Frost & Sullivan, and it is an early mover in the education sector in pursuing international expansion. The Group currently operates four private higher education institutions in the PRC ((i) Huashang College, a full-time bachelor-degree level higher education institution, (ii) Huashang Vocational College, a full-time junior college diploma-degree level higher education institution, (iii) Urban Vocational College of Sichuan (四川城市職業學院), a full-time junior college diploma-degree level higher education institution, and (iv) Urban Technician College of Sichuan (四川城市技師學院), a full-time technician college), and three private higher and vocational education institutions overseas ((i) Global Business College of Australia (a private vocational education institution), (ii) Edvantage Institute Australia (a private higher education institution), and (iii) Edvantage Institute Singapore (a private vocational education institution)). For more information on the Group, please visit its official website at <http://www.edvantagegroup.com.hk/> (the information that appears in this website does not form part of this announcement).

Information of Global Move

Global Move principally engages in business of property investment.

Information of Triple Way

Triple Way principally engages in business of property investment.

Information of Sun City Hotel

Sun City Hotel principally engages in business of provision of hotel and hospitality services.

Information of Weijia Vehicle

Weijia Vehicle principally engages in business of provision of services of repair and maintenance of vehicle.

Information of Yizhong Travel

Yizhong Travel principally engages in business of provision of travel agency services.

Information of Mr. Liu Yung Kwong

Mr. Liu Yung Kwong (廖榕光), a brother of Mr. Liu, through his associates including Huashang Technical School, principally engages in education related businesses.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein:

- “2019 Agreements” the Australia Lease (2019) Framework Agreement, the PRC Lease (2019) Framework Agreement, the Hotel Service (2019) Framework Agreement, the Vehicle Service (2019) Framework Agreement, the Travel (2019) Framework Agreement, the Technical School Trademark (2019) Agreement, the Technical School Lease (2019) Agreement and the Property Management (2019) Agreement, entered into by the Group with certain connected persons on 24 June 2019, and each an “2019 Agreement”;
- “2021 Agreements” collectively the Australia Lease (2019) Framework Agreement as automatically renewed with effect from 31 August 2021, the PRC Lease (2021 Renewal) Framework Agreement, the Hotel Service (2021 Renewal) Framework Agreement, the Vehicle Service (2021 Renewal) Framework Agreement, the Travel (2021 Renewal) Framework Agreement, the Technical School Trademark (2021 Renewal) Agreement, the Technical School Lease (2021 Renewal) Framework Agreement and the Property Management (2021 Renewal) Framework Agreement, and each an “2021 Agreement”;
- “associate(s)” has the meaning ascribed to it under the Listing Rules;
- “Australia Lease (2019) Framework Agreement” the Australia lease framework agreement entered into among Global Move, Triple Way and GBCA on 24 June 2019;
- “AUD” or “AU\$” Australian dollars, the lawful currency of Australia;
- “Board” the board of Directors;
- “Company” Edvantage Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0382);
- “connected person(s)” has the meanings ascribed to it under the Listing Rules;
- “Director(s)” the director(s) of the Company;

“GBCA”	Global Business College of Australia Pty. Ltd, a company incorporated in Victoria, Australia with limited liability on 26 June 2014 and an indirect wholly-owned subsidiary of the Company;
“Global Move”	Global Move Pty. Ltd, a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50%, respectively;
“Group”	the Company and its Subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKFRS (s)”	Hong Kong Financial Reporting Standard(s) issued by the Hong Kong Institute of Certified Public Accountants from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hotel Service (2019) Framework Agreement”	the hotel service framework agreement entered into between the Company (for itself and on behalf of its Subsidiaries) and Sun City Hotel on 24 June 2019;
“Hotel Service (2021 Renewal) Framework Agreement”	the hotel service (2021 renewal) framework agreement entered into between the Company (for itself and on behalf of its Subsidiaries) and Sun City Hotel on 30 August 2021;
“Huagang Enterprise Management”	Guangzhou Huagang Enterprise Management Co., Ltd.* (廣州市華港企業管理有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Huajia Renovation”	Guangzhou Huajia Renovation Co., Ltd.* (廣州市華嘉裝飾工程有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Huashang College”	Guangzhou Huashang College (廣州華商學院) (formerly known as Huashang College Guangdong University of Finance and Economics (廣東財經大學華商學院), a private higher education institution operated by the Group;
“Huashang Hospitality Management School”	Huashang Hospitality Management School* (華商酒店管理學院), a school under Huashang Vocational College;

“Huashang Technical School”	Guangdong Huashang Technical School (廣東華商技工學校), a school sponsored by Sun City Industrial and as of the date of this announcement Mr. Liu Yung Kwong is an indirect controlling shareholder of Huashang Technical School (via Sun City Industrial);
“Huashang Vocational College”	Guangzhou Huashang Vocational College (廣州華商職業學院), a private school registered as a private non-enterprise unit under the law of the PRC on 25 June 2009, operated by the Group;
“Huizhi Property”	student dormitory and teaching buildings at Tangmei Village, Xintang Town, Zengcheng District, Guangzhou, the PRC owned by Guangzhou Huizhi Education Investment Co., Ltd*. (廣州市滙智教育投資有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Independent Third Party(ies)”	a person(s) or company(ies) which is/are independent of and not connected with any directors, chief executives, controlling shareholders and substantial shareholders of the Company or any of its Subsidiaries and their respective associates;
“Intelligent Engineering School”	Intelligent Engineering School* (智能工程學院), a school subordinated under Huashang Vocational College;
“Jiangmen Property”	student dormitory and teaching buildings at Xiangshan, Shuibe Village, Yamen Town, Xinhui District, Jiangmen, Guangdong Province, the PRC owned by Huashang Vocational College;
“Listing Rules”	the rules governing the listing of securities on the Stock Exchange;
“Mr. Liu”	Mr. Liu Yung Chau (廖榕就), the founder of the Company, a Controlling Shareholder, executive Director, the chairman of the Board and the spouse of Ms. Chen;
“Mr. Liu Yung Kan”	Mr. Liu Yung Kan (廖榕根), a non-executive Director and brother of Mr. Liu;
“Ms. Chen”	Ms. Chen Yuan, Rita (陳練瑛), a Controlling Shareholder, executive Director and the spouse of Mr. Liu;

“PRC”	the People’s Republic of China and for the purposes of the PRC Lease (2021 Renewal) Framework Agreement, Hotel Service (2021 Renewal) Framework Agreement, Vehicle Service (2021 Renewal) Framework Agreement, Travel (2021 Renewal) Framework Agreement, Technical School Trademark (2021 Renewal) Agreement, Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“PRC Lease (2019) Framework Agreement”	the PRC lease framework agreement entered into among the Company (for itself and on behalf of its Subsidiaries) and Mr. Liu, Ms. Chen and Mr. Liu Yung Kan (for themselves and on behalf of their respective associates) on 24 June 2019;
“PRC Lease (2021 Renewal) Framework Agreement”	the PRC lease (2021 renewal) framework agreement entered into among the Company (for itself and on behalf of its Subsidiaries) and Mr. Liu, Ms. Chen and Mr. Liu Yung Kan (for themselves and on behalf of their respective associates) on 30 August 2021;
“Property Management (2019) Agreement”	the property management agreement entered into between Yixiang Property Management and Huashang Technical School on 24 June 2019;
“Property Management (2021 Renewal) Framework Agreement”	the property management (2021 renewal) framework agreement entered into between Yixiang Property Management and Mr. Liu Yung Kwong (for himself and on behalf of his associates) on 30 August 2021;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of share(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	any entity within the meaning of the term “subsidiary” as defined in the Listing Rules and the term “Subsidiaries” shall be construed accordingly;

“Sun City Development”	Guangzhou Zengcheng Sun City Development Co., Ltd.* (廣州市增城太陽城發展有限公司), a company established under the laws of the PRC with limited liability and a subsidiary of the Company;
“Sun City Group”	Guangzhou Sun City Group Co., Ltd.* (廣州市太陽城集團有限公司), a company established under the laws of the PRC with limited liability and a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50% respectively;
“Sun City Hotel”	Guangzhou Sun City Hotel Co., Ltd.* (廣州太陽城大酒店有限公司), a company established under the laws of the PRC with limited liability and a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50%, respectively;
“Sun City Industrial”	Guangdong Sun City Industrial Co., Ltd.* (廣東太陽城實業有限公司), a company established under the laws of the PRC with limited liability, which had ceased to be a subsidiary of the Company on 2 November 2018;
“Technical School Lease (2019) Agreement”	the technical school lease agreement entered into between Huashang Vocational College and Huashang Technical School on 24 June 2019;
“Technical School Lease (2021 Renewal) Framework Agreement”	the technical school lease (2021 renewal) framework agreement entered into between the Company (for itself and on behalf of its Subsidiaries) and Mr. Liu Yung Kwong (for himself and on behalf of his associates) on 30 August 2021;
“Technical School Trademark (2019) Agreement”	the technical school trademark agreement entered into between Sun City Development and Huashang Technical School on 24 June 2019;
“Technical School Trademark (2021 Renewal) Agreement”	the technical school trademark (2021 renewal) agreement entered into between Sun City Development and Mr. Liu Yung Kwong (for himself and on behalf of his associates) on 30 August 2021;
“Travel (2019) Framework Agreement”	the travel framework agreement entered into between the Company (for itself and on behalf of its Subsidiaries) and Yizhong Travel on 24 June 2019;

“Travel (2021 Renewal) Framework Agreement”	the travel (2021 renewal) framework agreement entered into between the Company (for itself and on behalf of its Subsidiaries) and Yizhong Travel on 30 August 2021;
“Triple Way”	Triple Way Investments (Australia) Pty. Ltd, a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50%, respectively;
“Vehicle Service (2019) Framework Agreement”	the vehicle service framework agreement entered into between the Company (for itself and on behalf of its Subsidiaries) and Weijia Vehicle on 24 June 2019;
“Vehicle Service (2021 Renewal) Framework Agreement”	the vehicle service (2021 renewal) framework agreement entered into between the Company (for itself and on behalf of its Subsidiaries) and Weijia Vehicle on 30 August 2021;
“Weijia Vehicle”	Guangzhou Weijia Vehicle Sales Company Limited* (廣州市偉加汽車銷售有限公司), a company established under the laws of the PRC with limited liability and owned by Mr. Liu, Ms. Chen, Ms. Ye Runmian (葉潤棉), the spouse of Mr. Liu Yung Kan (廖榕根), Mr. Liu Kong Wai (廖廣偉), the son of Mr. Liu Yung Kan, and Mr. Liu Yung Kwong (廖榕光), the brother of Mr. Liu, as to 22.5%, 22.5%, 28%, 12% and 15%, respectively;
“Woguan Education”	Guangzhou Woguan Education Consulting Co., Ltd.* (廣州沃冠教育諮詢有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“Xinyue Trading”	Guangzhou Xinyue Trading Co., Ltd.* (廣州市欣躍貿易有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Yixiang Property Management”	Guangzhou Yixiang Property Management Co., Ltd.* (廣州市毅翔物業管理有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Yizhong Travel”	Guangzhou Yizhong Travel Agency Co., Ltd.* (廣州怡眾旅行社有限公司), a company established under the laws of the PRC with limited liability and wholly owned by Sun City Group, which in turn is indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50%, respectively;

- “Zengcheng Property” student dormitory and teaching buildings at No. 1, Huashang Road, Zengcheng District, Guangzhou, Guangdong Province, owned by Huashang Vocational College;
- “Zhaoqing Property” student dormitory and teaching buildings in Dongcheng Street, Sihui, Zhaoqing, Guangdong Province, the PRC owned by Huashang College;
- “Zhiheng Education” Guangzhou Zhiheng Education Consulting Co., Ltd.* (廣州智衡教育諮詢有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company;
- “%” per cent.

By order of the Board
LIU Yung Chau
Chairman and executive Director

Hong Kong, 30 August 2021

The English translation of Chinese names or words in this announcement, where indicated by “”, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

As at the date of this announcement, the executive Directors are Mr. Liu Yung Chau, Ms. Chen Yuan, Rita and Ms. Liu Yi Man, the non-executive Director is Mr. Liu Yung Kan; and the independent non-executive Directors are Mr. Xu Gang, Mr. Lo Chi Chiu and Mr. Li Jiatong.