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

VOLUNTARY ANNOUNCEMENT
ENTERING INTO THE LOAN AGREEMENTS

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

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to announce that:

- (i) on 20 December 2021, Anyang University (安陽學院) (“**Anyang University**”), as borrower, and Zhongyuan Bank Co. Ltd., Shangqiu Branch* (中原銀行股份有限公司商丘分行), as lender (the “**Lender**”), entered into a loan agreement (the “**First Loan Agreement**”), pursuant to which the Lender has agreed to make available a term loan facility with a principal amount of up to RMB45,000,000 (the “**First Loan**”) to Anyang University;
- (ii) on 11 February 2022, Anyang University, as borrower, and the Lender, as lender, entered into a loan agreement (the “**Second Loan Agreement**”), pursuant to which the Lender has agreed to make available a term loan facility with a principal amount of up to RMB130,000,000 (the “**Second Loan**”) to Anyang University; and
- (iii) on 11 February 2022, Anyang University, as borrower, and the Lender, as lender, entered into a loan agreement (the “**Third Loan Agreement**”, and together with the First Loan Agreement and the Second Loan Agreement, the “**Loan Agreements**”), pursuant to which the Lender has agreed to make available a term loan facility with a principal amount of up to RMB125,000,000 (the “**Third Loan**”, together with the First Loan and the Second Loan, the “**Loans**”) to Anyang University.

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

THE FIRST LOAN AGREEMENT

Date	:	20 December 2021
Lender	:	Zhongyuan Bank Co. Ltd., Shangqiu Branch* (中原銀行股份有限公司商丘分行)
Borrower	:	Anyang University (安陽學院)
Purpose of the First Loan	:	For the purchase of equipment for teaching purposes
Term of the First Loan	:	2 years, commencing on 21 December 2021
Interest	:	An annual interest rate of 6.00%, being 2.15% above the latest one-year loan prime rate (being 3.85%) promulgated by the National Interbank Funding Center under the authority of the People's Bank of China before the date of the First Loan Agreement
Security	:	The First Loan Agreement is secured by a guarantee provided by each of the Company, PRC Holdco and School Sponsor (each as defined below) and a pledge of receivables by Anyang University in favour of the Lender.

THE SECOND LOAN AGREEMENT

Date	:	11 February 2022
Lender	:	Zhongyuan Bank Co. Ltd., Shangqiu Branch* (中原銀行股份有限公司商丘分行)
Borrower	:	Anyang University (安陽學院)
Purpose of the Second Loan	:	For the purchase of equipment for teaching purposes
Term of the Second Loan	:	Two years, commencing on 16 February 2022
Interest	:	An annual interest rate of 6.00%, being 2.30% above the latest one-year loan prime rate (being 3.70%) promulgated by the National Interbank Funding Center under the authority of the People's Bank of China before the date of the Second Loan Agreement
Security	:	The Second Loan Agreement is secured by a guarantee provided by each of the Company, PRC Holdco and School Sponsor (each as defined below) and a pledge of receivables by Anyang University in favour of the Lender.

THE THIRD LOAN AGREEMENT

Date	:	11 February 2022
Lender	:	Zhongyuan Bank Co. Ltd., Shangqiu Branch* (中原銀行股份有限公司商丘分行)
Borrower	:	Anyang University (安陽學院)
Purpose of the Third Loan	:	For the purchase of equipment for teaching purposes
Term of the Third Loan	:	Two years, commencing on 23 February 2022
Interest	:	An annual interest rate of 6.00%, being 2.30% above the latest one-year loan prime rate (being 3.70%) promulgated by the National Interbank Funding Center under the authority of the People's Bank of China before the date of the Third Loan Agreement
Security	:	The Third Loan Agreement is secured by a guarantee provided by each of the Company, PRC Holdco and School Sponsor (each as defined below) and a pledge of receivables by Anyang University in favour of the Lender.

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

GUARANTEE

In respect of the Loan Agreements, each of the Company, Henan Chunlai Education Technology Co., Ltd.* (河南春來教育科技有限公司) (the “**PRC Holdco**”), and Henan Shangqiu Chunlai Education Corporation* (河南商丘春來教育集團) (the “**Sponsor**”) entered into a guarantee agreement with the Lender (collectively, the “**Guarantee Agreements**”). Pursuant to the Guarantee Agreements, each of the Company, PRC Holdco, and School Sponsor shall provide a guarantee in favour of the Lender for Anyang University's liabilities under the Loan Agreements (including but not limited to the principal amount of the Loans, interest, damages, compensation, and fees incurred by the Lender in connection with any enforcement actions).

PLEDGE OF RECEIVABLES

In respect of the Loan Agreements, Anyang University entered into an account receivables pledge agreement with the Lender, pursuant to which Anyang University agreed to pledge its account receivables in favour of the Lender for Anyang University's liabilities under the Loan Agreements (including but not limited to the Loans, interest, damages, compensation, and fees incurred by the Lender in connection with any enforcement actions).

REASONS FOR AND THE BENEFITS OF ENTERING INTO THE LOAN AGREEMENTS

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

The terms of the Loan Agreements and the related security documents were determined at after arm's length negotiations between the parties thereto, and the Board (including all independent non-executive Directors) considers that the terms of each of the Loan Agreements and the related security documents were fair and reasonable, on normal commercial terms, and in the interests of the Company and its shareholders as a whole.

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

Hong Kong, 11 February 2022

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

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