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21世紀教育
21ST CENTURY EDUCATION

China 21st Century Education Group Limited

中國21世紀教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1598)

PROFIT WARNING

This announcement is made by China 21st Century Education Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 (the “**Relevant Period**”) and other information currently available to the Board, the Group expects to record a decrease of 50% to 70% in net profit for the Relevant Period from that of approximately RMB78.8 million for the year ended 31 December 2020. Such decrease was mainly due to the regulatory policies on the education industry in China, resulting in (i) the suspension of K9 afterschool tutoring business; (ii) the provision of goodwill made for certain mergers and acquisitions; and (iii) the loss provision made for certain investment in financial assets leading to one-off impairment on financial assets. As the abovementioned impairment is provided on an one-off basis for the Relevant Period, the Board is confident in the Company’s long-term development and prospects.

As the Company is still in the process of preparing and finalising the annual results of the Group for the Relevant Period, the information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the latest information currently available and the unaudited consolidated management accounts of the Group for the Relevant Period, which have not been reviewed by the audit committee of the Company or audited by the Company’s auditors. Therefore, the above information is subject to adjustments and may be different from the audited annual results of the Group for the Relevant Period. Shareholders and potential investors of the Company should read carefully the annual results announcement of the Company for the Relevant Period, which is expected to be published in March 2022.

Since the consolidated management accounts of the Company have not yet been audited, shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
China 21st Century Education Group Limited
Li Yunong
Chairman

Hong Kong, 25 February 2022

As at the date of this announcement, the executive directors are Mr. Li Yunong, Ms. Liu Hongwei, Mr. Ren Caiyin, Ms. Yang Li and Mr. Li Yasheng; and the independent non-executive directors are Mr. Guo Litian, Mr. Yao Zhijun and Mr. Wan Joseph Jason.