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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China 21st Century Education Group Limited, you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES
AND
DECLARATION AND PAYMENT OF A FINAL DIVIDEND
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of China 21st Century Education Group Limited to be held at 15F, South Tower, Zhonghai Plaza, 8 Guanghua Dongli, Chaoyang District, Beijing, the PRC on Tuesday, 28 June 2022 at 10:00 a.m. is set out on pages 16 to 21 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting (i.e. by 10:00 a.m. on Sunday, 26 June 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the meeting or any adjournment thereof if they so wish and in such event, the proxy shall be deemed to be revoked.

29 April 2022

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 15F, South Tower, Zhonghai Plaza, 8 Guanghua Dongli, Chaoyang District, Beijing, the PRC on Tuesday, 28 June 2022 at 10:00 a.m. or any adjournment thereof, the notice of which is set out on pages 16 to 21 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Cayman Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	China 21st Century Education Group Limited (中國21世紀教育集團有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability on 20 September 2016
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the General Mandate may be increased by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 20% of the number of issued Shares as at the date of passing of the relevant resolution granting the General Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars and cents respectively, the lawful currency for the time being of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Latest Practicable Date”	21 April 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	29 May 2018, the date on which dealings in the Shares commenced on the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China excluding for the purpose of this circular, Hong Kong, the Macau Special Administrative Region and Taiwan
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the number of issued Shares as at the date of passing of the relevant resolution granting the Repurchase Mandate
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the capital of the Company
“Share Award Plan”	the share award plan adopted by the Company on 14 October 2020
“Share Option Scheme”	the share option scheme adopted by the Company on 4 May 2018
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

If there is any inconsistency between the Chinese names of entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail. The English translation of company or entity names in Chinese or another language which are marked with “” and the Chinese translation of company or entity names in English which are marked with “*” is for identification purpose only.*

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Li Yunong (*Chairman*)
Ms. Liu Hongwei
Mr. Ren Caiyin
Ms. Yang Li
Mr. Li Yasheng

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent non-executive Directors:

Mr. Guo Litian
Mr. Yao Zhijun
Mr. Wan Joseph Jason

Corporate headquarters:

8th Floor, Zhongdian Information Building
No. 356 Zhongshan West Road
Qiaoxi District
Shijiazhuang City
Hebei Province
the PRC

Principal place of business in Hong Kong:

31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

29 April 2022

To the Shareholders

Dear Sir or Madam

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES
AND
DECLARATION AND PAYMENT OF A FINAL DIVIDEND
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (i) the grant to the Directors of the General Mandate, the Repurchase Mandate and the Extension Mandate; (ii) the declaration and payment of a final dividend; and (iii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

In order to ensure greater flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the General Mandate to issue Shares. An ordinary resolution no. 5(A) will be proposed at the Annual General Meeting to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with new shares in the share capital of the Company up to 20% of the number of issued Shares as at the date of the passing of the resolution in relation to the General Mandate. As at the Latest Practicable Date, there were 1,164,882,000 Shares in issue. Subject to the passing of the above ordinary resolution and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 232,976,400 Shares pursuant to the General Mandate.

In addition, subject to a separate approval of the ordinary resolution no. 5(C), the number of Shares purchased by the Company under ordinary resolution no. 5(B), if approved by the Shareholders at the Annual General Meeting, will also be added to extend the 20% limit of the General Mandate as mentioned in the ordinary resolution no. 5(A) provided that such additional number shall not exceed 10% of the issued Shares as at the date of the passing of the General Mandate and Repurchase Mandate.

REPURCHASE MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution no. 5(B) will be proposed at the Annual General Meeting to grant the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the number of issued Shares as at the date of the passing of the resolution in relation to the Repurchase Mandate. As at the Latest Practicable Date, there were 1,164,882,000 Shares in issue. Subject to the passing of the above resolution and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 116,488,200 Shares pursuant to the Repurchase Mandate.

An explanatory statement required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

FINAL DIVIDEND

As stated in the announcement of the Company dated 31 March 2022 relating to the annual results of the Group for the year ended 31 December 2021, the Board recommended the payment of a final dividend of HK0.63 cents per ordinary Share (the “**Final Dividend**”) to Shareholders whose names appear on the register of members of the Company on Friday, 22 July 2022. The Final

LETTER FROM THE BOARD

Dividend is subject to approval by the Shareholders at the Annual General Meeting and a resolution will be proposed to the Shareholders for voting at the Annual General Meeting. Upon approval by the Shareholders at the Annual General Meeting, the Final Dividend will be paid on 29 July 2022.

RE-ELECTION OF RETIRING DIRECTORS

According to Article 84(1) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Accordingly, Mr. Ren Caiyin, Ms. Yang Li and Mr. Wan Joseph Jason shall retire by rotation at the Annual General Meeting and, being eligible, have offered themselves for re-election as Directors thereat.

To ensure a balance of skills, experience and diversity of perspectives appropriate to the requirements of the business of the Group among members of the Board, the nomination of Directors for appointment or re-appointment at the Annual General Meeting were made by the nomination committee of the Board in accordance with the nomination policy adopted by the Company and the selection criteria as set out in the board diversity policy of the Company (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service).

The nomination committee of the Board had nominated the retiring Directors to the Board for the Board to make recommendation to the Shareholders for re-election at the Annual General Meeting, having reviewed the composition of the Board and having regard to the retiring Directors' professional experience, skills, knowledge and/or length of service, their commitment to their respective roles and functions, and their respective contributions brought and continued to be brought to the Group.

On the re-election of Mr. Wan Joseph Jason as an independent non-executive Director, the nomination committee of the Board considered, and the Board shared the same views, that at all times during the period of directorship with the Company, Mr. Wan has properly discharged his duties and responsibilities as an independent non-executive Director and has made positive contribution to the development to the Company through independent, constructive and informed comments and participation at the business and other affairs relating to the Group. In addition, the Company received confirmation of independence pursuant to Rule 3.13 of the Listing Rules from Mr. Wan. In this regard, the Board is satisfied that Mr. Wan is a person of integrity and stature and believes that his re-election and continued appointment will contribute to the Board's diversity with his relevant experience and expertise in investment banking, corporate finance and regulatory areas and allow the Board as well as the Company to continuously benefit from the sharing of his invaluable experience, contribution and participation. Therefore, the Board recommends the re-election of Mr. Wan as an independent non-executive Director at the Annual General Meeting.

LETTER FROM THE BOARD

Details of the above named Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 23 June 2022 to Tuesday, 28 June 2022, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend and vote at the Annual General Meeting, during which period no share transfers will be registered. The record date for determining the eligibility to attend and vote at the Annual General Meeting is Tuesday, 28 June 2022. To be eligible to attend the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 22 June 2022.

The register of members of the Company will also be closed from Friday, 15 July 2022 to Friday, 22 July 2022, both days inclusive, in order to determine the entitlement of the Shareholders to receive the Final Dividend, during which period no share transfers will be registered. The record date for the entitlement to the proposed Final Dividend is Friday, 22 July 2022. To qualify for the Final Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 14 July 2022.

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 16 to 21 of this circular is the notice of Annual General Meeting at which, *inter alia*, ordinary resolutions will be proposed to Shareholders to consider and approve (i) the grant to the Directors of General Mandate, the Repurchase Mandate and the Extension Mandate; (ii) the declaration and payment of the Final Dividend; and (iii) the re-election of the retiring Directors.

FORM OF PROXY

A form of proxy for use at the Annual General Meeting is enclosed. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk). Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting (i.e. by 10:00 a.m. on Sunday, 26 June 2022) or any adjournment thereof.

LETTER FROM THE BOARD

Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish and in such event, the proxy shall be deemed to be revoked.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66 of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the General Mandate, the Repurchase Mandate and the Extension Mandate, the declaration and payment of the Final Dividend and the re-election of the retiring Directors are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

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

The following are the particulars of the retiring Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

As at the Latest Practicable Date, none of the following Directors, save as disclosed herein, had any interest in Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, none of the following Director holds any position with the Company or any other member of the Group, nor has any directorships in other listed public companies in the last three years. In addition, save as disclosed herein, none of the following Director has any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed herein, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

DIRECTORS CANDIDATES

Executive Directors

Mr. Ren Caiyin (任彩銀), aged 45, was appointed as an executive vice president and an executive Director in January 2017, and was the president of vocational education section of the Company, mainly responsible for the overall operation and daily management of the higher education section of the Group. Mr. Ren has more than 17 years of experience in the education industry.

Mr. Ren joined the Group in October 2004 as a teacher of Shijiazhuang Institute of Technology* (石家莊理工職業學院) and has served in several positions successively, including the head of the teaching and research section, the dean of economics and management college, the assistant to the dean, the executive vice dean and the executive dean since then. Mr. Ren has also been a director and the executive vice president of Hebei Lionful Education Investment Co., Ltd.* (河北廿一世紀教育投資有限公司) (“**Lionful Education**”) from June 2016 to August 2017. He has served as a director of Hebei Saintach Education and Technology Co., Ltd.* (河北新天際教育科技有限公司) (“**Hebei Saintach**”) since September 2016.

Mr. Ren graduated from Northeast Forestry University (東北林業大學) in Harbin City, Heilongjiang Province, the PRC, with a bachelor’s degree in forestry in July 2001 and a master’s degree in ecology in June 2004. He is a doctoral candidate in management at Hebei University of Technology (河北工業大學). He obtained the qualification as a teacher in higher education granted by the Education Department of Hebei Province (河北省教育廳) in December 2007 and obtained the title of associate professor granted by the Title Reform Leading Group Office of Hebei Province* (河北省職稱改革領導小組辦公室) (the “**Hebei Title Reform Office**”) in December 2016.

Mr. Ren has entered into a service contract with the Company for an initial fixed term of three years commencing from the Listing Date and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. He is not entitled to receive any fee in relation to his position as an executive Director but is entitled to basic salaries, bonuses and benefits for his management positions in the Company.

As at the Latest Practicable Date, Mr. Ren was deemed to be interested in an aggregate of 2,430,000 underlying Shares, representing approximately 0.21% of the issued Shares, of which (i) 951,000 Shares represent the underlying shares of the outstanding share options granted to Mr. Ren under the Share Option Scheme; and (ii) 443,700 Shares and 1,035,300 Shares represent the vested and unvested award shares granted to Mr. Ren under the Share Award Plan respectively.

Ms. Yang Li (楊莉), aged 50, was appointed as an executive Director in February 2017, mainly responsible for the research on marketing strategies of the Group. Ms. Yang has more than 17 years of experience in the education industry and more than 17 years of experience in accounting and financing.

Ms. Yang served as the deputy director of the financial department of Shijiazhuang Jingang Internal-combustion Engine Parts Group Co., Ltd.* (石家莊金剛內燃機零部件集團有限公司) from July 1993 to January 2001. Ms. Yang joined the Group in January 2001 as an accountant in Lionful Education. She ceased to be an accountant in January 2004, and served as the financial manager from January 2004 to January 2005 and successively as the investment manager and the strategic planning manager in the strategy development department from January 2005 to August 2017. Ms. Yang served as a director in Shijiazhuang Saintach Education and Technology Co., Ltd.* (石家莊新天際教育科技有限公司) from June 2013 to April 2015 and as a director in Hebei Saintach from July 2013 to December 2015. Ms. Yang served as a director in Lionful Education from July 2013 to October 2016.

Ms. Yang graduated from Shaanxi Institute of Mechanical Engineering* (陝西機械學院, currently known as Xi'an University of Technology* (西安理工大學)) in Xi'an City, Shaanxi Province, the PRC, with a bachelor's degree of engineering in July 1993, and Renmin University of China (中國人民大學) in Beijing, the PRC, with a master's degree in economics in June 2009. She obtained the practicing qualification certificate of registered tax agent in September 2002 and the qualification certificate of senior accountant in November 2015, both granted by the Hebei Title Reform Office. She was granted the certified public accountant certificate by The Chinese Institute of Certified Public Accountants (中國註冊會計師協會) in December 2002.

Ms. Yang has entered into a service contract with the Company for an initial fixed term of three years commencing from the Listing Date and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. She is not entitled to receive any fee in relation to her position as an executive Director but is entitled to basic salaries, bonuses and benefits for her management positions in the Company.

As at the Latest Practicable Date, Ms. Yang was deemed to be interested in an aggregate of 2,430,000 underlying Shares, representing approximately 0.21% of the issued Shares, of which (i) 951,000 Shares represent the underlying shares of the outstanding share options granted to Ms. Yang under the Share Option Scheme; and (ii) 443,700 Shares and 1,035,300 Shares represent the vested and unvested award shares granted to Ms. Yang under the Share Award Plan respectively.

Independent non-executive Director

Mr. Wan Joseph Jason (尹宸賢), aged 49, was appointed as an independent non-executive Director in March 2019 and is responsible for providing independent opinion and judgment to the Board. Mr. Wan has over 23 years of experience in investment banking, corporate finance and regulatory areas.

Prior to joining the Group, Mr. Wan worked with various reputable international financial institutions and the Listing Division of the Hong Kong Exchanges and Clearing Limited. Mr. Wan is currently the deputy general manager and the head of Investment Banking Department of Dongxing Securities (Hong Kong) Financial Holdings Limited (東興證券(香港)金融控股有限公司) which is an affiliated member of China Orient Asset Management Corporation (中國東方資產管理公司), and a responsible officer licensed under the Securities and Futures Ordinance to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. From May 2018 to April 2020, Mr. Wan served as an independent non-executive director of Forgame Holdings Limited (雲遊控股有限公司) (a company listed on the Stock Exchange, stock code: 00484).

Mr. Wan graduated from the University of Southern California in May 1994 with a double bachelor's degree in economics and finance.

Mr. Wan has entered into a letter of appointment with the Company for an initial fixed term of one year commencing from 6 March 2019 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. He is entitled to receive an annual director's fee of RMB84,000, which is determined with reference to his roles and responsibilities, the performance of the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Wan has no interests in the Shares which are required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares in issue was 1,164,882,000 Shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 116,488,200 Shares which represent 10% of the total number of issued Shares during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by Cayman Companies Law or the Articles of Association; or (iii) the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting prior to the next annual general meeting of the Company.

REASONS AND FUNDING OF REPURCHASES

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

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Cayman Companies Law and the Listing Rules. The Cayman Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Cayman Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in the Cayman Companies Law.

GENERAL INFORMATION

To the best of their knowledge, having made all reasonable enquiries, none of the Directors nor any of their close associates, as defined in the Listing Rules, currently intend to sell any Shares to the Company or its subsidiaries, in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

No core connected person of the Company has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

If as a result of a repurchase of Shares by the Company pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, as far as the Directors are aware, the following persons had an interest or short position in Shares or underlying Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance, or, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any of its subsidiaries:

Name of Shareholders	Nature of Interest	Number of Shares Interested ⁽⁵⁾	Approximate Percentage of Interest in the Issued Share Capital ⁽⁶⁾
Mr. Li Yunong ⁽¹⁾⁽³⁾	Founder of a discretionary trust who can influence how the trustee exercises his discretion	754,590,000(L)	64.78%
	Beneficial owner	1,902,000(L)	0.16%
	Beneficial owner	666,000(L)	0.06%
	Beneficiary of a trust (other than a discretionary interest)	1,554,000(L)	0.13%
Ms. Cao Yang ⁽³⁾	Spouse interest	758,712,000(L)	65.13%
HSBC International Trustee Limited ⁽¹⁾	Trustee	754,590,000(L)	64.78%
Sainange Holdings Company Limited	Beneficial owner	754,590,000(L)	64.78%
Leonus Holdings Limited ⁽¹⁾	Interest in a controlled corporation	754,590,000(L)	64.78%
Ms. Luo Xinlan ⁽²⁾⁽⁴⁾	Interest in a controlled corporation	92,736,000(L)	7.96%
Mr. Cao Jide ⁽⁴⁾	Spouse interest	92,736,000(L)	7.96%
Sainray Limited	Beneficial owner	92,736,000(L)	7.96%

Notes:

- (1) Mr. Li Yunong is the founder of a trust of which HSBC International Trustee Limited is the trustee having control over the entire issued shares of Leonus Holdings Limited, which in turn holds the entire issued shares of Sainange Holdings Company Limited. Each of Mr. Li Yunong, HSBC International Trustee Limited and Leonus Holdings Limited is deemed to be interested in the 754,590,000 Shares held by Sainange Holdings Company Limited by the virtue of the Securities and Futures Ordinance.

On 5 November 2020, 1,902,000 Shares were granted to Mr. Li Yunong under the Share Option Scheme. For details, please refer to the announcement of the Company dated 5 November 2020. On 29 December 2020, 2,220,000 Shares were granted to Mr. Li Yunong under the Share Award Plan, of which 666,000 award shares has vested on 29 December 2020. For details, please refer to the announcement of the Company dated 29 December 2020.

- (2) Ms. Luo Xinlan is the sole shareholder of Sainray Limited and she is therefore deemed to be interested in the Shares held by Sainray Limited by the virtue of the Securities and Futures Ordinance, being 92,736,000 Shares.
- (3) Ms. Cao Yang is the spouse of Mr. Li Yunong and she is therefore deemed to be interested in the Shares in which Mr. Li Yunong is interested by the virtue of the Securities and Futures Ordinance.
- (4) Mr. Cao Jide is the spouse of Ms. Luo Xinlan and he is therefore deemed to be interested in the Shares in which Ms. Luo Xinlan is interested by the virtue of the Securities and Futures Ordinance.
- (5) The letter (L) denotes a long position in such securities.
- (6) As at the Latest Practicable Date, the number of the issued shares of the Company was 1,164,882,000 Shares.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Li Yunong was interested in 758,712,000 Shares, representing approximately 65.13% of the total number of the issued Shares. Among the 758,712,000 Shares, 754,590,000 Shares, representing approximately 64.78%, were held by Sainange Holdings Company Limited, which is wholly-owned by Leonus Holdings Limited. The issued shares of Leonus Holdings Limited are entirely controlled by a trust of which HSBC International Trustee Limited is the trustee and Mr. Li Yunong, an executive Director, is the founder. On the basis that (i) the cancellation of the 116,488,200 repurchased Shares is completed before the date of the Annual General Meeting and (ii) there is no other change to the number of issued shares of the Company, and in the event that the Directors should exercise in full the Repurchase Mandate, the shareholding of Mr. Li Yunong and Sainange Holdings Company Limited in the Company will be increased to approximately 72.37% and 71.98% of the issued share capital of the Company. To the best knowledge and belief of the Directors, such increase would not give rise to any obligation to make a mandatory offer under the Takeovers Code. The Directors are not aware of any consequences which would arise under the Takeover Code as a results of any repurchase of Shares pursuant to the Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

The Directors consider there would not be any material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the 2021 annual report of the Company) in the event that the proposed purchases in the Repurchase Mandate were to be exercised in full at any time during the proposed purchase period. In addition, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

SHARE REPURCHASE MADE BY THE COMPANY

The Company repurchased a total of 2,334,000 Shares on the Stock Exchange in the previous six months preceding the Latest Practicable Date. Details of the repurchase are disclosed as follows:

Date of Repurchase	Number of Shares Repurchased	Price Paid Per Share	
		Highest (HK\$)	Lowest (HK\$)
25 January 2022	744,000	0.500	0.480
26 January 2022	462,000	0.500	0.495
27 January 2022	<u>1,128,000</u>	0.510	0.500
Total	<u><u>2,334,000</u></u>		

The Shares repurchased on 25 January 2022, 26 January 2022 and 27 January 2022 were cancelled on 30 March 2022.

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date were as follows:

Month	Highest traded prices (HK\$)	Lowest traded prices (HK\$)
2021		
April	0.730	0.640
May	0.670	0.580
June	0.670	0.570
July	0.650	0.280
August	0.550	0.430
September	0.560	0.455
October	0.550	0.500
November	0.530	0.475
December	0.485	0.330
2022		
January	0.550	0.430
February	0.600	0.465
March	0.530	0.405
April (up to the Latest Practicable Date)	0.455	0.415

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of China 21st Century Education Group Limited (the “**Company**”) will be held at 15F, South Tower, Zhonghai Plaza, 8 Guanghua Dongli, Chaoyang District, Beijing, the PRC on Tuesday, 28 June 2022 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended 31 December 2021.
2. To declare and pay a final dividend of HK0.63 cents per ordinary share of the Company for the year ended 31 December 2021.
3. (A) To re-elect the following retiring directors of the Company (the “**Directors**”):
 - (i) Mr. Ren Caiyin as an executive Director;
 - (ii) Ms. Yang Li as an executive Director; and
 - (iii) Mr. Wan Joseph Jason as an independent non-executive Director.

(B) To authorise the board of Directors to fix the remuneration of the Directors.
4. To re-appoint Ernst & Young as auditor of the Company and to authorise the board of Directors to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, to pass (with or without amendments) the following resolutions as ordinary resolutions:

(A) “**That:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20% of the total number of issued shares of the Company as at the date of passing this resolution; and (if the directors of the Company are so authorised by resolution numbered 5(B)) the aggregate number of shares of the Company bought back by the Company subsequent to the passing of resolution numbered 5(B) (up to a maximum equivalent to 10% of the number of issued shares of the Company as at the date of passing resolution numbered 5(B)).

NOTICE OF ANNUAL GENERAL MEETING

And the said approval shall be limited accordingly;

(iv) for the purpose of this resolution:

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

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or
- (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

(b) “**Rights Issue**” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares in the capital of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) “**That:**

- (i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited under the Code on Share Buy-back and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the aggregate number of shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or
 - (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “**That** conditional upon the resolutions numbered 5(A) and 5(B) set out in the notice convening this meeting being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 5(A) set out in the notice convening this meeting be and is hereby extended by the addition thereto of such number of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 5(B) set out in the notice convening this meeting, provided that such amount of shares of the Company shall not exceed 10% of the total number of issued shares of the Company at the date of passing of the said resolutions.”

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

Hong Kong, 29 April 2022

NOTICE OF ANNUAL GENERAL MEETING

Registered office:

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Corporate headquarters:

8th Floor, Zhongdian Information Building
No. 356 Zhongshan West Road
Qiaoxi District
Shijiazhuang City
Hebei Province
the PRC

Principal place of business in Hong Kong:

31/F., Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Notes:

- (i) Resolution numbered 5(C) will be proposed to the shareholders of the Company for approval provided that resolutions numbered 5(A) and 5(B) are passed by the shareholders of the Company.
- (ii) A shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it; a proxy need not be a shareholder of the Company.
- (iii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. by 10:00 a.m. on Sunday, 26 June 2022) or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) The register of members of the Company will be closed from Thursday, 23 June 2022 to Tuesday, 28 June 2022, both days inclusive, in order to determine the identity of the shareholders of the Company who are entitled to attend and vote at the annual general meeting of the Company to be held on 28 June 2022 (the "**Annual General Meeting**"), during which period no share transfers will be registered. To be eligible to attend and vote at the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 22 June 2022.
- (vi) In respect of ordinary resolution numbered 3(A) above, Mr. Ren Caiyin, Ms. Yang Li and Mr. Wan Joseph Jason shall retire and being eligible, offer themselves for re-election at the above meeting. Details of the above Directors are set out in Appendix I to the circular of the Company dated 29 April 2022.
- (vii) In respect of the resolution numbered 5(A) above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company referred therein. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING

- (viii) In respect of ordinary resolution numbered 5(B) above, the Directors wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances where they consider that the repurchase would be in the best interest of the Company and its shareholders. An explanatory statement containing the information necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the general mandate to repurchase shares of the Company, as required by the Listing Rules, is set out in Appendix II to the circular of the Company dated 29 April 2022.
- (ix) Pursuant to Rule 13.39(4) of the Listing Rules, voting for all the resolutions set out in this notice will be taken by poll at the above meeting.

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