

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Chen Lin Education Group Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Chen Lin Education Group Holdings Limited

辰林教育集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1593)

**(1) PROPOSED AMENDMENTS TO RESTRICTED SHARE
UNIT SCHEME
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the Extraordinary General Meeting of Chen Lin Education Group Holdings Limited to be held at Unit 2503, 25th Floor, Office Tower 1, The Harbourfront, Hung Hom, Kowloon, Hong Kong on Monday, 30 January 2023 at 3:30 p.m., at which, among other things, the above proposals will be considered and approved, is set out on pages N-1 to N-2 of this circular.

Whether or not you intend to attend the Extraordinary General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

Practical measures will be taken to try to avoid the spread of COVID-19 at the Extraordinary General Meeting, including:

- Compulsory temperature checks and health declarations for all attendees, including Directors and Shareholders
- Prohibition from attendance at the Extraordinary General Meeting if the attendee has a fever. Persons exhibiting flulike symptoms may also be refused admittance to the venue of the Extraordinary General Meeting
- Compulsory wearing of surgical face masks throughout the Extraordinary General Meeting
- Maintaining proper distance between seats
- No refreshments will be served at the Extraordinary General Meeting

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine will be denied entry into the venue of the Extraordinary General Meeting. The Company reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the Extraordinary General Meeting as an alternative to attend the Extraordinary General Meeting in person.

6 January 2023

CONTENTS

	<i>Page</i>
Responsibility Statement	ii
Definitions	1
Letter from the Board	5
Appendix I — Proposed Amendments to Restricted Share Unit Scheme	I-1
Notice of Extraordinary General Meeting	N-1

RESPONSIBILITY STATEMENT

This circular, for which the Directors (as defined herein) collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules (as defined herein) for the purpose of giving information with regard to the Company. The Directors (as defined herein), having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this circular misleading.

DEFINITIONS

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

“Amended Rules”	the amendments to the Listing Rules relating to share schemes of listed issuers, which will take effect on 1 January 2023 pursuant to the Consultation Conclusions
“Amendment Date”	means the date on which the amendments to the Restricted Share Unit Scheme are approved by the Shareholders
“Articles” or “Articles of Association”	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“associate(s)”	shall bear the meaning as defined in the Listing Rules
“Board”	the board of Directors
“Chen Lin Elite Holdings”	Chen Lin Elite Holdings Limited, a company incorporated under the laws of the British Virgin Islands on 5 July 2018 and wholly-owned by Huangyulin Holdings
“China” or “the PRC”	the People’s Republic of China and for the purposes of this circular only, except where the context requires otherwise, references to China or the PRC exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“close associate(s)”	has the meaning as defined under the Listing Rules
“Companies Law”	the Companies Law (2020 Revision) of the Cayman Islands, as amended supplemental or otherwise modified from time to time
“Company” or “our Company”	Chen Lin Education Group Holdings Limited (辰林教育集團控股有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability on 25 May 2018 and whose shares were listed on the Stock Exchange on 13 December 2019 (stock code: 1593)
“connected person(s)”	shall bear the meaning as defined in the Listing Rules
“Consultation Conclusions”	Consultation conclusions on the proposed amendments to the Listing Rules relating to share schemes of listed issuers and housekeeping rule amendment published by the Stock Exchange in July 2022
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and, unless the context otherwise requires, refers to Mr. Huang, Huangyulin Holdings and Chen Lin Elite Holdings

DEFINITIONS

“Director(s)”	the director(s) of the Company
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be convened and held at Unit 2503, 25th Floor, Office Tower 1, The Harbourfront, Hung Hom, Kowloon, Hong Kong on Monday, 30 January 2023 at 3:30 p.m.
“Eligible Person(s)”	persons eligible to receive RSUs under the Restricted Share Unit Scheme, who are existing employees, directors (whether executive or non-executive, but excluding independent non-executive directors) or officers of the Company or any of its subsidiaries (including persons who are granted RSUs under the Restricted Share Unit Scheme as an inducement to enter into employment contracts with these companies)
“Group” or “our Group”	the Company and all of its subsidiaries and consolidated affiliated entities
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Huangyulin Holdings”	Huangyulin Holdings Limited, a company incorporated under the laws of the British Virgin Islands on 22 May 2018 and wholly-owned by Mr. Huang
“Latest Practicable Date”	3 January 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Huang”	Mr. HUANG Yulin (黃玉林), one of the Controlling Shareholders, the chairman of the Board, the chief executive officer of the Company and an executive Director
“Participant(s)”	a Selected Person who accepts the offer of the grant of RSUs in accordance with the terms of this Scheme
“Proposed Amendments”	the proposed amendments to the Restricted Share Unit Scheme, key changes of which are set out in this circular
“Restricted Share Unit Scheme”	the restricted share unit scheme adopted by our Company on 20 August 2019

DEFINITIONS

“RSUs”	restricted share units, each restricted share unit represents one underlying Share, and represent a conditional right granted to any Selected Person under the Restricted Share Unit Scheme to obtain Shares, less any tax, stamp duty and other charges applicable, as determined by the Board in its absolute discretion
“Scheme Mandate Limit”	the maximum number of new Shares which may be allotted and issued in respect of all RSUs to be granted under this Scheme and all options and awards to be granted under any other Share Scheme(s)
“Selected Person(s)”	Eligible Persons selected by the Board to be granted RSUs under this Scheme at its discretion
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary shares of the Company, as at the date of this circular, with a par value of HK\$0.0001 each
“Share Scheme(s)”	share award schemes and/or share option schemes involving issuance of new Shares adopted and to be adopted by the Company from time to time, including the Restricted Share Unit Scheme
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	shall bear the meaning as defined in the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buybacks issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Trustee”	trustee(s) to be appointed by the Board to hold Shares for the purpose of the Restricted Share Unit Scheme
“Vesting Date”	in respect of a Participant, the date on which his/her entitlement to the relevant RSUs is vested in such Participant in accordance with the Restricted Share Unit Scheme

DEFINITIONS

“Vesting Period”	in respect of a Participant, the period commencing on the date on which the RSUs have been granted to such Participant and ending on the Vesting Date (both dates inclusive)
“%”	per cent.

LETTER FROM THE BOARD



Chen Lin Education Group Holdings Limited

辰林教育集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1593)

Executive Directors:

Mr. HUANG Yulin

(chairman and chief executive officer)

Mr. YANG Ruichen *(chief financial officer)*

Mr. LIU Chunbin *(vice president)*

Mr. WANG Li *(co-president)*

Ms. GAN Tian *(co-president)*

Mr. WANG Shenghua *(vice president)*

Non-executive Director:

Mr. LI Cunyi

Independent Non-executive Directors:

Mr. SY Lai Yin, Sunny

Mr. CHEN Wanlong

Mr. HUANG Juyun

Mr. WANG Donglin

Registered office:

190 Elgin Avenue

George Town

Grand Cayman KY1-9008

Cayman Islands

Principal Place of Business

in Hong Kong:

40th Floor

Dah Sing Financial Centre

248 Queen's Road East

Wanchai

Hong Kong

6 January 2023

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED AMENDMENTS TO RESTRICTED SHARE
UNIT SCHEME
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed to seek approval of the Shareholders in respect of the Proposed Amendments to Restricted Share Unit Scheme and to give you the notice of the Extraordinary General Meeting.

LETTER FROM THE BOARD

The Company adopted the Restricted Share Unit Scheme on 20 August 2019. Details of the Restricted Share Unit Scheme are set out in the section headed “D. RSU SCHEME — Appendix V Statutory and General Information” of the prospectus of the Company dated 27 November 2019. The purpose of the Restricted Share Unit Scheme is to incentivize directors, senior management and employees for their contribution to our Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company. As of the Latest Practicable Date, save for the Restricted Share Unit Scheme, the Company did not have any other existing share award schemes and/or share option schemes.

Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules will be amended to govern both share award schemes and share option schemes with effect from 1 January 2023.

In light of the above, the Board is pleased to announce that it has resolved on 30 November 2022 in relation to the Proposed Amendments to be made to the Restricted Share Unit Scheme in order to bring in line with the Amended Rules.

The Directors propose to seek approval from the Shareholders at the EGM for certain amendments to be made to the Restricted Share Unit Scheme to, among other, bring the Restricted Share Unit Scheme in alignment with the Amended Rules and make certain minor housekeeping amendments to the Restricted Share Unit Scheme for the purpose of clarifying existing practice and making consequential amendments. The Proposed Amendments shall apply to the Restricted Share Units to be granted under the Restricted Share Unit Scheme with effect from the date of the EGM.

PROPOSED AMENDMENTS TO RESTRICTED SHARE UNIT SCHEME

Pursuant to the Amended Rules and the Restricted Share Unit Scheme, alterations to the terms and conditions of it which are of a material nature must be approved by the Shareholders in general meeting. As the Proposed Amendments are of a material nature, the Proposed Amendments will be subject to, among others, Shareholders’ approval at the EGM.

The key changes entailed by the Proposed Amendments are set out below:

- (a) to require the Trustee to abstain from voting on matters that require Shareholders’ approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner’s direction and such a direction is given;
- (b) to specify that initially and subject to otherwise determined by the Board at its absolute discretion at the relevant time for each individual grant of RSUs, a Selected Person is not required to pay any grant or purchase price or make any other payment to the Company to accept the RSUs granted pursuant to Grant Letter, nor is he/she required to pay any conversion price upon the conversion of the RSUs;
- (c) to require independent non-executive Directors’ prior approval on grants of RSUs to a Director, chief executive and substantial Shareholder and their respective associates;

LETTER FROM THE BOARD

- (d) to include a minimum Vesting Period of not be less than 12 months or such other period as the Listing Rules may prescribe or permit;
- (e) to specify that the Board or the remuneration committee of the Company (as the case may be) may establish performance targets with respect to RSUs that have been granted and allow the Board or the remuneration committee of the Company (as the case may be) to make fair and reasonable adjustments to the prescribed performance targets during the Vesting Period;
- (f) to include a maximum period within which an RSU may be converted by the Participant of not be more than 10 years from the date of grant of the RSUs;
- (g) to specify that in case a Participant commits a Misconduct or is involved in a material misstatement in the Group's financial statements, all RSUs that have been vested but not yet converted and all unvested RSUs shall automatically lapse and to specify that the RSUs lapsed in accordance with the Restricted Share Unit Scheme will not be regarded as utilized for the purpose of calculating the scheme mandate limit;
- (h) to specify that RSUs cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit;
- (i) to include a scheme mandate limit of not exceeding 10% of the number of Shares in issue as at the Amendment Date to all Share Schemes (which includes the Restricted Share Unit Scheme);
- (j) to require independent Shareholders' approval for refreshment of scheme mandate within a three-year period from the date of Shareholders' approval for the last refreshment (or the Amendment Date);
- (k) to require approval by the Shareholders for grant of RSUs if the maximum number of Shares which may be issued or to be issued in respect of all RSUs, options and awards granted under the Share Schemes (which includes the Restricted Share Unit Scheme) to a Selected Person in any 12-month period will exceed 1% of the Shares in issue;
- (l) to require approval by the Shareholders for grant of RSUs to a Director (other than an independent non-executive Directors) or chief executive of the Company, or any of their respective associates, if the maximum number of Shares which may be issued and to be issued in respect of all RSUs and awards granted under the Share Schemes (which includes the Restricted Share Unit Scheme) in any 12-month period will exceed 0.1% of the Shares in issue;
- (m) to require approval by the Shareholders for grant of RSUs to a substantial Shareholder, or any of their respective associates, if the maximum number of Shares which may be issued and to be issued in respect of all RSUs, options and awards granted under the Share Schemes (which includes the Restricted Share Unit Scheme) in any 12-month period will exceed 0.1% of the Shares in issue;

LETTER FROM THE BOARD

- (n) to require approval by the Shareholders for any alterations to the terms and conditions of the Restricted Share Unit Scheme which are of a material nature (including but not limited to the definitions of “Eligible Persons”, matters governed by rule 17.03 of the Listing Rules to the advantage of the Selected Persons and Participants and authority of the Directors, the Trustee or other administrators of the Restricted Share Unit Scheme to alter the terms of the scheme) and to specify that no such amendment shall affect adversely the terms of issue of any RSUs granted or agreed to be granted prior to such amendment;
- (o) to require approval by the Shareholders for early termination of the Restricted Share Unit Scheme; and
- (p) to include other house-keeping amendments for the purpose of making consequential amendments in line with the Proposed Amendments, and to better align the wording with that of the Amended Rules.

Details of the Proposed Amendments are set out in Appendix I to this circular.

BACKGROUND AND MEASURES TO BE TAKEN RELATING TO SCHEME MANDATE LIMIT

In recognition of the contributions of the Directors, senior management and employees and to provide incentive, on 20 August 2019, the Company adopted the Restricted Share Unit Scheme, pursuant to which Mr. Huang contributed 1,334 ordinary shares, representing approximately 4.0% of the total issued share capital of the Company at that time, for the vesting of RSUs granted under the Restricted Share Unit Scheme. Meanwhile, the Company has appointed Mr. Huang, the chairman of the Board, the chief executive officer of the Company and an executive Director, as the trustee (the “**RSU Trustee**”) to assist in the administration of the Restricted Share Unit Scheme. Subsequently, the Company resolved share subdivision on 18 November 2019 that all the issued and unissued ordinary shares of the Company with a par value of HK\$0.1 each be subdivided into 1,000 Shares with a par value of HK\$0.0001. Then upon the Global Offering, the Directors allotted and issued a total of 725,000,000 Shares credited as fully paid at par value to the Shareholders on the register of members of our Company in proportion to their respective shareholdings in the Company (as nearly as possible without fractions). As such, immediately following the completion of the Global Offering, the number of Shares held by the RSU Trustee was 40,020,000, representing approximately 4.0% of the total issued share capital of the Company at that time. Such 40,020,000 Shares have been held by Chen Lin Elite Holdings and reserved for the vesting of RSUs granted under the Restricted Share Unit Scheme. Chen Lin Elite Holdings has been directly owned by Huangyulin Holdings, which in turn has been directly owned by Mr. Huang. Since then and up to the Latest Practicable Date, the RSU Trustee did not receive any remuneration as a trustee under the Restricted Share Unit Scheme. For further details, please refer to the section headed “HISTORY AND REORGANIZATION” of the prospectus of the Company dated 27 November 2019.

LETTER FROM THE BOARD

Since the adoption of the Restricted Share Unit Scheme up to the Latest Practicable Date (the “**Relevant Period**”), the Company had granted a total of 40,000,000 RSUs, nil RSUs had been converted and a total of 13,905,300 RSUs had been forfeited (either lapsed or cancelled).

As at the Latest Practicable Date, RSUs in respect of 26,094,700 underlying Shares, representing approximately 2.61% of the share capital of our Company, have been granted to 39 Participants pursuant to the RSU Scheme. As at the Latest Practicable Date, all such RSUs have been vested.

Therefore, as at the Latest Practicable Date, a total of 40,020,000 Shares had been reserved for the Restricted Share Unit Scheme, comprising (i) 13,925,300 Shares, representing approximately 1.39% of the issued share capital of the Company, that remained grantable under the Restricted Share Unit Scheme; and (ii) 26,094,700 Shares, representing approximately 2.61% of the issued share capital of the Company, that had been granted and vested but not yet converted under the Restricted Share Unit Scheme.

The following table sets forth movement in number of Shares that had been reserved for the Restricted Share Unit Scheme:

	Number of Shares (% of the issued share capital of the Company as at the Latest Practicable Date)
Beginning balance	40,020,000 (4.02%)
Minus: Number of RSUs granted during the Relevant Period	40,000,000 (4.00%)
Plus: Number of RSUs forfeited (either lapsed or cancelled) during the Relevant Period	13,905,300 (1.39)%
Number of Shares remained grantable as at the Latest Practicable Date	13,925,300 (1.39)%

For any future grants of RSUs under the Restricted Share Unit Scheme, the Company will first utilize the remaining 13,925,300 existing Shares in accordance with the applicable requirements under Chapter 17 of the Listing Rules as amended from time to time prior to issue any new Shares for grants, or cancel and/or otherwise dispose of such existing Shares in accordance with the articles of associations of the Company, the Listing Rules and applicable laws and regulations. In addition, the Company intends that the RSU Trustee will continue to assist in the administration of those existing Shares that had been reserved for the Restricted Share Unit Scheme, without receiving any remuneration. For any future grants of RSUs, the Company may appoint the RSU Trustee (without any remuneration) or engage an independent professional trust service provider to assist in the administration of such grants of RSUs and will comply applicable requirements under the Listing Rules as amended from time to time.

LETTER FROM THE BOARD

For the purposes of calculation of Scheme Mandate Limit, all such existing Shares shall be counted as grant of RSUs by way of existing Shares and shall not be counted towards the Scheme Mandate Limit. With respect to RSUs granted by way of (i) new Shares from the Scheme Mandate Limit and (ii) existing Shares, the Company will maintain separate registers to monitor details of grant of RSUs under the Restricted Share Unit Scheme and will separately disclose such information in the Company's annual report and accounts in accordance with Rule 14A.69 of the Listing Rules as well as the Company's annual report and interim reports in accordance with the requirements under Chapter 17 of the Listing Rules as amended from time to time.

EXTRAORDINARY GENERAL MEETING

The Proposed Amendments shall take effect on the date of its adoption at the EGM and is conditional upon (i) the passing of the necessary resolution to approve and adopt the Proposed Amendments by the Shareholders at the EGM; and (ii) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares which may fall to be issued in respect of RSUs granted under the amended Restricted Share Unit Scheme.

As at the Latest Practicable Date, the Company had 1,000,000,000 Shares in issue. Assuming that there is no change to the number of Shares in issue between the Latest Practicable Date and the Amendment Date, the Scheme Mandate Limit shall not exceed 100,000,000 Shares (i.e. representing 10% of the number of Shares in issue as at the Amendment Date). In addition to allotting and issuing new Shares from the Scheme Mandate Limit, according to rule 3.4 of the Restricted Share Unit Scheme, the Company may direct and procure the RSU Trustee or an independent professional trust service provider to receive existing Shares from any Shareholder or purchase existing Shares (either on-market or off-market) to satisfy the RSUs upon conversion. For the avoidance of doubt, the RSU Trustee shall not receive any remuneration as a trustee under the Restricted Share Unit Scheme.

Set out on pages N-1 to N-2 of this circular is a notice convening the EGM to consider and, if appropriate, to approve the ordinary resolutions relating to the Proposed Amendments.

A form of proxy for use at the EGM is enclosed herewith. If you are not able to attend and/or vote at the EGM in person, you are requested to complete the form of proxy and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to procedural or administrative matter to be voted by a show of hands. Accordingly, each of the resolutions put to vote at the EGM will be taken by way of poll.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain Shareholder's entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 20 January 2023 to Monday, 30 January 2023, both days inclusive, during which period no transfer of Shares of the Company will be registered. In order to qualify for attending and voting at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, 19 January 2023.

RECOMMENDATION

The Board considers that the ordinary resolution in relation to the adoption of the Proposed Amendments to the Restricted Share Unit Scheme to be proposed at the EGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of such resolutions at the EGM.

GENERAL

No Director has a material interest and is required to abstain from voting on the resolutions to approve the adoption of the Proposed Amendments at the EGM. Pursuant to the new Rule 17.05A of the Listing Rules and rule 3.4 of the Restricted Share Unit Scheme, the RSU Trustee (with respect to 40,020,000 existing Shares held and remained grantable and yet to be converted under the Restricted Share Unit Scheme) shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given. Save for the RSU Trustee, none of the Shareholders is required to abstain from voting on such resolutions at the EGM pursuant to the Listing Rules and/or the Articles of Association.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the new Shares to be granted under the amended Restricted Share Unit Scheme.

Your attention is also drawn to the appendix to this circular.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
By Order of the Board
Chen Lin Education Group Holdings Limited
HUANG Yulin
Chairman

**RULES
OF
CHEN LIN EDUCATION GROUP HOLDINGS LIMITED
辰林教育集團控股有限公司
RESTRICTED SHARE UNIT SCHEME**

Adopted on August 20, 2019

**Amended pursuant to an ordinary resolution passed by the shareholders at the
extraordinary general meeting on [●], 2023**

**RULES
OF
CHEN LIN EDUCATION GROUP HOLDINGS LIMITED
(辰林教育集團控股有限公司)
RESTRICTED SHARE UNIT SCHEME**

Rule 17.02(2)

1 PURPOSE

The purpose of this Scheme is to incentivize directors, senior management and employees for their contribution to our Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company.

Rule 17.03(1)

2 DEFINITIONS AND INTERPRETATION

2.1 Defined Terms

In these Rules, except where the context otherwise requires, the following expressions shall have the following meanings:

“**Adoption Date**” means the date of the adoption of this Scheme by the directors of the Company on August 20, 2019;

“**Amendment Date**” means the date on which the amendments to this Scheme are approved by the shareholders of the Company;

“**Articles**” means the articles of association of the Company (as amended from time to time);

“**associate**” has the meaning as described under Rule 14A.06(2) of the Listing Rules;

“**Auditors**” means the auditors of the Company, as appointed from time to time;

“**Board**” means the board of directors of the Company or a duly authorized committee of the board of directors;

“**Board Lot**” means the board lot in which Shares are traded on the Stock Exchange from time to time;

“**Business Day**” a day (other than a Saturday or Sunday or days on which a tropical cyclone warning number 8 or above or a “black” rain warning signal is hoisted in Hong Kong at any time between 9 am and 5 pm) on which the Stock Exchange is open for trading and clearing banks in Hong Kong and the PRC are open for transactions of normal banking business;

“**close associate**” has the meaning as described under Rule 1.01 of the Listing Rules;

“**Company**” means Chen Lin Education Group Holdings Limited (辰林教育集團控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability on May 25, 2018;

“**connected person**” has the meaning as described under Rule 14A.06(7) of the Listing Rules;

“**controlling shareholder(s)**” has the meaning as described under Rule 1.01 of the Listing Rules;

“**core connected person(s)**” has the meaning as described under Rule 1.01 of the Listing Rules;

“**Directors**” means the directors of the Company for the time being or a duly authorised committee thereof;

“**Eligible Persons**” means persons eligible to receive RSUs under this Scheme, who are existing employees, directors (whether executive or non-executive, but excluding independent non-executive directors) or officers of the Company or ~~any member of the Group~~ any member of its subsidiaries (including persons who are granted RSUs under the Restricted Share Unit Scheme as an inducement to enter into employment contracts with these companies); Rule 17.03(2)

“**Grant Date**” means the date on which RSUs, are granted under this Scheme pursuant to a Grant Letter, as described in Rule 5.4;

“**Grant Letter**” means the letter pursuant to which RSUs are granted to a Selected Person, as described in Rule 5.3;

“**Group**” means the Company, its subsidiaries and companies whose financial results have been consolidated and accounted as the subsidiaries of the Company by virtue of the contractual arrangements; a “**member of the Group**” shall mean any of the aforesaid companies;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Listing Rules**” means the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;

“**Misconduct**” means the Participant willfully disobeys a lawful and reasonable order, or misconducts himself/herself, or is guilty of fraud or dishonesty, or is habitually neglectful in his/her duties, or any other events which result in a summary dismissal of his/her employment;

“**Participant(s)**” means a Selected Person who accepts the offer of the grant of RSUs in accordance with the terms of this Scheme; Rule 17.03(2)

“**PRC**” means the People’s Republic of China, and for the purpose of this Scheme, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

“**RSUs**” means restricted share units, each restricted share unit represents one underlying Share, and represent a conditional right granted to any Selected Person under this Scheme to obtain Shares, less any tax, stamp duty and other charges applicable, as determined by the Board in its absolute discretion;

“**Rules**” means the rules of this Scheme as amended from time to time;

“**Remuneration Committee**” means the remuneration committee of the Company established pursuant to the Listing Rules;

“**Share Scheme(s)**” means share option schemes and/or share award schemes involving issuance of new Shares adopted and to be adopted by the Company from time to time;

“**Scheme**” means the restricted share unit scheme constituted and governed by the rules in this document, as amended from time to time;

“**Scheme Mandate Limit**” has the meaning as defined in Rule 12.1;

“**Scheme Period**” means the period of ten (10) years commencing from the Adoption Date, being August 20, 2019, or until this Scheme is terminated pursuant to Rule 16, whichever is earlier; Rule 17.03(11)

“**Selected Person(s)**” means Eligible Persons selected by the Board to be granted RSUs under this Scheme at its discretion;

“**Senior Managers**” means senior managers disclosed in the Company’s annual report as required under paragraph 12 to Appendix 16 to the Listing Rules (as may be amended from time to time);

“**Shares**” means ordinary shares of HK\$0.10 each (as at the Adoption Date) in the issued share capital of the Company (or of such other nominal amount as shall result from other sub-division or a consolidation of the share capital of the Company from time to time). On November 18, 2019, the Company’s then shareholders resolved, among other things that, all the issued and unissued ordinary shares of the Company with a par value of HK\$0.10 each be subdivided into 1,000 shares with a par value of HK\$0.0001 each;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited;

“**Trustee**” means the trustee(s) to be appointed by the Board to hold Shares for the purpose of this Scheme;

“Vesting Date” means in respect of a Participant, the date on which his/her entitlement to the relevant RSUs is vested in such Participant in accordance with Rule 6 and other terms of this Scheme; and

“Vesting Notice” means a notice to be sent by the Company to each of the relevant Participants after the vesting criteria, conditions and time schedule have been reached, fulfilled, satisfied or waived, as described in Rule 6.2;

“Vesting Period” means in respect of a Participant, the period commencing on the date on which the RSUs have been granted to such Participant and ending on the Vesting Date (both dates inclusive).

- 2.2 Headings are inserted for reference only and shall be ignored in the interpretation of these Rules. Unless the context otherwise requires, references herein to Rules are to provisions of these Rules, references to persons includes corporations and vice versa, singular includes the plural and vice versa and references to a gender shall include all genders.
- 2.3 References to any document in these Rules are to that document as amended, consolidated, supplemented, novated or replaced from time to time.
- 2.4 References to statutes, statutory provisions or the Listing Rules shall be construed as references to those statutes, provisions or rules as respectively amended or re-enacted or as their application is modified from time to time by other provisions (whether before or after the date of this Scheme).

3 DURATION AND ADMINISTRATION

3.1 Term of this Scheme

Subject to Rule 16, this Scheme shall be valid and effective for a period of ten (10) years, commencing on the Adoption Date, after which period no further RSUs will be granted, but the provisions of this Scheme shall in all other respects remain in full force and effect and RSUs that are granted during the Term may continue to be exercisable ~~convertible~~ in accordance with their terms of issue.

Rule 17.03(11)
Rule 17.03(5)

3.2 Administration of Scheme

The Board has the power to administer this Scheme, including the power to construe and interpret these Rules and the terms of the RSUs granted under it. The Board may delegate the authority to administer this Scheme to a committee of the Board. The Board may also appoint one or more independent third-party contractors to assist in the administration of this Scheme and delegate such powers and/or functions relating to the administration of this Scheme as the Board thinks fit. The Board's determinations under this Scheme need not be uniform and may be made by it selectively with respect to persons who are granted, or are eligible to be granted, RSUs under it. If a director is a Participant he may, notwithstanding his/her own interest and subject to the Articles, vote on any Board resolution concerning this

Scheme (other than in respect of his/her own participation in it), and may retain RSUs under it. Each Participant waives any right to contest, amongst other things, the value and number of RSUs or Shares or equivalent value of cash underlying the RSUs or Shares and the Board's administration of this Scheme.

3.3 Interpretation of Scheme

Subject to the Listing Rules, the ~~The~~ decision of the Board as to all matters relating to this Scheme or its interpretation or effect shall be final and binding. In particular, the Board shall finally determine whether a person is eligible to participate in this Scheme.

3.4 Trustee

The Company may appoint trustee to assist with the administration and vesting of RSUs granted pursuant to this Scheme. The Company may (i) allot and issue Shares to the Trustee to be held by the Trustee ~~and which will be used to satisfy the RSUs upon exercise for the benefit of specified Participants~~ and/or (ii) direct and procure the Trustee to receive existing Shares from any shareholder of the Company or purchase existing Shares (either on-market or off-market) to satisfy the RSUs upon ~~exercise~~conversion. The Trustee holding unvested Shares of this Scheme, whether directly or indirectly, shall abstain from voting on matters that require shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given. The Company shall procure that sufficient funds are provided to the Trustee by whatever means as the Board may in its absolute discretion determine to enable the Trustee to satisfy its obligations in connection with the administration of this Scheme. All Shares underlying the RSUs granted and to be granted under ~~the RSU~~this Scheme will be transferred, allotted or issued to the Trustee for the benefit of specified Participants.

Rule 17.02(2)(c)

Rule 17.05A

3.5 Conditions

This Scheme is conditional upon:

- (a) the passing of the necessary resolution to approve and adopt this Scheme in general meeting of the Company; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares which may fall to be issued in respect of RSUs granted under this Scheme.

If any of the conditions referred to in this Rule are not satisfied, this Scheme shall forthwith determine and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of this Scheme.

4 ASSIGNMENT OF RSUS

The RSUs granted pursuant to this Scheme are personal to each Participant, and are not assignable. Participants are prohibited from selling, transferring, assigning, charging, mortgaging, encumbering, hedging or creating any interest in favor of any other person over or in relation to any property held by the Trustee on trust for the Participants, the RSUs, or any interest or benefits therein. Rule 17.03(17)

5 GRANT OF RSUS

5.1 Basis of eligibility for RSUs

Subject to Rules 5.2 and 5.6, the Board may select any Eligible Person for participation in this Scheme as a Selected Person. Unless so selected, no Eligible Person shall be entitled to participate in this Scheme. The basis of eligibility of any Selected Person for the grant of RSUs shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group or such other factors as the Board may deem appropriate. Rule 17.03(2)

5.2 Offer of grant of RSUs

Subject to the limitations and conditions of this Scheme, the Board may, at its absolute discretion, grant RSUs to any Selected Person on such terms and conditions as the Board thinks fit, provided that:

- (a) no RSUs shall be granted after the expiry of the term of this Scheme or after the earlier termination of this Scheme in accordance with Rule 16; and
- (b) RSUs that have lapsed in accordance with Rule 10 or for any other reasons can be re-granted by the Board.

No grant shall be made to, nor shall any grant be capable of acceptance by, any Selected Person at a time when the Selected Person would or might be prohibited from dealing in the Shares by any applicable rules, regulations or laws.

A grant must not be made where the Company has information that must be disclosed under Rule 13.09 of the Listing Rules or where the Company reasonably believes there is inside information which must be disclosed under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong, as amended from time to time) until (and including) the trading day after such inside information has been announced in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:

- (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

- (b) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), ~~and ending on the date of the results announcement;~~

~~and ending on the date of the results announcement,~~ no grant shall be made. Such period will cover any period of delay in the publication of a results announcement.

Where any RSU is proposed to be granted to a director of any members of the Group, it shall not be granted on any day on which the financial results of the Company are published and during the period of:

- (a) 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (b) 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half- year period up to the publication date of the results.

5.3 Contents of the Grant Letter

Upon the grant of RSUs, a Grant Letter should be provided to the Selected Person and such Grant Letter shall address, among other things, the following matters:

- (a) the Selected Person's name;
- (b) the manner of acceptance of the RSU;
- (c) the last day for acceptance by the Selected Person;
- (d) the number of RSUs granted and the number of ~~U~~underlying Shares represented by the RSUs;
- (e) the vesting criteria and conditions;
- (f) the vesting schedule;
- (g) the ~~exercise~~conversion price of the RSUs (where applicable); and
- (h) such other terms and conditions as the Board shall determine and are not inconsistent with this Scheme.

The Grant Letter will require the Selected Person to undertake to hold the RSU on the terms on which it is granted and to be bound by the provisions of ~~the RSU~~this Scheme.

The Grant Letter shall serve as evidence of the grant of the RSUs and no further certificate shall be issued to the Selected Person.

5.4 Acceptance of RSUs

A Selected Person may accept an offer of the grant of RSUs in such manner as set out in the Grant Letter. Initially and subject to otherwise determined by the Board at its absolute discretion at the relevant time for each individual grant of RSUs, a Selected Person is not required to pay any grant or purchase price or make any other payment to the Company to accept the RSUs granted pursuant to Grant Letter, nor is he/she required to pay any conversion price upon the conversion of the RSUs. Once accepted, the RSUs are deemed to be granted from the date of the Grant Letter. Upon acceptance, the Selected Person becomes a Participant in this Scheme.

Rule 17.03(8)
Rule 17.03(9)

5.5 Information to the Trustee

The Board shall, after any RSUs have been granted and duly accepted by the Participant(s), inform the Trustee of the name(s) of the Participant(s), the number of RSUs and the number of underlying Shares that can be acquired by each Participant upon ~~exercise~~conversion of the RSUs granted to each such Participant, the vesting schedule of RSUs (if any) and other terms and conditions (if any) that RSUs are subject to as determined by the Board.

5.6 Restriction on grant of RSUs

The Board may not grant any RSUs to any Selected Persons in any of the following circumstances:

- (a) the requisite approvals for the grant from any applicable regulatory authorities have not been obtained;
- (b) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of the RSUs or in respect of this Scheme, unless the Board determines otherwise;
- (c) where granting the RSUs would result in a breach of any applicable securities laws, rules or regulations by the Company, any member of our Group or any of their directors ~~of any applicable securities laws, rules or regulations~~; or
- (d) where such grant of RSUs would result in ~~breach of the limits of exceeding the~~ maximum number of Shares in respect of RSUs under this Scheme as set out in Rule 12.

5.7 Prior approval by independent non-executive Directors on grants of RSUs to Directors, chief executives and substantial shareholders of the Company and their respective associates

Any grant of RSUs to a Director (whether executive or non-executive, but excluding independent non-executive directors), chief executive or substantial shareholder of the Company, or any of their respective associates, under this Scheme must be approved by the independent non-executive Directors.

Rule 17.04(1)

6 VESTING OF RSUS

- 6.1 ~~The Board may determine the vesting of the RSUs may be subject to criteria, conditions and the time schedule when the RSUs will vest and such criteria, conditions and time schedule shall be stated in the Grant Letter.~~
- 6.2 Within a reasonable time after the vesting criteria, conditions and time schedule have been reached, fulfilled, satisfied or waived, the Board shall send the Vesting Notice to each of the relevant Participants. The Vesting Notice will confirm the extent to which the vesting criteria, conditions and time schedule have been reached, fulfilled, satisfied or waived, and the number of Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) involved.
- 6.3 If the vesting conditions are not satisfied and no waiver of such condition is granted, the RSU shall be cancelled according to conditions as determined by the Board in its absolute discretion.
- 6.4 The vesting period shall not be less than 12 months or such other period as the Listing Rules may prescribe or permit. Rule 17.03(6)
Rule 17.03F
- 6.5 In respect of any Selected Person who is a Director or a Senior Manager, the Remuneration Committee may, or in respect of any other Selected Person, the Directors may, establish performance targets against the attainment of which the RSUs granted to the Selected Person concerned. The Directors (or, as the case may be, the Remuneration Committee) shall have the authority, after the grant of any RSUs which is performance linked, to make fair and reasonable adjustments to the prescribed performance targets during the Vesting Period if there is a change in circumstances, provided that any such adjustments shall be less onerous than the original performance targets and are considered fair and reasonable by the Directors (or, as the case may be, the Remuneration Committee). Rule 17.03(7)
- 6.6 Proposed performance targets include business, financials, operations and creation of capital value for the Group's business segments (such as increase in revenue and net profit) as well as that for the Selected Persons based on individual performance indicators relevant to their roles and responsibilities. The Directors (or, as the case may be, the Remuneration Committee) will conduct assessment at the end of a performance period by comparing the performance of the business segments and the individual performance of the Participants with the pre-agreed targets to determine whether the targets and the extents to which have been met.

7 ~~EXERCISE~~CONVERSION OF RSUS

7.1 RSUs held by a Participant that are vested as evidenced by the Vesting Notice may be ~~exercised~~converted (in whole or in part) by the Participant serving an ~~exercise~~conversion notice in writing on the Trustee and copied to the Company subject to the conditions of this Scheme. The period within which an RSU may be converted by the Participant under this Scheme must not be more than ten (10) years from the date of grant of the RSUs. Any ~~exercise~~conversion of RSUs must be in respect of a Board Lot or an integral multiple thereof (except where the number of RSUs which remains ~~unexercised~~unconverted is less than one Board Lot).

Rule 17.03(5)

In an ~~exercise~~conversion notice, the Participant shall request the Trustee to, and the Board shall direct and procure the Trustee to within five (5) Business Days, transfer the Shares underlying the RSUs ~~exercised~~converted (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) to the Participant which the Company has allotted and issued to the Trustee as fully paid up Shares or which the Trustee has either acquired by purchasing existing Shares or by receiving existing Shares from any shareholder of the Company, subject to the Participant paying the ~~exercise~~conversion price (where applicable) and all tax, stamp duty, levies and charges applicable to such transfer to the Trustee or as the Trustee directs.

Notwithstanding the foregoing, if the Participant would or might be prohibited from dealing in the Shares by the Listing Rules or by any other applicable laws, regulations or rules within the period specified above, the date on which the relevant Shares shall be allotted and issued or transferred (as the case may be) to such Participant shall occur as soon as possible after the date when such dealing is permitted by the Listing Rules or by any other applicable laws, regulations or rules.

The Participant shall serve the ~~exercise~~conversion notice within three (3) months after receiving the Vesting Notice. The Trustee will not hold the Shares underlying the RSUs vested for the Participant after this three (3) months period. If the ~~exercise~~conversion notice is not served during this three (3) months period or the Shares underlying the RSUs ~~exercised~~converted cannot be transferred to the Participant pursuant to the preceding paragraph due to the Participant not being able to provide sufficient information to effect the transfer, the RSUs vested or ~~exercised~~converted (as the case may be) shall lapse unless otherwise agreed by the Board at its absolute discretion.

7.2 Rights on a takeover

If a general offer to acquire the Shares (whether by takeover offer, merger, or otherwise in a like manner) is made to all of the shareholders of the Company (or shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and the general offer to acquire the Shares is approved and the offer becomes or is declared unconditional in all respects, a Participant's RSUs will vest immediately, even if the vesting period has not yet commenced.

7.3 Rights on a compromise or arrangement

If a compromise or arrangement between the Company and its shareholders or creditors is proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and a notice is given by the Company to its shareholders to convene a general meeting to consider and if thought fit approve such compromise or arrangement and such shareholders' approval is obtained, a Participant's RSUs will vest immediately, even if the vesting period has not yet commenced.

7.4 Rights on voluntary winding-up

If an effective resolution is passed during the Scheme Period for the voluntary winding-up of the Company (other than for the purposes of a reconstruction, amalgamation or scheme of arrangement), all outstanding RSUs shall be treated as having vested immediately. No Shares will be transferred, and no cash alternative will be paid, to the Participant, but the Participant will be entitled to receive out of the assets available in liquidation on an equal basis with the Company's shareholders such sum as they would have received in respect of the RSUs.

Rule 17.03(10)

8 RESTRICTIVE COVENANTS

- 8.1 By accepting any RSUs granted hereunder, a Participant shall be deemed to have made the Restrictive Covenants set forth in this Rule 8 to and for the benefit of the Group.
- 8.2 The Participant hereby undertakes to the Group that he will not at any time whilst an employee, director, shareholder or otherwise interested in the Group (save in so far as is reasonably necessary to fulfil his duties to the Group) or at any time thereafter, directly or indirectly use or disclose or communicate to any person any information concerning the affairs, business methods, processes, systems, inventions, plans or research and development of the Group or those of its customers, clients or suppliers and which may be reasonably regarded as being confidential to the Group or to such persons (other than information which he is required to disclose by law or which is for the relevant time being in the public domain other than by reason of wrongful disclosure of the same by him) and will use his best endeavours to prevent the publication or disclosure of any such information by any third party.
- 8.3 The Participant undertakes to the Group that he will not, except with the prior written approval of the Company, be directly or indirectly concerned with or engaged or interested in any other business which is in any respect in competition with or similar to the business of the Group during his employment with the Group, save that this restriction shall not apply to any holding of Shares or other securities in the Company.

8.4 The Participant undertakes to the Group that:

- (a) for so long as he is employed by the Company or any other member within the Group he will devote his full time and attention to the business of the Group and will use his best endeavours to develop the business and interests of the Group and will not be concerned with any other (competitive or other) business; and
- (b) upon his ceasing (for any reason) to be employed by the Group he will not for a period of two (2) years from the date he ceases to be so employed, whether on his own account or on behalf of any other person, firm or company:
 - (aa) solicit (in connection with any business of a type then carried on by the Group) interfere with or endeavour to entice away from any member within the Group any person, firm or company who at any time during the period of one year immediately preceding such cessation, was to his knowledge a material customer, client, supplier, agent, distributor, or an employee (not being a junior employee) or consultant (by whatever title called) of a member within the Group;
 - (bb) seek to interfere with the continuance of the supply of goods or services to any member within the Group or the terms of any such supply; or
 - (cc) carry on, engage in or be concerned or interested either as principal or agent or as a shareholder, partner or employee of any other person in any business or activity which involves the offer, sale or supply of products or services to customers in the PRC or any other territory in which the Group offers such sale or supply for the relevant time being, competes with the business in which any member within the Group is or was engaged in the twelve months prior to the date he ceases to be employed by the Group; or
 - (dd) use or allow the use by any third party of any name, logo or other intellectual property rights used by any member within the Group or any name or logo likely to be confused therewith otherwise than in the conduct of the business of the Group; and
 - (ee) deal in the Shares which would violate (i) any applicable laws, regulations and rules in any relevant jurisdictions including, without limitation, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), other Hong Kong securities laws, and the U.S. Securities Act of 1933, as amended from time to time, and (ii) any internal policy of the Company in connection with dealing in the Shares.

8.5 The Participant undertakes to the Group that he shall not, during either the course of his employment by the Group or for a period of two (2) years from the date he ceases to be employed by the Group, make, publish, or otherwise transmit any disparaging or defamatory statements, whether written or oral, regarding the Group or its employees, products, operations, procedures, policies, business or services.

9 RIGHTS ATTACHED TO RSUS AND SHARES

9.1 Rights attached to RSUs

A Participant does not have any contingent interest in any Shares underlying the RSUs unless and until such ~~Shares~~ RSUs are actually ~~transferred~~ vested to and converted by the Participant. Further, a Participant may not exercise voting rights in respect of the Shares underlying the RSUs prior to ~~their exercise~~ the vesting and conversion of such RSUs and, unless otherwise specified by the Board in its entire discretion in the Grant Letter to the Participant, nor do they have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying the RSUs.

9.2 Rights attached to Shares

Any Shares transferred to a Participant in respect of any RSUs will be subject to all the provisions of the Articles and will rank *pari passu* with the fully paid Shares in issue on the date of the transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members.

Rule 17.03(15)
Rule 17.03(10)

10 LAPSE OF RSUS

10.1 Any unvested RSUs will automatically lapse immediately where:

Rule 17.03(12)

- (a) such Participant's employment or service with the Group terminates for any reason; or
- (b) the Participant makes any attempt or takes any action to sell, transfer, assign, charge, mortgage, encumber, hedge or create any interest in favour of any other person over or in relation to any RSUs or any interests or benefits pursuant to the RSUs.

10.2 If at any time, a Participant:

- (a) ceases to be an Eligible Person ~~employee~~;
- (b) fails, during the course of his employment, to devote the whole of his time and attention to the business of the Group or to use his best endeavours to develop the business and interests of the Group;
- (c) is concerned during the course of his employment with the Group (without the prior written consent of the Company) with any (competitive or other) business other than that of the Group; and/or

(d) is in breach of his contract of employment with or any other obligation to the Group (including without limitation the restrictive covenants set out in Rule 8), commits a Misconduct or is involved in a material misstatement in the Group's financial statements, Rule 17.03(19)

then all RSUs that have been vested but not yet converted and all unvested RSUs shall automatically lapse and such Participant shall have no claim whatsoever in respect of the RSUs or the underlying Shares.

10.3 If the Participant's employment or service with the Company or any member of the Group is terminated by reason of retirement, death or disability, the Board shall determine at its absolute discretion and shall notify the Participant whether any unvested RSU granted to such Participant shall vest and the period within which such RSU shall vest. If the Board determines that such RSU shall not vest, such RSU shall be ~~cancelled~~ lapsed automatically with effect from the date on which the Participant's employment or service is terminated.

~~10.3~~10.4 The RSUs lapsed in accordance with Rule 10 will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit. Note (1) to Rule 17.03B

11 CANCELLATION OF RSUS

11.1 Subject to Chapter 17 of the Listing Rules, the Board may at its discretion cancel any RSU that has not vested or lapsed granted, Rule 17.03(14) provided that:

(a) the Company or any member of the Group pay to the Participant an amount equal to the fair value of the RSU at the date of the cancellation as determined by the Board, after consultation with the Auditors or an independent financial adviser appointed by the Board;

(b) the Company or the relevant member of the Group provides to the Participant a replacement award (or a grant or option under any other restricted share unit scheme, share option scheme or share-related incentive scheme) of equivalent value to the RSUs to be cancelled; ~~or~~

(c) the Board makes any arrangement as the Participant may agree in order to compensate him/her for the cancellation of the RSUs; or

~~(d)~~ (d) the vesting conditions are not satisfied and no waiver of such condition is granted as prescribed in Rule 6.3.

11.2 Where the Company cancels any RSU granted to a Participant and makes a new grant to the same Participant, such new grant may only be made with available Scheme Mandate Limit approved by the shareholders of the Company pursuant to Rule 12.2(a) or 12.2(b). The RSUs cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

12 MAXIMUM NUMBER OF SHARES IN RESPECT OF RSUS GRANTED UNDER THIS SCHEME

Rule 17.03(3)&(4)

~~The maximum number of RSUs that may be granted under this Scheme in aggregate (excluding RSUs that have lapsed or been cancelled in accordance with these Rules) shall be such number of Shares held or to be held by the Trustee for the purpose of this Scheme from time to time.~~

12.1 Without prejudice to Rule 12.2, the maximum number of new Shares which may be allotted and issued in respect of all RSUs to be granted under this Scheme and all options and awards to be granted under any other Share Scheme(s) shall not exceed 100,000,000 Shares (i.e. representing 10% of the number of Shares in issue as at the Amendment Date) (“Scheme Mandate Limit”). If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the Scheme Mandate Limit as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole share. Unless expressly approved by the shareholders of the Company in general meeting and expressly allowed by the Stock Exchange, no RSU may be granted under this Scheme and no option or award may be granted under any other Share Scheme(s), if the grant of such RSU, option or award will result in the limit referred to in this Rule being exceeded.

Rule 17.03(3)
Rule 17.03B(1)

12.2 Subject to Rule 12.1,

(a) and without prejudice to Rules 12.2(b) and 12.3, the Company may seek approval of its shareholders at general meeting to refresh the Scheme Mandate Limit after three years from the date of shareholders’ approval for the last refreshment (or the Amendment Date);

Rule 17.03C(1)(a)

(b) any refreshment within any three-year period under Rule 12.2(a) must be approved by shareholders of the Company subject to the following provisions:

Rule 17.03C(1)(b)

(i) any controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and

(ii) the Company must comply with the requirements under rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules;

(c) The requirements under Rules 12.2(b)(i) and 12.2(b)(ii) do not apply if the refreshment is made immediately after an issue of Shares by the Company to its shareholders on a pro rata basis as set out in rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the relevant class of Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of Shares, rounded to the nearest whole Share.

Rule 17.03C(1)(c)

- 12.3 The total number of Shares which may be issued in respect of all RSUs to be granted under this Scheme and all options and awards to be granted under all of other Share Scheme(s) under the Scheme Mandate Limit as “refreshed” must not exceed 10% of the relevant class of Shares in issue as at the date of approval of the refreshed scheme mandate. In such event, the Company will send a circular to its shareholders containing the number of RSUs that were already granted under the existing Scheme Mandate Limit and the reason for the “refreshment”. Rule 17.03C(2)
- 12.4 The Company may seek separate shareholders’ approval at general meeting for granting RSUs beyond the Scheme Mandate Limit provided the RSUs in excess of the Scheme Mandate Limit are granted only to Selected Person(s) specifically identified by the Company before such approval is sought. In such event, the Company will send a circular to its shareholders containing the name of each specified Selected Person who may be granted such RSUs, the number and terms of RSUs to be granted to each Selected Person and the purpose of granting RSUs to the specified Selected Person(s) with an explanation as to how the terms of the RSUs serve such purpose. The number and terms of RSUs to be granted to such Selected Person must be fixed before Shareholders’ approval. Rule 17.03C(3)
- 12.5 Subject to Rule 12.6, where any grant of RSUs to a Selected Person under this Scheme would result in Shares issued and to be issued in respect of all RSUs, options or awards granted to such person (excluding any RSUs, options and awards lapsed in accordance with the terms of this Scheme or any other Share Scheme(s)) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (the “1% Individual Limit”), such grant of RSUs must be separately approved by shareholders of the Company in general meeting with such Selected Person and his/her close associates (or his/her associates if the Selected Person is a connected person of the Company) abstaining from voting. The number and terms of RSUs to be granted to such Selected Person must be fixed before shareholders’ approval. Rule 17.03(4)
Rule 17.03D
- 12.6 Without prejudice to Rule 5.7, where any grant of RSUs under this Scheme to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all RSUs and awards granted (excluding any RSUs and awards lapsed in accordance with the terms of this Scheme or any other Share Scheme(s)) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such grant of RSUs must be approved by shareholders of the Company in general meeting (with such Selected Person, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting). In such event, the Company shall comply with the requirements under rules 13.40, 13.41 and 13.42 of the Listing Rules. Rule 17.04(2)
Rule 17.04(4)

12.7 Where any grant of RSUs to a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all RSUs, options and awards granted (excluding any RSUs, options and awards lapsed in accordance with the terms of this Scheme or any other Share Scheme(s)) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of RSUs must be approved by shareholders of the Company in general meeting (with such Selected Person, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting). In such event, the Company shall comply with the requirements under rules 13.40, 13.41 and 13.42 of the Listing Rules.

Rule 17.04(3)
Rule 17.04(4)

13 REORGANISATION OF CAPITAL STRUCTURE

In the event of any capitalization issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company, the Board may make such equitable adjustments, designed to protect the Participants' interests, to the number of Shares underlying the outstanding RSUs or to the amount of the equivalent value, as it may deem appropriate at its absolute discretion.

Rule 17.03(13)

14 DISPUTES

The Board shall determine any question of interpretation and settle any dispute arising under or in connection with this Scheme. In such matters, the Board's decision shall be final.

15 AMENDMENT OF THIS SCHEME

~~Save as provided in this Scheme, the Board may alter any of the terms of this Scheme at any time. Written notice of any amendment to this Scheme shall be given to all Participants. Any alterations to the terms and conditions of this Scheme which are of a material nature or any changes to the terms of the RSUs granted which shall operate to affect materially adversely any subsisting rights of any Participant shall be subject to the consent of the Participants amounting to three-fourths in nominal value of all underlying RSUs so held by the Participants on the date of the relevant resolution passed by our Board in approving the amendment of this Scheme or the terms of the RSUs granted (as the case may be), except where the alterations or changes take effect automatically under the existing terms of this Scheme. The Board's determination as to whether any proposed alteration to the terms and conditions of this Scheme or the terms of the RSUs granted (as the case may be) is material shall be conclusive.~~

Rule 17.03(18)

- 15.1 Subject to Rules 15.3 and 15.4, this Scheme may be altered in any respect by a resolution of the Directors, save and except that any alterations to the terms and conditions of this Scheme which are of a material nature, including but not limited to the provisions of this Scheme as to the definitions of “Eligible Persons” in Rule 2.1 and the provisions of this Scheme relating to the matters governed by rule 17.03 of the Listing Rules to the advantage of the Selected Persons and Participants must be approved by shareholders of the Company in general meeting, provided that no such amendment shall operate to affect adversely the terms of issue of any RSUs granted or agreed to be granted prior to such amendment except with the consent or sanction of such majority of the Participants as would be required of the holders of the Shares under the articles of association for the time being of the Company for a variation of the rights attached to the Shares.
- 15.2 Subject to Rule 15.3, any change to the terms of the RSUs granted must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the shareholders of the Company (as the case may be) if the initial grant of the RSUs was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the shareholders of the Company (as the case may be). This requirement does not apply where the amendment takes effect automatically under the existing terms of this Scheme.
- 15.3 The amended terms of this Scheme or the RSUs shall comply with the relevant requirements of Chapter 17 of the Listing Rules.
- 15.4 Any change to the authority of the Directors, the Trustee or other administrators of this Scheme to alter the terms of this Scheme must be approved by the shareholders of the Company at general meeting.
- 15.5 The Company must provide to all Participants details relating to amendments in the terms of this Scheme during the life of this Scheme immediately upon such amendments taking effect.

16 TERMINATION OF THIS SCHEME

The ~~Board~~ Company may by resolution at general meeting terminate this Scheme at any time before the expiry of the Scheme Period. The provisions of this Scheme shall remain in full force and effect in respect of RSUs which are granted (including those unvested and vested but not yet been converted) pursuant to these Rules prior to the termination of the operation of this Scheme. The Company or relevant member of the Group shall notify the Trustee and all Participants of such termination and of how any property held by the Trustee on trust for the Participants (including, but not limited to, any Shares held) and the outstanding RSUs shall be dealt with.

Rule 17.03(16)

17 MISCELLANEOUS

17.1 Costs of this Scheme

The Company shall bear the costs of establishing and administering this Scheme. For the avoidance of doubt, all stamp duty and/or transfer tax or duty and any other charges payable upon the transfer of the Shares to the Participant upon ~~exercise~~conversion of the RSUs shall be borne by the Participant.

17.2 Notices

- (i) Any notice or other document which has to be given to a Selected Person or a Participant under or in connection with this Scheme may be delivered to the Selected Person or the Participant or sent by post or facsimile transmission or e-mail to him at his home postal address, home or work e-mail address or facsimile number according to the records of his employing company or such other address as the Company reasonably considers appropriate.
- (ii) Any notice or other document which has to be given to the Company under or in connection with this Scheme may be delivered or sent by post to it at its registered office (or such other place as the Board may from time to time decide and notify to the Participants and/or the Trustee) or by facsimile transmission to the central facsimile number of the Company.
- (iii) Any notice or other document which has to be given to the Trustee under or in connection with this Scheme may be delivered or sent by post to it at its registered office (or such other place as the Trustee may from time to time decide and notify to the Company and/or the Participants) or by facsimile transmission to the central facsimile number of the Trustee or the work e-mail address of a designated person of the Trustee as notified by the Trustee to the Company.
- (iv) Any notice or other document if given by a Selected Person or a Participant shall be irrevocable and shall not be effective until actual receipt by the Trustee or the Company (as the case may be).
- (v) Notices sent by post will be deemed to have been given by the Company or the Trustee on the first day after the date of posting, and by the Participant on the date of receipt by the Board or the Trustee (as the case may be). Notices served by hand will be deemed to be served when delivered.

17.3 Responsibility for obtaining consents

A Participant shall be responsible for obtaining any governmental or other official consent that may be required in order to permit the acceptance or ~~exercise~~conversion of the RSUs. The Company and the Trustee shall not be responsible for any failure by a Participant to obtain any such consent and shall not be liable for any cost incurred in obtaining such consent.

17.4 Responsibility for tax etc.

Subject to Rule 17.1, the Company and the Trustee shall not be liable for any tax or other liability to which a Participant may become subject as a result of his or her participation in this Scheme.

17.5 No other rights

This Scheme shall not confer on any person any legal or equitable rights against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.

17.6 Discretionary Scheme

This Scheme is discretionary and shall not form part of any contract (whether a contract of employment or otherwise) between the Company or any member of the Group and any Eligible Person and/or Selected Person. The rights and obligations of any Eligible Person under the terms of his/her office or employment shall not be affected by his participation in this Scheme. This Scheme shall give an Eligible Person no additional rights to compensation or damages in consequence of the termination of his/her office or employment.

17.7 Power to adopt operational rules

The Board may from time to time adopt such operational rules as it may deem fit for the purpose of giving effect to or implementing this Scheme (including but not limited to formulating rules which restrict the ~~exercise~~conversion of the RSUs granted or to be granted or otherwise impose restrictions on the Participant), provided that such rules do not conflict with these Rules or contravene any of the applicable laws or regulations.

17.8 Governing law and jurisdiction

This Scheme and all RSUs granted under it shall be governed by and construed in accordance with Hong Kong law.

The Hong Kong courts shall have the exclusive jurisdiction to determine any claim, dispute or difference arising out of or in connection with this Scheme or any RSUs granted under it.

NOTICE OF EXTRAORDINARY GENERAL MEETING



Chen Lin Education Group Holdings Limited

辰林教育集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1593)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of Chen Lin Education Group Holdings Limited (the “**Company**”) will be held at Unit 2503, 25th Floor, Office Tower 1, The Harbourfront, Hung Hom, Kowloon, Hong Kong on Monday, 30 January 2023 at 3:30 p.m. (the “**Extraordinary General Meeting**”) to transact the following businesses:

ORDINARY RESOLUTION

1. “**THAT**

- (a) the proposed amendments (the “**Proposed Amendments**”) to the restricted share unit scheme of the Company currently in force (the “**Restricted Share Unit Scheme**”) as set out in Appendix I to the circular of the Company dated 6 January 2023 be and are hereby approved and adopted, and the Directors be and are hereby authorised to do all things necessary to implement the adoption of the Proposed Amendments to the Restricted Share Unit Scheme; and
- (b) the amended Restricted Share Unit Scheme which incorporates all of the Proposed Amendments, a copy of which has been produced to this meeting and signed by the chairman of this meeting for identification purpose be and is hereby approved and adopted in substitution for, and to the exclusion of, the Restricted Share Unit Scheme with immediate effect after the close of this meeting.”

By order of the Board
Chen Lin Education Group Holdings Limited
HUANG Yulin
Chairman

Hong Kong, 6 January 2023

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. For the purpose of determining the identity of the shareholders entitled to attend and vote at the Extraordinary General Meeting, the register of members of the Company will be closed from Friday, 20 January 2023 to Monday, 30 January 2023, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the Extraordinary General Meeting, all properly completed transfer forms accompanied by the relevant certificates must be lodged with the Company's branch Shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 19 January 2023.
2. A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorized, and must be deposited with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the Extraordinary General Meeting.

As at the date of this notice, the Board comprises Mr. Huang Yulin, Mr. Yang Ruichen, Mr. Liu Chunbin, Mr. Wang Li, Ms. Gan Tian and Mr. Wang Shenghua as executive Directors, Mr. Li Cunyi as non-executive Director and Mr. Sy Lai Yin, Sunny, Mr. Chen Wanlong, Mr. Huang Juyun and Mr. Wang Donglin as independent non-executive Directors.