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

DISCLOSEABLE TRANSACTIONS

**CONSTRUCTION AGREEMENTS IN RELATION TO CONSTRUCTION OF
TEACHING FACILITIES AT HUASHANG COLLEGE AND HUASHANG
VOCATIONAL COLLEGE**

INTRODUCTION

The Board hereby announces that on 16 December 2019,

- 1) Huashang College, a private higher education institution in the PRC operated by the Group and a subsidiary of the Company, entered into the Sihui Campus Construction Agreement with Zhongxin Construction, pursuant to which Zhongxin Construction (as the contractor) agreed to undertake the construction work of certain teaching facilities on the Huashang College Sihui Campus; and
- 2) Huashang Vocational College, a private higher education institution in the PRC operated by the Group and a subsidiary of the Company, entered into the Zengcheng Campus Construction Agreement I and Zengcheng Campus Construction Agreement II with Jinda Construction, pursuant to which Jinda Construction (as the contractor) agreed to undertake the construction work of certain teaching facilities on the Zengcheng District Campus.

As at the date of this announcement, each of Huashang College and Huashang Vocational College was a wholly-owned subsidiary of Sun City Development which was in turn owned as to 100%¹ by the Company.

Note:

- (1) On 22 December 2018, the shareholders of Sun City Development passed resolutions pursuant to which (i) the articles of associations of Sun City Development was amended to the effect that 廣州智蘅教育發展有限公司 (Guangzhou Zhiheng Education Development Co., Ltd.*) would be entitled to 100% of any distribution from Sun City Development to its shareholders as well as the entire equity interest in Sun City Development, whereas Ms. Liao Xiaorong and Mr. Yang Gan Biao, who held non-controlling equity interests in Sun City Development prior to the coming into effect of the aforementioned resolutions, would not be entitled to any distribution from Sun City Development and any equity interest in Sun City Development with effect from 22 December 2018.

LISTING RULES IMPLICATIONS

As the teaching facilities to be constructed under each of the Sihui Campus Construction Agreement, Zengcheng Campus Construction Agreement I and Zengcheng Campus Construction Agreement II are for the Group's own use in its usual course of business, according to Rule 14.23A of the Listing Rules, the transactions contemplated under the Sihui Campus Construction Agreement, Zengcheng Campus Construction Agreement I and Zengcheng Campus Construction Agreement II are not required to be aggregated and treated as one transaction on the sole basis of the factor as set out in Rule 14.23(3) of the Listing Rules (involving the acquisition or disposal of parts of one asset). Nonetheless,

- (a) as one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Sihui Campus Construction Agreement exceeds 5% but all are less than 25%, the transaction contemplated under the Sihui Campus Construction Agreement constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules; and
- (b) as the Zengcheng Campus Construction Agreement I and the Zengcheng Campus Construction Agreement II are entered into by the Group with the same counterparty and are expected to complete within a 12-month period of each other, the Zengcheng Campus Construction Agreement I and the Zengcheng Campus Construction Agreement II will be aggregated as a series of transactions pursuant to Rules 14.22 and 14.23(1) of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Zengcheng Campus Construction Agreements exceeds 5% but all are less than 25%, the transactions contemplated under the Zengcheng Campus Construction Agreements constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board hereby announces that on 16 December 2019,

- 1) Huashang College, a private higher education institution in the PRC operated by the Group and a subsidiary of the Company, entered into the Sihui Campus Construction Agreement with Zhongxin Construction, pursuant to which Zhongxin Construction (as the contractor) agreed to undertake the construction work of certain teaching facilities on the Huashang College Sihui Campus; and
- 2) Huashang Vocational College, a private higher education institution in the PRC operated by the Group and a subsidiary of the Company, entered into the Zengcheng Campus Construction Agreement I and Zengcheng Campus Construction Agreement II with Jinda Construction, pursuant to which Jinda Construction (as the contractor) agreed to undertake the construction work of certain teaching facilities on the Zengcheng District Campus.

As at the date of this announcement, each of Huashang College and Huashang Vocational College was a wholly-owned subsidiary of Sun City Development which was in turn owned as to 100% by the Company.

1. SIHUI CAMPUS CONSTRUCTION AGREEMENT

Details of the Sihui Campus Construction Agreement are set out below.

Date: 16 December 2019

Parties:

- (i) Huashang College, as the owner
- (ii) Zhongxin Construction, as the contractor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, other than being a party to the Sihui Campus Construction Agreement, each of Zhongxin Construction and its ultimate beneficial owners is an Independent Third Party.

Subject matter: Zhongxin Construction shall be responsible for

- (i) the construction and engineering works of the Sihui Campus Teaching Facilities based on the technical specifications as required under the Sihui Campus Construction Agreement; and

- (ii) the maintenance of the Sihui Campus Teaching Facilities during various maintenance periods for different parts of the Sihui Campus Teaching Facilities as set out under the sub-section titled “Maintenance periods” under this section, commencing from the date of passing the completion inspection and acceptance of the Sihui Campus Teaching Facilities.

Construction period: Expected completion date: 20 July 2020
Expected delivery date: 20 August 2020

Consideration: The total consideration payable by Huashang College under the Sihui Campus Construction Agreement shall be approximately RMB343.4 million (equivalent to approximately HK\$382.9 million), which comprises the costs of construction and engineering works, the related professional and insurance charges, taxes and other professional expenses for the construction of the Sihui Campus Teaching Facilities and shall be payable in cash, by cheque or via bank transfer in the following manner:

in respect of the buildings and dormitories

- (i) subject to reporting by Zhongxin Construction and review and confirmation by Huashang College, up to 85% of the consideration in relation to the construction of the buildings and dormitories under the Sihui Campus Construction Agreement shall be settled by Huashang College by stages in accordance with the relevant progress of the works completed under the Sihui Campus Construction Agreement;
- (ii) up to 90% of the consideration in relation to the construction of the buildings and dormitories under the Sihui Campus Construction Agreement, less the 85% already paid pursuant to (i) above, shall be settled by Huashang College after passing the initial completion inspection;

- (iii) up to 97% of the consideration in relation to the construction of the buildings and dormitories under the Sihui Campus Construction Agreement, less the 90% already paid pursuant to (i) and (ii) above, shall be settled by Huashang College after passing the formal completion inspection and acceptance by Huashang College; and
- (iv) the remaining 3% of the consideration in relation to the construction of the buildings and dormitories under the Sihui Campus Construction Agreement shall be retained as the quality guarantee fees which shall be payable in the manner as set out under the sub-section titled “Quality guarantee fees” under this section.

in respect of the civil constructions

- (i) up to 80% of the consideration in relation to the civil constructions under the Sihui Campus Construction Agreement shall be settled by Huashang College by monthly payments in accordance with the progress of the works completed under the Sihui Campus Construction Agreement;
- (ii) up to 97% of the consideration in relation to the civil constructions under the Sihui Campus Construction Agreement, less the 80% already paid pursuant to (i) above, shall be settled by Huashang College after passing of the formal completion inspection and acceptance of the civil constructions under the Sihui Campus Construction Agreement; and
- (iii) the remaining 3% of the consideration in relation to the civil constructions under the Sihui Campus Construction Agreement shall be retained as the quality guarantee fees which shall be payable in the manner as set out under the sub-section titled “Quality guarantee fees” under this section.

in respect of the fire protection constructions

- (i) Huashang College shall pay 10% of the consideration in relation to the fire protection constructions under the Sihui Campus Construction Agreement to Zhongxin Construction as deposit within 10 working days from the date of the entering into of the Sihui Campus Construction Agreement;
- (ii) Huashang College shall pay 20% of the consideration in relation to the fire protection constructions under the Sihui Campus Construction Agreement to Zhongxin Construction, on top of the 10% already paid pursuant to (i) above, within 10 working days after the construction personnel have entered, and materials have been delivered to the construction site and upon confirmation by Huashang College;
- (iii) Huashang College shall pay 40% of the consideration in relation to the fire protection constructions under the Sihui Campus Construction Agreement to Zhongxin Construction, on top of the 30% already paid pursuant to (i) and (ii) above, within 10 working days after the completion of all fire protection constructions and upon confirmation by Huashang College;
- (iv) Huashang College shall pay 27% of the consideration in relation to the fire protection constructions under the Sihui Campus Construction Agreement to Zhongxin Construction, on top of the 70% already paid pursuant to (i), (ii) and (iii) above, within 10 working days after passing the completion inspection by Huashang College and passing the fire protection inspections;
- (v) the remaining 3% of the consideration in relation to the fire protection constructions under the Sihui Campus Construction Agreement shall be retained as the quality guarantee fees which shall be payable in the manner as set out under the sub-section titled “Quality guarantee fees” under this section.

The consideration will be financed by the Group's internal resources, which represent the Group's partial proceeds from the Company's global offering and cash generated from operations.

The consideration payable by Huashang College under the Sihui Campus Construction Agreement was determined after arm's length negotiation with Zhongxin Construction with reference to the current estimated cost of the construction works and the market price of projects of similar nature, and bids have been invited in accordance with the established procedures. After considering the bidding prices and the past experience of the bidders, the Board is of the view that the tender submitted by Zhongxin Construction was considered the most appropriate as they possess the qualification of Construction Main Contractor Class II of the PRC, have been engaged as the construction contractor for various construction projects, have vast experience in the area and have been vigorously committed in upholding high quality work. The Board believes that the standards and protection offered in the areas of business connection, construction management and construction work quality by Zhongxin Construction satisfy the demanding qualification and experience requirements imposed on the construction contractor for the project.

- Warranty period:** 24 months from the date of passing the formal completion inspection and acceptance of the Sihui Campus Teaching Facilities
- Quality guarantee fees:** The quality guarantee fees in relation to the buildings, dormitories and civil constructions shall be payable in the following manner:
- (i) 50% of the quality guarantee fees shall be settled by Huashang College within 30 working days after the expiry of 12 months after the date of passing the formal completion inspection and acceptance, provided that no quality issue has arisen and no maintenance cost has been incurred by Huashang College; and

- (ii) the remaining 50% of the quality guarantee fees shall be settled by Huashang Vocational College within 30 working days after the expiry of 24 months after the date of passing of the formal completion inspection and acceptance, provided that Zhongxin Construction has perfected all the works under the Sihui Campus Construction Agreement and no quality issue has arisen and no maintenance cost has been incurred by Huashang College.

The quality guarantee fees in relation to the fire protection constructions shall be payable within 10 working days after the expiry of the warranty period, given that no quality issue has arisen and no maintenance cost has been incurred by Huashang College.

Maintenance periods: The quality maintenance periods for the Sihui Campus Teaching Facilities are as follows:

- (i) Foundation construction and main structure construction: 50 years
- (ii) Renovation works: 2 years
- (iii) Waterproof works (roofing, external walls, kitchens, lavatories, balconies and terraces etc.): 5 years
- (iv) Electrical cables, water supply and drainage pipes and equipment installation works: 2 years
- (v) Heating and cooling systems: 2 heating periods and cooling periods

2. ZENGCHENG CAMPUS CONSTRUCTION AGREEMENTS

Details of the Zengcheng Campus Construction Agreements are set out below.

Zengcheng Campus Construction Agreement I

Date: 16 December 2019

- Parties:**
- (i) Huashang Vocational College, as the owner
 - (ii) Jinda Construction, as the contractor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, other than being a party to the Zengcheng Campus Construction Agreements, each of Jinda Construction and its ultimate beneficial owners is an Independent Third Party.

Subject matter:

Jinda Construction shall be responsible for

- (i) the construction and engineering works of the Zengcheng Campus Teaching Facilities I based on the technical specifications as required under the Zengcheng Campus Construction Agreement I; and
- (ii) the maintenance of the Zengcheng Campus Teaching Facilities I during various maintenance periods for different parts of the Zengcheng Campus Teaching Facilities I as set out under the subsection titled "Maintenance periods" under this section, commencing from the date of passing the formal completion inspection and acceptance of the Zengcheng Campus Teaching Facilities I.

Construction period:

Expected completion and delivery date: 28 August 2020

Consideration:

The total consideration payable by Huashang Vocational College under the Zengcheng Campus Construction Agreement I shall be approximately RMB165.4 million (equivalent to approximately HK\$184.4 million), which comprises the costs of construction and engineering works, the related professional and insurance charges, taxes and other professional expenses for the construction of the Zengcheng Campus Teaching Facilities I and shall be payable in cash, by cheque or via bank transfer in the following manner:

- (i) subject to monthly reporting by Jinda Construction and review and confirmation by Huashang Vocational College, up to 75% of the total consideration shall be settled by Huashang Vocational College by monthly payments in accordance with the progress of the works completed under the Zengcheng Campus Construction Agreement I;

- (ii) up to 85% of the total consideration, less the 75% already paid pursuant to (i) above, shall be settled by Huashang Vocational College after passing the initial completion inspection;
- (iii) up to 92% of the total consideration, less the 85% already paid pursuant to (i) and (ii) above, shall be settled by Huashang Vocational College after the verification by the quality inspection station, issuance of the relevant Construction Project Quality Supervision Report and passing of the formal completion inspection;
- (iv) up to 97% of the total consideration, less the 92% already paid pursuant to (i), (ii) and (iii) above, shall be settled by Huashang Vocational College after completion of the renovation works subsequent to passing the formal completion inspection in (iv); and
- (v) the remaining 3% of the total consideration shall be retained as the quality guarantee fees which shall be payable in the manner as set out under the sub-section titled “Quality guarantee fees” under this section.

The consideration payable under the Zengcheng Campus Construction Agreements will be financed by the Group’s internal resources, which represent the Group’s partial proceeds from the Company’s global offering and cash generated from operations.

The consideration payable by Huashang Vocational College under the Zengcheng Campus Construction Agreements was determined after arm's length negotiation with Jinda Construction with reference to the current estimated cost of the construction works and the market price of projects of similar nature, and bids have been invited in accordance with the established procedures. After considering the bidding prices and the past experience of the bidders, the Board is of the view that the tender submitted by Jinda Construction was considered the most appropriate as they possess the qualification of Construction Main Contractor Class II of the PRC, have been engaged as the construction contractor for various construction projects, have vast experience in the area and have been vigorously committed in upholding high quality work. The Board believes that the standards and protection offered in the areas of business connection, construction management and construction work quality by Jinda Construction satisfy the demanding qualification and experience requirements imposed on the construction contractor for the project.

Warranty period: 24 months from the date of passing the formal completion inspection and acceptance of the Zengcheng Campus Teaching Facilities I

Quality guarantee fees: The quality guarantee fees shall be payable in the following manner:

- (i) 50% of the quality guarantee fees shall be settled by Huashang Vocational College within 30 working days after the expiry of 12 months after the date of passing the formal completion inspection and acceptance, provided that no quality issue has arisen and no maintenance cost has been incurred by Huashang Vocational College; and

- (ii) the remaining 50% of the quality guarantee fees shall be settled by Huashang Vocational College within 30 working days after the expiry of 24 months after the date of passing of the formal completion inspection and acceptance, provided that Jinda Construction has perfected all the works under the Zengcheng Campus Construction Agreement I, and that no quality issue has arisen and no maintenance cost has been incurred by Huashang Vocational College.

Maintenance periods: The quality maintenance periods for the Zengcheng Campus Teaching Facilities I are as follows:

- (i) Foundation construction and main structure construction: 50 years
- (ii) Renovation works: 2 years
- (iii) Waterproof works (roofing, external walls, kitchens, lavatories, balconies and terraces etc.): 5 years
- (iv) Electrical cables, water supply and drainage pipes and equipment installation works: 2 years
- (v) Heating and cooling systems: 2 heating periods and cooling periods

Zengcheng Campus Construction Agreement II

Date: 16 December 2019

- Parties:**
- (i) Huashang Vocational College, as the owner
 - (ii) Jinda Construction, as the contractor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, other than being a party to the Zengcheng Campus Construction Agreements, each of Jinda Construction and its ultimate beneficial owners is an Independent Third Party.

Subject matter:

Jinda Construction shall be responsible for

- (i) the construction and engineering works of the Zengcheng Campus Teaching Facilities II based on the technical specifications as required under the Zengcheng Campus Construction Agreement II; and
- (ii) the maintenance of the Zengcheng Campus Teaching Facilities II during various maintenance periods for different parts of the Zengcheng Campus Teaching Facilities II as set out under the subsection titled “Maintenance periods” under this section, commencing from the date of passing the formal completion inspection and acceptance of the Zengcheng Campus Teaching Facilities II.

Construction period:

Expected completion and delivery date: 30 June 2020

Consideration:

The total consideration payable by Huashang Vocational College under the Zengcheng Campus Construction Agreement II shall be approximately RMB135.6 million (equivalent to approximately HK\$151.2 million), which comprises the costs of construction and engineering works, the related professional and insurance charges, taxes and other professional expenses for the construction of the Zengcheng Campus Teaching Facilities II and shall be payable in cash, by cheque or via bank transfer in the following manner:

- (i) subject to monthly reporting by Jinda Construction and review and confirmation by Huashang Vocational College, up to 75% of the total consideration shall be settled by Huashang Vocational College by monthly payments in accordance with the progress of the works completed under the Zengcheng Campus Construction Agreement II;
- (ii) up to 85% of the total consideration, less the 75% already paid pursuant to (i) above, shall be settled by Huashang Vocational College after the passing of the initial completion inspection;

- (iii) up to 92% of the total consideration, less the 85% already paid pursuant to (i) and (ii) above, shall be settled by Huashang Vocational College after the verification by the quality inspection station, issuance of the relevant Construction Project Quality Supervision Report and passing of the formal completion inspection;
- (iv) up to 97% of the total consideration, less the 92% already paid pursuant to (i), (ii) and (iii) above, shall be settled by Huashang Vocational College after completion of the renovation works subsequent to passing the formal completion inspection in (iii); and
- (v) the remaining 3% of the total consideration shall be retained as the quality guarantee fees which shall be payable in the manner as set out under the sub-section titled “Quality guarantee fees” under this section.

The consideration payable under the Zengcheng Campus Construction Agreements will be financed by the Group’s internal resources, which represent the Group’s partial proceeds from the Company’s global offering and cash generated from operations.

The consideration payable by Huashang Vocational College under the Zengcheng Campus Construction Agreements was determined after arm’s length negotiation with Jinda Construction with reference to the current estimated cost of the construction works and the market price of projects of similar nature, and bids have been invited in accordance with the established procedures. After considering the bidding prices and the past experience of the bidders, the Board is of the view that the tender submitted by Jinda Construction was considered the most appropriate as they possess the qualification of Construction Main Contractor Class II of the PRC, have been engaged as the construction contractor for various construction projects, have vast experience in the area and have been vigorously committed in upholding high quality work. The Board believes that the standards and protection offered in the areas of business connection, construction management and construction work quality by Jinda Construction satisfy the demanding qualification and experience requirements imposed on the construction contractor for the project.

Warranty period: 24 months from the date of passing the formal completion inspection and acceptance of the Zengcheng Campus Teaching Facilities II

Quality guarantee fees: The quality guarantee fees shall be payable in the following manner:

- (i) 50% of the quality guarantee fees shall be settled by Huashang Vocational College within 30 working days after the expiry of 12 months after the date of passing the formal completion inspection and acceptance, provided that no quality issue has arisen and no maintenance cost has been incurred by Huashang Vocational College; and
- (ii) the remaining 50% of the quality guarantee fees shall be settled by Huashang Vocational College within 30 working days after the expiry of 24 months after the date of passing of the formal completion inspection and acceptance, provided that Jinda Construction has perfected all the works under the Zengcheng Campus Construction Agreement II, and that no quality issue has arisen and no maintenance cost has been incurred by Huashang Vocational College.

Maintenance periods: The quality maintenance periods for the Zengcheng Campus Teaching Facilities II are as follows:

- (i) Foundation construction and main structure construction: 50 years
- (ii) Renovation works: 2 years
- (iii) Waterproof works (roofing, external walls, kitchens, lavatories, balconies and terraces etc.): 5 years
- (iv) Electrical cables, water supply and drainage pipes and equipment installation works: 2 years
- (v) Heating and cooling systems: 2 heating periods and cooling periods

REASONS FOR AND BENEFITS OF THE CONSTRUCTION AGREEMENTS

Sihui Campus Construction Agreement

As disclosed in the Prospectus, the Group is currently developing a new school campus for Huashang College which is located in Sihui, Zhaoqing, Guangdong Province, the PRC. In order to cater for the needs of progressing the construction and development of the Sihui Campus and recruitment of new students for the 2020/2021 school year, the Company intends to complete the phase one construction of the Sihui Campus Teaching Facilities on the Sihui Campus in August 2020 and anticipates that the Sihui Campus will commence operations in September 2020. The Group believes that the appointment of Zhongxin Construction as the contractor is most appropriate to meet the needs of the construction and development of the Sihui Campus.

Accordingly, the Directors consider that the terms of the Sihui Campus Construction Agreement and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Zengcheng Campus Construction Agreements

As disclosed in the Prospectus, the Group plans to construct a science and technology centre at the Zengcheng District Campus with a view to improving the infrastructure of the campus and strengthening the Group's overall teaching quality and industry reputation. The newly constructed facilities will be shared by students and staff of both Huashang College and Huashang Vocational College.

The Group anticipates that the science and technology centre will commence operations in September 2020. The Group believes that the appointment of Jinda Construction as the contractor is most appropriate to meet the needs of the construction and development of the science and technology centre.

Accordingly, the Directors consider that the terms of the Zengcheng Campus Construction Agreements and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the teaching facilities to be constructed under each of the Sihui Campus Construction Agreement, Zengcheng Campus Construction Agreement I and Zengcheng Campus Construction Agreement II are for the Group's own use in its usual course of business, according to Rule 14.23A of the Listing Rules, the transactions contemplated under the Sihui Campus Construction Agreement, Zengcheng Campus Construction Agreement I and Zengcheng Campus Construction Agreement II are not required to be aggregated and treated as one transaction on the sole basis of the factor as set out in Rule 14.23(3) of the Listing Rules (involving the acquisition or disposal of parts of one asset). Nonetheless,

- (a) as one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Sihui Campus Construction Agreement exceeds 5% but all are less than 25%, the transaction contemplated under the Sihui Campus Construction Agreement constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules; and
- (b) as the Zengcheng Campus Construction Agreement I and the Zengcheng Campus Construction Agreement II are entered into by the Group with the same counterparty and are expected to complete within a 12-month period of each other, the Zengcheng Campus Construction Agreement I and the Zengcheng Campus Construction Agreement II will be aggregated as a series of transactions pursuant to Rules 14.22 and 14.23(1) of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Zengcheng Campus Construction Agreements exceeds 5% but all are less than 25%, the transactions contemplated under the Zengcheng Campus Construction Agreements constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL INFORMATION ON THE PARTIES

The Group is the largest private higher education group in the Greater Bay Area of the PRC in terms of total student enrolment of business majors for the 2017/2018 school year according to Frost & Sullivan, and it is an early mover in the education sector in pursuing international expansion. The Group currently operate two private higher education institutions in the PRC (Huashang College, an independent college, and Huashang Vocational College, a junior college) and one private vocational education institution in Australia (Global Business College of Australia). Both Huashang College and Huashang Vocational College are deeply rooted in Guangzhou, which is part of the Greater Bay Area, being one of the most developed regions in China with economic momentum and considerable demand for professional talents. For more information on the Group, please visit its official website at <http://www.edvantagegroup.com.hk/> (the information that appears in this website does not form part of this announcement).

Zhongxin Construction and Jinda Construction possess the qualification of Construction Main Contractor Class II of the PRC and both have been principally engaged in construction works and related businesses.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Edvantage Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 0382)
“connected person(s)”	has the meanings ascribed to it under the Listing Rules
“Construction Agreements”	collectively the Sihui Campus Construction Agreement, the Zengcheng Campus Construction Agreement I and the Zengcheng Campus Construction Agreement II
“Director(s)”	the director(s) of the Company
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huashang College”	Huashang College Guangdong University of Finance & Economics (廣東財經大學華商學院), a private school registered as a private non-enterprise unit under the law of the PRC on 30 May 2006, and a subsidiary of the Company
“Huashang Vocational College”	Guangzhou Huashang Vocational College (廣州華商職業學院), a private school registered as a private non-enterprise unit under the law of the PRC on 25 June 2009, and a subsidiary of the Company

“Independent Third Party(ies)”	a person(s) or company(ies) which is/are independent of and not connected with any directors, chief executives, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries and their respective associates
“Jinda Construction”	Guangzhou Jinda Construction Engineering Co., Ltd.* (廣州金大建築工程有限公司), a company established in the PRC with limited liability and an Independent Third Party
“Listing Rules”	the rules governing the listing of securities on the Stock Exchange
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this announcement
“Prospectus”	the prospectus of the Company dated 4 July 2019
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Sihui Campus”	the campus of Huashang College located in Sihui, Zhaoqing, Guangdong Province, PRC
“Sihui Campus Construction Agreement”	the construction agreement no. JS2019-065 dated 16 December 2019 entered into between Huashang College and Zhongxin Construction in relation to the construction of the Sihui Campus Teaching Facilities
“Sihui Campus Teaching Facilities”	the teaching facilities to be constructed on the Sihui Campus under the Sihui Campus Construction Agreement, including but not limited to three laboratory and practical training buildings, three student dormitories, two teaching buildings, roads and other civil constructions
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiary”	any entity within the meaning of the term “subsidiary” as defined in the Listing Rules and the term “subsidiaries” shall be construed accordingly
“Sun City Development”	Guangzhou Zengcheng Sun City Development Co., Ltd.* (廣州市增城太陽城發展有限公司), a private company established in the PRC and a subsidiary of the Company
“Zengcheng Campus Construction Agreements”	collectively the Zengcheng Campus Construction Agreement I and the Zengcheng Campus Construction Agreement II
“Zengcheng Campus Construction Agreement I”	the construction agreement no. JS2019-078 dated 16 December 2019 entered into between Huashang Vocational College and Jinda Construction in relation to the construction of the Zengcheng Campus Teaching Facilities I
“Zengcheng Campus Construction Agreement II”	the construction agreement no. JS2019-046 dated 16 December 2019 entered into between Huashang Vocational College and Jinda Construction in relation to the construction of the Zengcheng Campus Teaching Facilities II
“Zengcheng Campus Teaching Facilities I”	the teaching facilities to be constructed on the Zengcheng District Campus under the Zengcheng Campus Construction Agreement I, including but not limited to three teaching buildings, carparks and other civil constructions
“Zengcheng Campus Teaching Facilities II”	the teaching facilities to be constructed on the Zengcheng District Campus under the Zengcheng Campus Construction Agreement II, including but not limited to two teaching buildings, carparks and other civil constructions
“Zengcheng District Campus”	the campus shared by Huashang College and Huashang Vocational College located in Zengcheng, Guangzhou, Guangdong Province, PRC

“Zhongxin Construction”

Guangdong Zhongxin Construction Group Co., Ltd.* (廣東眾鑫建設集團有限公司), a company established in the PRC with limited liability and an Independent Third Party

“%”

per cent

By order of the board
Edvantage Group Holdings Limited
LIU Yung Chau
Chairman and executive Director

Hong Kong, 16 December 2019

For the purpose of this announcement, unless the context otherwise requires or expressly specified, conversion of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.115. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in HK\$ or RMB has been, could have been or may be converted at such or any other rate or at all.

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

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