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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)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

On 30 August 2024 (Hong Kong time after trading hours), the Group entered into the 2024 Agreements to update and renew the corresponding 2021 Agreements and the continuing connected transactions contemplated thereunder.

As the counterparties to the 2024 Agreements include Mr. Liu, Ms. Chen, Mr. Liu Yung Kan and/or their respective associates, all of whom are connected persons of the Company under Chapter 14A of the Listing Rules, the transactions contemplated under the 2024 Agreements constitute continuing connected transactions of the Group.

The transactions contemplated under the 2024 Agreements were entered into on normal commercial terms or better that are fair and reasonable, and one or more of the applicable percentage ratios in respect of each of such transactions on an annual basis under Chapter 14A of the Listing Rules exceed 0.1% but all are lower than 5%. Pursuant to Rule 14A.76(2)(a) of the Listing Rules, these transactions are exempt from the circular and shareholders' approval requirements under Chapter 14A of the Listing Rules, but are subject to the reporting, annual review, and announcement requirements.

INTRODUCTION

References is made to the announcement of the Company dated 30 August 2021 in relation to, among others, the 2021 Agreements and the continuing connected transactions contemplated thereunder which are partially exempt.

The term of the 2021 Agreements and the relevant continuing connected transactions contemplated thereunder will expire on 31 August 2024. As the term of the 2021 Agreements will soon expire and the Group wishes to continue the cooperation thereunder, the Group entered into the 2024 Agreements to renew the continuing connected transactions contemplated under the corresponding 2021 Agreements.

On 30 August 2024 (Hong Kong time after trading hours), the following agreements were entered into:

1. the Australia Lease (2024 Renewal) Framework Agreement entered into among GBCA, Global Move and Triple Way;
2. the PRC Lease (2024 Renewal) Framework Agreement entered into among the Company (for itself and on behalf of its subsidiaries) and Mr. Liu, Ms. Chen and Mr. Liu Yung Kan (for themselves and on behalf of their respective associates);
3. the Hotel Service (2024 Renewal) Framework Agreement entered into between the Company (for itself and on behalf of its subsidiaries) and Sun City Hotel; and
4. the Property Management (2024 Renewal) Framework Agreement entered into between the Company (for itself and on behalf of its subsidiaries) and Mr. Liu Yung Kwong (for himself and on behalf of his associates).

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

The background, principal terms and relevant pricing policy of the 2024 Agreements are set out below:

1. Australia Lease (2024 Renewal) Framework Agreement

On 24 June 2019, GBCA, Global Move and Triple Way entered into the Australia Lease (2019) Framework Agreement, pursuant to which Global Move and Triple Way agreed to enter into leases with GBCA in respect of various properties in Australia for a term commencing on the Listing Date and expiring on 31 August 2021.

Pursuant to the Australia Lease (2019) Framework Agreement and the written confirmation dated 30 August 2021 entered into among GBCA, Global Move and Triple Way, the term of the Australia Lease (2019) Framework Agreement has been automatically renewed upon the expiry of its then term on 31 August 2021 for a further term of three years commencing from 1 September 2021 and expiring on 31 August 2024.

As GBCA, Global Move and Triple Way intend to continue the leases under the Australia Lease (2019) Framework Agreement (as renewed) on the one hand and to extend the scope of the premises to be leased thereunder (the “**Australian Properties**”), GBCA, Global Move and Triple Way have entered into the Australia Lease (2024 Renewal) Framework Agreement for a term of three years commencing from 1 September 2024 and expiring on 31 August 2027, the terms of the which are substantially the same as the Australia Lease (2019) Framework Agreement (as

renewed), save and except that the scope of the Australian Properties to be leased under the Australia Lease (2024 Renewal) Framework Agreement has been expanded so as to include those lands in Australia and the premises and buildings thereon that Global Move and/or Triple Way legally own or have the right to lease or grant licence in respect thereof from time to time, including but not limited to those Australian Properties as specified in the Australia Lease (2019) Framework Agreement (as renewed) instead of only covering those Australian Properties set out in the Australia Lease (2019) Framework Agreement (as renewed) (i.e. leases (a) to (b) below).

As at the date of the Australia Lease (2024 Renewal) Framework Agreement, the Australian Properties contemplated to be leased to the Group pursuant to the Australia Lease (2024 Renewal) Framework Agreement are those properties that the Group has been leasing from Global Move and Triple Way under the Australia Lease (2019) Framework Agreement (as renewed) with details as follows:

(a) 338 Queen Street, Melbourne

Lessee: GBCA

Lessor: Global Move

Property: part of the ground floor and level 1 to level 3 of 338 Queen Street, Melbourne, VIC 3000, Australia

GFA: 772 to 858 sq.m.

Use: GBCA's school campus

Duration: From 1 September 2024 to 31 August 2027

(b) 337–339 La Trobe Street, Melbourne

Lessee: GBCA

Lessor: Triple Way

Property: ground floor and level 1 and level 2 of 337–339 La Trobe Street (including the exterior of the building), Melbourne, VIC 3000, Australia

GFA: 744 sq.m.

Use: GBCA's school campus

Duration: From 1 September 2024 to 31 August 2027

Pricing policy

The rents under the Australia Lease (2024 Renewal) Framework Agreement shall be determined based on arm's length negotiations between the parties with reference to (1) the prevailing market rental quotations of similar properties in the same vicinity from Independent Third Parties, and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties and (2) the valuation determined by an independent property valuer in respect of the rental value of the Australian Properties concerned.

2. PRC Lease (2024 Renewal) Framework Agreement

On 30 August 2021, the Company (for itself and on behalf of its subsidiaries) and Mr. Liu, Ms. Chen and Mr. Liu Yung Kan (for themselves and on behalf of their respective associates) (the “**PRC Lessors**”) entered into the PRC Lease (2021 Renewal) Framework Agreement, pursuant to which the PRC Lessors agreed to lease, make available for use and/or share the right of use in respect of lands in the PRC and the premises and buildings thereon that the PRC Lessors legally own or have the right to lease or grant licence in respect thereof from time to time (the “**PRC Properties**”) to the Group for a term commencing from 1 September 2021 and expiring on 31 August 2024.

Since the Group and the PRC Lessors intend to continue the transactions contemplated under the PRC Lease (2021 Renewal) Framework Agreement, the Group and the PRC Lessors have entered into the PRC Lease (2024 Renewal) Framework Agreement for a term of three years commencing from 1 September 2024 and expiring on 31 August 2027, the terms of the which are substantially the same as the PRC Lease (2021 Renewal) Framework Agreement.

As at the date of the PRC Lease (2024 Renewal) Framework Agreement, the PRC Properties contemplated to be leased to the Group pursuant to the PRC Lease (2024 Renewal) Framework Agreement are as follows:

(a) 151 Guangshen Avenue and 86 Weishan North 2nd Road

Property:	No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC and No. 86 Weishan North 2 nd Road, Xintang Town, Zengcheng District, Guangzhou, PRC
GFA:	Shared spaces and common areas of 9,638 sq.m.
Use:	Facilities of Huashang Hospitality Management School, used for trainings and internships as scheduled from time to time

(b) No. 153 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

Property: Sun City Hotel, No. 153 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 8,589 sq.m.

Use: Facilities of Huashang Technical School, used for trainings as scheduled from time to time

(c) Unit 418 at Sun City Hotel

Property: Unit 418, Sun City Hotel, No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 40 sq.m.

Use: Office space

(d) Unit 409 at Sun City Hotel

Property: Unit 409, Sun City Hotel, No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 40 sq.m.

Use: Office space

(e) Unit 414 at Sun City Hotel

Property: Unit 414, Sun City Hotel, No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 20 sq.m.

Use: Office space

(f) Unit 415A at Sun City Hotel

Property: Unit 415A, Sun City Hotel, No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 20 sq.m.

Use: Office space

(g) Administrative office, 3rd Floor of Sun City Hotel

Property: Administrative office, 3rd Floor, Sun City Hotel, No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 30 sq.m.

Use: Office space

(h) Unit 411A at Sun City Hotel

Property: Unit 411A, Sun City Hotel, No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 20 sq.m.

Use: Office space

(i) Unit 2, 3rd Floor, No. 153 Guangshen Avenue

Property: Unit 2, 3rd Floor, No. 153 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 400 sq.m.

Use: Office space

(j) Unit 1, 3rd Floor, No. 153 Guangshen Avenue

Property: Unit 1, 3rd Floor, No. 153 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 400 sq.m.

Use: Office space

(k) Unit 1, 2nd Floor, No. 153 Guangshen Avenue

Property: Unit 1, 2nd Floor, No. 153 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 400 sq.m.

Use: Office space

(l) Unit 410 at Sun City Hotel

Property: Unit 410, Sun City Hotel, No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 20 sq.m.

Use: Office space

(m) Unit 411 at Sun City Hotel

Property: Unit 411, Sun City Hotel, No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC

GFA: 20 sq.m.

Use: Office space

(n) Unit 415 at Sun City Hotel

Property:	Unit 415, Sun City Hotel, No. 151 Guangshen Avenue, Xintang Town, Zengcheng District, Guangzhou, PRC
GFA:	20 sq.m.
Use:	Office space

Pricing policy

The rents under the PRC Lease (2024 Renewal) Framework Agreement are determined based on arm's length negotiations between the parties with reference to (1) the prevailing market rental quotations of similar properties in the same vicinity from Independent Third Parties, and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties and (2) the valuation determined by an independent property valuer in respect of the rental value of the PRC Properties concerned. To facilitate the Group in determining the prevailing market rates, the Group will consider the rental amounts of comparable properties and will also monitor the movement of market rates from time to time.

3. Hotel Service (2024 Renewal) Framework Agreement

On 30 August 2024, the Company (for itself and on behalf of its subsidiaries) and Sun City Hotel entered into the Hotel Service (2024 Renewal) Framework Agreement, pursuant to which Sun City Hotel will (i) provide to the Group various hotel services, which are accommodation, catering, and meeting and conference services, (ii) provide course materials to Huashang Hospitality Management School and (iii) provide experimental and practical training facilities and scenario-based practical courses to students in Huashang Hospitality Management School (the “**Hotel Services**”) for a term commencing on 1 September 2024 and expiring on 31 August 2027, the terms of the which are substantially the same as the Hotel Service (2021 Renewal) Framework Agreement except for the expansion of scope of Hotel Services to include the services referred to in item (iii) above.

Pricing policy

The fees for the Hotel Services shall be determined after arm's length negotiations between the parties with reference to the type of hotel services required and the estimated number of guests involved in a particular event. The service fees and calculation method shall be agreed between the parties based on the specific type of services provided in each transaction. In all instances, the fees for the Hotel Services shall be based on comparable market rates charged by Independent Third Parties for similar hotel services with comparable proximity, and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties.

4. Property Management (2024 Renewal) Framework Agreement

On 30 August 2024, the Company (for itself and on behalf of its subsidiaries) and Mr. Liu Yung Kwong (for himself and on behalf of his associates) entered into the Property Management (2024 Renewal) Framework Agreement, pursuant to which the Company may at the request of Mr. Liu Yung Kwong and his associates provide property management services to Mr. Liu Yung Kwong and his associates from time to time in respect of those land in the PRC and the premises, properties and facilities thereon that Mr. Liu Yung Kwong and his associates from time to time legally own or have the right to use, the terms of the which are substantially the same as the Property Management (2021 Renewal) Framework Agreement.

As at the date of the Property Management (2024 Renewal) Framework Agreement, services contemplated to be provided by the Group pursuant to the Property Management (2024 Renewal) Framework Agreement are as follows:

Huizhi Property

Term: Commencing on 1 September 2024 and expiring on 31 August 2027

Property: Huizhi Property

GFA: 185,609 sq.m.

Service: The services to be provided are summarised as follows:-

- (1) Equipment and facilities management services in the teaching area, including cleaning, maintenance and management of teaching and scientific research equipment, water supply and drainage systems, firefighting system, building ventilation and smoke prevention and exhaust systems, air-conditioning system, power supply and distribution system; and implementation of technical operating procedures and maintenance systems;
- (2) Property management services in teaching areas, including cleaning and maintenance of indoor floor, door frames, window frames, window sills, metal parts, corridors, stairs, glass curtain walls, leisure spaces, public toilets, garbage bins, peel bins; replacement and repair of furniture, water and electricity terminals and firefighting facilities in teaching buildings, and installing power supply circuit breaker protection devices and public facilities, sewage discharge in the area, dredging of floor drain pipes and cleaning of sewer wells and flood drains;

- (3) Safety and security services in teaching area, including provision of gate guards and patrols, emergency prevention, traffic and vehicle management, fire prevention and anti-theft safety management and public safety and order maintenance;
- (4) Property maintenance services, including regular cleaning and timely repair of exterior walls and roofs, regular inspection to detect problems such as water leakage, and regular inspection and maintenance of elevators to ensure their safety and efficiency; and
- (5) Water and electricity control systems management services, including daily inspections and regular maintenance to ensure the safe operation of facilities and equipment, establishing detailed technical files for all devices and accessories in the system, and timely handling of system failures and water and power outages etc., and assisting in transferring free water and electricity in the system.

Pricing policy

The fees under the Property Management (2024 Renewal) Framework Agreement shall be determined based on arm's length negotiations between the parties with reference to the prevailing market rates of comparable property management services for premises in the same vicinity used for similar purposes, on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties.

PRICING POLICY IN GENERAL FOR THE 2024 AGREEMENTS

Whilst there is no specific pricing terms or formula set out in the 2024 Agreements, to ensure the fees (including but not limited to rents, licensing fees, management fees and service fees) payable and receivable by the Group thereunder are on normal commercial terms and no less favourable from the perspective of the Group than those offered by Independent Third Parties, before entering into any specific agreements under the 2024 Agreements, the relevant member of the Group shall compare the market data for fees (including but not limited to rents, licensing fees, management fees and service fees) payable by or receivable by (as the case may be) Independent Third Parties for comparable tenancies/licenses/property management services/services, and so far as tenancies and leases transactions are concerned, with reference to the information and opinion from an independent property valuer, as more particularly set out in the section headed "INTERNAL CONTROL MEASURES" below.

HISTORICAL FIGURES

The following table sets out (i) the actual amounts and original annual caps for the two years ended 31 August 2022 and 31 August 2023; and (ii) the actual amounts for the nine months ended 31 May 2024 with the original annual caps for the year ending 31 August 2024, under the 2021 Agreements:

	For the year ended 31 August		For the nine months ended 31 May 2024 (unaudited) (for actual amount only)/for the year ending 31 August 2024 (for original annual cap only)
	2022	2023	
	(audited)	(audited)	
	(AU\$'000)	(AU\$'000)	(AU\$'000)
<i>Australia Lease (2019) Framework Agreement (as renewed)</i>			
• Actual	430	446	344
• Original annual cap	476	493	510
	(RMB'000)	(RMB'000)	(RMB'000)
<i>PRC Lease (2021 Renewal) Framework Agreement</i>			
• Actual	839	2,003	1,243
• Original annual cap	2,032	2,046	2,058
<i>Hotel Service (2021 Renewal) Framework Agreement</i>			
• Actual	380	2,670	1,466
• Original annual cap	6,328	6,644	6,976

**For the
nine months ended
31 May 2024
(unaudited)
(for actual amount
only)/for the
year ending
31 August 2024
(for original annual
cap only)**

For the year ended 31 August

	2022	2023	
	(audited)	(audited)	
	<i>(AU\$'000)</i>	<i>(AU\$'000)</i>	<i>(AU\$'000)</i>

***Technical School Trademark (2021
Renewal) Agreement, Technical
School Lease (2021 Renewal)
Framework Agreement and
Property Management (2021
Renewal) Framework Agreement
(Note)***

• Actual	2,823	1,209	2,721
• Original annual cap	16,664	25,445	36,359

Note:

As disclosed in the announcement of the Company dated 30 August 2021 in relation to, among others, the entering into of the 2021 Agreements, the Company also entered into two other agreements namely the Technical School Trademark (2021 Renewal) Agreement and the Technical School Lease (2021 Renewal) Framework Agreement that time, and a total annual cap was set for the aggregate fees payable under the aforesaid two agreements together with the Property Management (2021 Renewal) Framework Agreement (which were all entered into with the same counterparty) for each of the 3 years ended 31 August 2022, 31 August 2023 and ending 31 August 2024 (the proposed annual cap of RMB16,664,000, RMB25,445,000 and RMB36,359,000 for the 3 years ended 31 August 2022, 31 August 2023 and ending 31 August 2024, respectively).

As disclosed in the announcements of the Company dated 14 December 2021, 27 January 2022 and 14 February 2022, the Group acquired Huashang Technical School involving setting up of contractual arrangements, which has completed as at 14 February 2022. After the completion of the aforesaid acquisition, (i) Huashang Technical School has become an indirect wholly-owned subsidiary of the Company and its financial results have been consolidated into the financial statements of the Group; (ii) Huashang Technical School ceased to be an associate of Mr. Liu Yung Kwong and the transactions carried out between members of the Group and Huashang Technical School are no longer governed by the Technical School Trademark (2021 Renewal) Agreement and Technical School Lease (2021 Renewal) Framework Agreement such that the relevant transaction amounts will not utilise the annual caps for the three agreements. As a result, the actual transaction amounts under the Technical School Trademark (2021 Renewal) Agreement, Technical School Lease (2021 Renewal) Framework Agreement and Property Management (2021 Renewal) Framework Agreement are substantially lower than the proposed annual caps therefor.

PROPOSED ANNUAL CAPS

The following table sets out the respective proposed annual caps of the continuing connected transactions under the 2024 Agreements for the three years ending 31 August 2027:

	For the year ending 31 August		
	2025	2026	2027
	<i>(AU\$'000)</i>	<i>(AU\$'000)</i>	<i>(AU\$'000)</i>
<i>Australia Lease (2024 Renewal)</i>			
<i>Framework Agreement (Note)</i>	2,152	1,434	717
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
<i>PRC Lease (2024 Renewal)</i>			
<i>Framework Agreement (Note)</i>	10,272	6,848	3,424
<i>Hotel Service (2024 Renewal)</i>			
<i>Framework Agreement</i>	13,521	13,960	14,416
<i>Property Management (2024 Renewal)</i>			
<i>Framework Agreement</i>	7,796	7,951	8,111

Note:

The original annual caps and actual amounts of continuing connected transactions under the Australia Lease (2019) Framework Agreement (as renewed) and the PRC Lease (2021 Renewal) Framework Agreement represent the rents payable by the Group under the respective agreements, whereas the proposed annual caps of the continuing connected transactions under the Australia Lease (2024 Renewal) Framework Agreement and the PRC Lease (2024 Renewal) Framework Agreement represent the right-of-use assets acquired by the Group under the respective agreements.

BASIS OF THE PROPOSED ANNUAL CAPS

In accordance with International Financial Reporting Standards 16 “Leases”, the Group is required to recognise the value of the right-of-use assets respectively in connection with the Australia Lease (2024 Renewal) Framework Agreement and the PRC Lease (2024 Renewal) Framework Agreement. The respective transactions contemplated under the said two leasing framework agreements are therefore regarded as acquisitions of assets by the Group pursuant to the Listing Rules. The estimated value of the right-of-use asset (unaudited) to be recognised by the Group in respect of the Australian Properties and the PRC Properties contemplated to be leased by the Group under the said two leasing framework agreements are approximately AUD2,152,000 and RMB10,272,000 respectively. Shareholders should note that the above figures have not been audited or reviewed by auditors and may be subject to adjustment in the future.

Australia Lease (2024 Renewal) Framework Agreement

The proposed annual caps in relation to the Australia Lease (2024 Renewal) Framework Agreement are determined with reference to the following factors:

- (i) the historical amounts of the relevant leases under the Australia Lease (2019) Framework Agreement (as renewed); and
- (ii) the estimated annual maximum amount of total value of right-of-use asset in respect of the Australian Properties contemplated to be leased under the Australia Lease (2024 Renewal) Framework Agreement during the renewed term with reference to the valuation determined by an independent property valuer in respect of the rental value of the Australian Properties concerned.

PRC Lease (2024 Renewal) Framework Agreement

The proposed annual caps in relation to the PRC Lease (2024 Renewal) Framework Agreement are determined with reference to the following factors:

- (i) the historical amounts of the relevant leases under the PRC Lease (2021 Renewal) Framework Agreement; and
- (ii) the estimated annual maximum amount of total value of right-of-use asset in respect of the PRC Properties contemplated to be leased by the Group under the PRC Lease (2024 Renewal) Framework Agreement with reference to the valuation determined by an independent property valuer in respect of the rental value of the PRC Properties concerned.

Hotel Service (2024 Renewal) Framework Agreement

The proposed annual caps in relation to the Hotel Service (2024 Renewal) Framework Agreement are determined with reference to the following factors:

- (i) the historical amounts under the Hotel Service (2021 Renewal) Framework Agreement;
- (ii) the expansion of the scope of Hotel Services to include the provision of the experimental and practical training facilities and scenario-based practical courses to students in Huashang Hospitality Management School and the expected demand for such Hotel Services;
- (iii) the number of times that students of Huashang Hospitality Management School conducted experimental training classes (including the use of venues) in the hotel in the relevant year;
- (iv) the expected volume of our students, staff and guests participating in, and the number and scale of, our schools' activities (including school celebrations and academic conferences) in view of the expanded scope of Hotel Services in the relevant years; and
- (v) the expected amount of course materials Huashang Hospitality Management School will need for its teaching operations in the relevant years.

Property Management (2024 Renewal) Framework Agreement

The proposed annual caps in relation to the Property Management (2024 Renewal) Framework Agreement are determined with reference to the following factors:

- (i) the expanded scope of services under the Property Management (2024 Renewal) Framework Agreement in respect of Huizhi Property to include, among others, equipment and facilities management and water and electricity control systems management services;
- (ii) the increase in GFA in respect of which services are provided, from 78,344 sq.m. under the Property Management (2021 Renewal) Framework Agreement to not less than 185,609 sq.m. under the Property Management (2024 Renewal) Framework Agreement;
- (iii) the fee arrangements contemplated under the Property Management (2024 Renewal) Framework Agreement; and
- (iv) the estimated amount contemplated to be charged by the Group under the Property Management (2024 Renewal) Framework Agreement with reference to the standard rate of property management fee per square metre determined by an independent property valuer.

REASONS FOR AND BENEFITS OF THE 2024 AGREEMENTS

The Directors (including the independent non-executive Directors) consider that the terms of the 2024 Agreements and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and it is in the interests of the Company and the shareholders of the Company as a whole to enter into the 2024 Agreements, for reasons as follows:

Australia Lease (2024 Renewal) Framework Agreement

GBCA has occupied certain properties in Australia since the school was established in 2015. These leases enable GBCA to continue to secure suitable premises at a fair market price. The continuation of these arrangements will avoid unnecessary disruptions to our students and our business, and avoid the costs associated with identifying other suitable premises, relocating our school, and re-complying with regulatory requirements on educational establishments for the new premises. Further, the expansion of the scope of Australian Properties which Global Move and/or Triple Way may lease to the Group gives greater flexibility to the Group to facilitate its operation and potential future expansion in Australia.

PRC Lease (2024 Renewal) Framework Agreement

Huashang Hospitality Management School and Intelligent Engineering School, the subordinated schools within Huashang Vocational College, and certain subsidiaries of the Group have been occupying the PRC Properties since the year ended 31 August 2020. The premises described in paragraphs (a) and (b) under the section headed “Renewal of Continuing Connected Transactions — 2. PRC Lease (2024 Renewal) Framework Agreement” above form part of the learning facilities of Huashang Hospitality Management School and Huashang Technical School, respectively, providing space for trainings, internships or accommodation. The premises described in paragraphs (c) to (n) under the section headed “Renewal of Continuing Connected Transactions — 2. PRC Lease (2024 Renewal) Framework Agreement” above were office units used by certain subsidiaries of the Group for administrative purposes.

The lease of these premises allows the Group to secure suitable premises at a fair market value. The continuation and entering into (as the case maybe) of these lease arrangements will avoid unnecessary disruptions to students and business of the Group, and avoid the costs associated with identifying other suitable premises and relocating certain facilities of our schools.

Hotel Service (2024 Renewal) Framework Agreement

Since the year ended 31 August 2020, Sun City Hotel has been providing the Hotel Services for our students, staff and guests participating in our schools' activities (including school celebrations and academic conferences) and for the teaching operations of Huashang Hospitality Management School. In view of the reliability of the Hotel Services provided by Sun City Hotel, the proximity of Sun City Hotel to our schools and the resulting convenience for our guests, students and teaching staff, the continuing procurement of the Hotel Services is in line with the business and economic interests of our Group.

Property Management (2024 Renewal) Framework Agreement

The Property Management (2021 Renewal) Agreement will expire on 31 August 2024 and the parties therefore entered into the Property Management (2024 Renewal) Framework Agreement to continue the transactions contemplated under the expiring agreement.

The Directors (including the independent non-executive Directors) believe that the transactions contemplated under the Property Management (2024 Renewal) Framework Agreement are in the interest of the Group, as they will generate a steady stream of income at a fair market rate by recovering part of our fixed cost of property management services.

INTERNAL CONTROL MEASURES

Save as otherwise disclosed in this announcement, in respect of all continuing connected transactions of the Group, the Group has adopted the following internal control procedures:

- (1) Before conducting any transaction contemplated under, or entering into any specific agreements pursuant to, a framework agreement for continuing connected transactions, the internal control unit of the Group would review the terms of the proposed transactions and the draft specific agreements to ensure that the transactions would be conducted in accordance with the terms of the framework agreement and the Company's pricing policy.
- (2) Before conducting any transaction with connected persons, the internal control unit would confirm if the Group still has sufficient unused annual caps for carrying out the relevant continuing connected transactions. The internal control unit would on a monthly basis review the continuing connected transactions carried out during the month under review to assess, and compile a monthly report, on the following: (i) confirming that the continuing connected transactions of the Group have been carried out in accordance with the terms of the relevant framework agreement and the Company's pricing policy, (ii) confirming that the transactions have been conducted on normal commercial terms and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties and (iii) the transactions

amount during the month under review, the aggregate amount of transactions conducted during the relevant financial year and confirming that the relevant annual caps have not been exceeded. In the report, the forecasted transactions amount for the next three months would also be set out. If it is anticipated that the annual caps may be exceeded if the Company is to carry out the proposed transactions, the Company would take all appropriate steps in advance to comply with the relevant requirements under the Listing Rules and seek to revise the relevant annual caps in accordance with the relevant requirements under the Listing Rules before entering into the proposed transaction.

- (3) The independent non-executive Directors and auditors of the Company would conduct annual review of the continuing connected transactions under the 2024 Agreements and provide annual confirmation in accordance with Rules 14A.55 and 14A.56 of the Listing Rules. The audit committee of the Company would also review the Company's financial controls, risk management and internal control systems; and when considering any renewal or revisions to the 2024 Agreements, the Company would comply with the relevant requirements under the Listing Rules.

LISTING RULES IMPLICATIONS

Each of Global Move and Triple Way is a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50% respectively.

Sun City Hotel is a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50% respectively.

Mr. Liu Yung Kwong is a brother of Mr. Liu and Mr. Liu Yung Kan.

As the counterparties to the 2024 Agreements as set out in details above include Mr. Liu and Ms. Chen (executive Directors and controlling Shareholders), Mr. Liu Yung Kan (non-executive Director of the Company) and/or their respective associates, all of whom are connected persons of the Company under Chapter 14A of the Listing Rules, the transactions contemplated under the 2024 Agreements constitute continuing connected transactions of the Group.

As one or more of the applicable percentage ratios in respect of each of the 2024 Agreements under Chapter 14A of the Listing Rules exceed 0.1% but all are lower than 5%, pursuant to Rule 14A.76(2)(a) of the Listing Rules, these transactions are exempt from the circular and shareholders' approval requirements under Chapter 14A of the Listing Rules, but are subject to the reporting, annual review, and announcement requirements.

In view of such interests, each of Mr. Liu, Ms. Chen, Mr. Liu Yung Kan who is a brother (and hence an associate within the meaning of the Listing Rules) of Mr. Liu, and Ms. Liu Yi Man who is a daughter (and hence an associate within the meaning of the Listing Rules) of Mr. Liu and Ms. Chen, had abstained from voting in the board meeting during which the Board approved the 2024 Agreements to avoid any potential conflict of interests.

GENERAL INFORMATION OF THE PARTIES

Information of the Group

The Group is the largest private higher education group in the Guangdong-Hong Kong-Macau Greater Bay Area of the PRC in terms of total student enrolment of business majors, and it is an early mover in the education sector in pursuing international expansion. The Group currently operates five private higher education institutions in the PRC ((i) Huashang College, (ii) Huashang Vocational College, (iii) Urban Vocational College of Sichuan, (iv) Urban Technician College of Sichuan and (v) Huashang Technical School, and three private higher and vocational education institutions overseas ((i) Global Business College of Australia, (ii) Edvantage Institute Australia and (iii) Edvantage Institute Singapore). 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).

Information of Global Move

Global Move principally engages in business of property investment.

Information of Triple Way

Triple Way principally engages in business of property management.

Information of Sun City Hotel

Sun City Hotel principally engages in business of provision of hotel and hospitality services.

Information of GBCA

GBCA principally engages in business of provision of higher formal vocational education.

Information of Mr. Liu Yung Kwong

Mr. Liu Yung Kwong, a brother of Mr. Liu, is an employee of the Group. He principally engages in education related businesses through his associates.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein:

“2021 Agreements”	collectively the Australia Lease (2019) Framework Agreement (as renewed), the PRC Lease (2021 Renewal) Framework Agreement, the Hotel Service (2021 Renewal) Framework Agreement and the Property Management (2021 Renewal) Framework Agreement, and each a “2021 Agreement”;
“2024 Agreements”	collectively the Australia Lease (2024 Renewal) Framework Agreement, the PRC Lease (2024 Renewal) Framework Agreement, the Hotel Service (2024 Renewal) Framework Agreement and the Property Management (2024 Renewal) Framework Agreement, and each a “2024 Agreement”;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“AUD” or “AU\$”	Australian dollars, the lawful currency of Australia;
“Australia Lease (2019) Framework Agreement”	the Australia lease framework agreement entered into among Global Move, Triple Way and GBCA on 24 June 2019;
“Australia Lease (2019) Framework Agreement (as renewed)”	the Australia Lease (2019) Framework Agreement as automatically renewed with effect from 31 August 2021;
“Australia Lease (2024 Renewal) Framework Agreement”	the Australia lease (2024 renewal) framework agreement entered into among Global Move, Triple Way and GBCA on 30 August 2024;
“Board”	the board of Directors;
“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;

“Director(s)”	the director(s) of the Company;
“GBCA”	Global Business College of Australia Pty. Ltd, a company incorporated in Victoria, Australia with limited liability on 26 June 2014 and an indirect wholly-owned subsidiary of the Company;
“GFA”	gross floor area;
“Global Move”	Global Move Pty. Ltd, a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50%, respectively;
“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;
“Hotel Service (2021 Renewal) Framework Agreement”	the hotel service (2021 renewal) framework agreement entered into between the Company (for itself and on behalf of its subsidiaries) and Sun City Hotel on 30 August 2021;
“Hotel Service (2024 Renewal) Framework Agreement”	the hotel service (2024 renewal) framework agreement entered into between the Company (for itself and on behalf of its subsidiaries) and Sun City Hotel on 30 August 2024;
“Huashang College”	Guangzhou Huashang College (廣州華商學院) (formerly known as Guangdong University of Finance and Economics (廣東財經大學華商學院), a private higher education institution operated by the Group;
“Huashang Hospitality Management School”	Huashang Hospitality Management School* (華商酒店管理學院), a school subordinated under Huashang Vocational College;
“Huashang Technical School”	Guangdong Huashang Technical School (廣東華商技工學校), a private school registered as a private non-enterprise unit under the law of the PRC, operated by the Group;
“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, operated by the Group;

“Huizhi Property”	student dormitory and teaching buildings at Tangmei Village, Xintang Town, Zengcheng District, Guangzhou, the PRC owned by Guangzhou Huizhi Education Investment Co., Ltd*. (廣州市滙智教育投資有限公司), a company established under the laws of the PRC with limited liability and and associate of Mr. Liu Yung Kwong;
“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;
“Intelligent Engineering School”	Intelligent Engineering School* (智能工程學院), a school subordinated under Huashang Vocational College;
“Listing Date”	16 July 2019, on which the shares of the Company are listed and on which dealings in the shares of the Company are first permitted to take place on the Stock Exchange;
“Listing Rules”	the rules governing the listing of securities on the Stock Exchange;
“Mr. Liu”	Mr. Liu Yung Chau (廖榕就), the founder of the Company, a controlling Shareholder, executive Director, the chairman of the Board and the spouse of Ms. Chen;
“Mr. Liu Yung Kan”	Mr. Liu Yung Kan (廖榕根), a non-executive Director and brother of Mr. Liu;
“Ms. Chen”	Ms. Chen Yuan, Rita (陳練瑛), a controlling Shareholder, executive Director and the spouse of Mr. Liu;
“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;
“PRC Lease (2021 Renewal) Framework Agreement”	the PRC lease (2021 renewal) framework agreement entered into among the Company (for itself and on behalf of its subsidiaries) and Mr. Liu, Ms. Chen and Mr. Liu Yung Kan (for themselves and on behalf of their respective associates) on 30 August 2021;

“PRC Lease (2024 Renewal) Framework Agreement”	the PRC lease (2024 renewal) framework agreement entered into among the Company (for itself and on behalf of its subsidiaries) and Mr. Liu, Ms. Chen and Mr. Liu Yung Kan (for themselves and on behalf of their respective associates) on 30 August 2024;
“Property Management (2021 Renewal) Framework Agreement”	the property management (2021 renewal) framework agreement entered into between Yixiang Property Management and Guangdong Huashang Technical School on 30 August 2021;
“Property Management (2024 Renewal) Framework Agreement”	the property management (2024 renewal) framework agreement entered into between the Company (for itself and on behalf of its subsidiaries) and Mr. Liu Yung Kwong (for himself and behalf of his associates) on 30 August 2024;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of share(s) of the Company;
“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 Hotel”	Guangzhou Sun City Hotel Co., Ltd.* (廣州太陽城大酒店有限公司), a company established under the laws of the PRC with limited liability and a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50%, respectively;
“Technical School Lease (2021 Renewal) Framework Agreement”	the technical school lease (2021 renewal) framework agreement entered into between the Company (for itself and on behalf of its Subsidiaries) and Mr. Liu Yung Kwong (for himself and on behalf of his associates) on 30 August 2021;
“Technical School Trademark (2021 Renewal) Agreement”	the technical school trademark (2021 renewal) agreement entered into between Sun City Development and Mr. Liu Yung Kwong (for himself and on behalf of his associates) on 30 August 2021;

“Triple Way”

Triple Way Investments (Australia) Pty. Ltd, a company indirectly owned by Mr. Liu and Ms. Chen as to 50% and 50%, respectively; and

“%”

per cent.

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

Hong Kong, 30 August 2024

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. O’Yang Wiley and Mr. Li Jiatong.