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Wisdom Education International Holdings Company Limited

光正教育國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6068)

MAJOR TRANSACTION DISPOSAL OF CLASS A PARTICIPATING SHARES

DISPOSAL

The Board hereby announce that on 29 November 2023 (after trading hours), the Company, as the Vendor, and Marvel Bonus, as the Purchaser, have entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to dispose of to the Purchaser, and the Purchaser agreed to purchase from the Vendor, the Sale Shares at a consideration of HK\$120 million.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal exceed 25% but not more than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has a material interest in the Disposal, and therefore no Shareholder is required to abstain from voting if a general meeting of the Company were to be convened to approve the Disposal and the transactions contemplated thereunder.

Mr. Liu Xuebin and his wholly owned company holding 933,496,000 Shares, representing approximately 42.86% of the total number of the issued Shares and Ms. Li Suwen and her wholly owned company holding 573,428,000 Shares, representing approximately 26.33% of the total number of the issued Shares, are regarded as a closely allied group of Shareholders who together hold more than 50% of the voting rights for the purpose of Rule 14.45 of the Listing Rules, have given their written approval requirements of the Disposal and such written approval is accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules. Accordingly, no physical Shareholders' meeting will be held by the Company for approving the Disposal.

GENERAL

A circular containing, amongst other things, details of the Disposal contemplated under the Sale and Purchase Agreement and other information as required under the Listing Rules will be despatched to the Shareholders on or before 19 December 2023 in accordance with the Listing Rules.

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THE SALE AND PURCHASE AGREEMENT

The major terms of the Sale and Purchase Agreement are summarized as below:

Date

29 November 2023

The Parties

- (i) the Company as the Vendor; and
- (i) Marvel Bonus as the Purchaser. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Purchaser and its ultimate beneficial owners are independent third parties independent of the Group and its connected persons (as defined under the Listing Rules).

Disposal of Interests in the Fund

The Vendor has conditionally agreed to dispose of, and the Purchaser has conditionally agreed to purchase the Sale Shares, being 117,000 Class A Participating Shares.

Consideration and Payment Terms

The consideration for the Disposal is HK\$120 million, which will be settled by the Purchaser by way of cheque on the 7th day after Completion (or in such manner as the parties may agree in writing). The consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser after taking into account of (i) the amount of the original subscription price of the Sale Shares of HK\$117 million; and (ii) the net asset value of the Sale Shares being approximately HK\$118.1 million as of 31 August 2023.

Completion

The Disposal shall be conditional upon:

- (a) the Purchaser being reasonably satisfied with the results of the due diligence exercise on the Vendor's title to the Sale Shares;
- (b) the Vendor having complied with the requirements under the Listing Rules in respect of the transactions contemplated under the Sale and Purchase Agreement;
- (c) warranties given by the Purchaser in the Sale and Purchase Agreement remaining true and accurate and not misleading from the date thereof up to Completion and that no events have occurred that would result in any breach of any of the warranties or other provisions of the Sale and Purchase Agreement by the Purchaser; and
- (d) warranties given by the Vendor in the Sale and Purchase Agreement remaining true and accurate and not misleading from the date thereof up to Completion and that no events have occurred that would result in any breach of any of the warranties or other provisions of the Sale and Purchase Agreement by the Vendor.

Completion shall take place on the 35th day after the date of the Sale and Purchase Agreement upon the condition precedents are fulfilled (or waived) (or such other date as may be agreed in writing by the Vendor and the Purchaser).

Financial Effects of the Disposal

The Company accounted for the Sale Shares in the consolidated financial statements as the Company's financial assets measured at fair value through profit or loss before the Completion. Upon Completion, the Company ceased to hold any interest in the Fund.

The Company estimates that the Group will record an unaudited gain on the Disposal of approximately HK\$1.9 million (calculated by reference to the difference between the unaudited net carrying amount of HK\$118.1 million in the accounts of the Group as at 31 August 2023 and the disposal price of HK\$120 million of the Sale Shares). The financial impact disclosed above is for illustrative purposes only and is dependent on the financial information of the Fund as at the date of Completion.

REASONS FOR AND BENEFITS OF THE DISPOSAL

Taking into account the cash inflow from the Disposal, the Directors consider that the Disposal represent a good opportunity for the Group to realize such investments so that it can re-allocate its resources.

The proceeds from the Disposal are intended to be used as the working capital of the Group.

Based on the reasons as set out above, the Directors consider that the terms of the Disposal are commercial terms and are fair and reasonable and in the interests of the Company and Shareholders as a whole.

INFORMATION OF THE GROUP

The Company is an investment holding company incorporated in the Cayman Islands with limited liability. The Group is principally engaged in the provision of ancillary services to student of primary, middle and high schools, and other customers in the PRC.

INFORMATION OF THE PURCHASER

As at the date of this announcement, as notified by the Purchaser, the Purchaser is beneficially and wholly-owned by Mr. Yam Tak Cheung, and is principally engaged in investment holding business. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Purchaser and its ultimate beneficial owners are independent third parties independent of the Group and its connected persons (as defined under the Listing Rules).

INFORMATION OF THE FUND

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Fund is an exempted company with limited liability incorporated on 3 January 2019 in the Cayman Islands pursuant to the Companies Act of the Cayman Islands, and registered as a mutual fund with the Cayman Islands Monetary Authority on 9 May 2019. The Fund is a regulated mutual fund under the Cayman Islands Mutual Fund Act. The Fund commenced operations on 5 July 2019. The authorized share capital of the Fund is US\$50,000 being made up of 100 management shares of US\$1.00 each and 49,900,000 participating shares of US\$0.001 each. All of the management shares in issue, which are the voting shares in the Fund, are held by Glorious Maple Limited. The director of Glorious Maple Limited is Mr. Yeung Wan Yiu, and the ultimate beneficial owners of Glorious Maples Limited are Mr. Yeung Wan Yiu and Mr. Hong Ching Wei.

The Group's gain on change in fair value of the Fund (both before and after taxation) for the two years ended 31 August 2023 are as follows:

	For the year ended 31 August 2022 (Audited) (HK\$)	For the year ended 31 August 2023 (Audited) (HK\$)
Gain on change in fair value (before taxation)	1,121,250	–
Gain on change in fair value (after taxation)	1,121,250	–

As at 31 August 2023, the Group held the Fund amounted to HK\$118.1 million (as at 31 August 2022: HK\$118.1 million).

INFORMATION OF THE INVESTMENT MANAGER

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Investment Manager is a limited liability company incorporated in Hong Kong. It is licensed for type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities by the Securities and Futures Commission under the Securities and Futures Ordinance of Hong Kong, with CE number BNR298.

The directors of the Investment Manager are Mr. Yeung Wan Yiu and Mr. Chu Chun Yi, and the ultimate beneficial owners of the Investment Manager are Mr. Yeung Wan Yiu, Mr. Hong Ching Wei and Mr. Chu Chun Yi.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Fund, the Investment Manager and their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal exceed 25% but not more than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has a material interest in the Disposal, and therefore no Shareholder is required to abstain from voting if a general meeting of the Company were to be convened to approve the Disposal and the transactions contemplated thereunder.

Mr. Liu Xuebin and his wholly owned company holding 933,496,000 Shares, representing approximately 42.86% of the total number of the issued Shares and Ms. Li Suwen and her wholly owned company holding 573,428,000 Shares, representing approximately 26.33% of the total number of the issued Shares, are regarded as a closely allied group of Shareholders who together hold more than 50% of the voting rights for the purpose of Rule 14.45 of the Listing Rules, have given their written approval requirements of the Disposal and such written approval is accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules. Accordingly, no physical Shareholders' meeting will be held by the Company for approving the Disposal.

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DEFINITIONS

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

“Board”	the Board of Directors
“Class A Participating Share(s)”	the participating share(s) designated as Class A Share(s) in the Fund
“Company” or “Vendor”	Wisdom Education International Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange (stock code: 6068)
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Shares by the Vendor to the Purchaser pursuant to the Sale and Purchase Agreement
“Fund”	GLAM-HKCFC MBS FUND, an exempted company with limited liability incorporated in the Cayman Islands on 3 January 2019, and registered as a mutual fund with the Cayman Islands Monetary Authority on 9 May 2019
“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
“Investment Manager”	GLAM Capital Limited, a company incorporated with limited liability in Hong Kong, licensed for type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities by the Securities and Futures Commission under the Securities and Futures Ordinance of Hong Kong, with CE number BNR298
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Marvel Bonus” or “Purchaser”	Marvel Bonus Holdings Limited, a company incorporated in British Virgin Islands with limited liability

“PRC”	the People’s Republic of China, excluding Taiwan, Hong Kong and Macau Special Administrative Region for the purpose of this announcement
“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 November 2023, entered into between the Purchaser and the Vendor in relation to the Disposal
“Sale Shares”	117,000 Class A Participating Shares held by the Company as at the date of this announcement and immediately before the Completion
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issue share capital of the Company
“Shareholder”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
Wisdom Education International Holdings Company Limited
Li Jiuchang
Executive Director

Dongguan, 29 November 2023

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Li Suwen, Mr. Liu Xuebin and Mr. Li Jiuchang; and three independent non-executive Directors, namely Prof. Sun Kai Lit Cliff BBS, J.P., Mr. Tam King Ching Kenny and Mr. Huang Weiguo.