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## SHANGHAI GENCH EDUCATION GROUP LIMITED

上海建橋教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1525)

### FULL EXERCISE OF THE OVER-ALLOTMENT OPTION, STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

#### FULL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus was fully exercised by the Sole Representative (on behalf of the International Underwriters) on February 7, 2020 (after trading hours) in respect of an aggregate of 15,000,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of Over-allotment Option. The Over-allotment Shares will be issued and allotted by the Company at HK\$6.05 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price per Offer Share under the Global Offering.

## **STABILIZING ACTIONS AND END OF STABILIZATION PERIOD**

The Company further announces that the stabilization period in connection with the Global Offering ended on February 8, 2020, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilizing actions undertaken by Macquarie Capital Limited, the Stabilizing Manager, or any of its affiliates or person acting for it, during the stabilization period involved:

- (1) over-allocation of an aggregate of 15,000,000 Shares in the International Placing, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (2) the borrowing of an aggregate of 15,000,000 Shares by the Stabilizing Manager from She De Limited pursuant to the Stock Borrowing Agreement to cover over-allocation of Shares in the International Placing. Such Shares will be returned and redelivered to She De Limited in accordance with the terms of the Stock Borrowing Agreement; and
- (3) the full exercise of the Over-allotment Option by the Sole Representative (on behalf of the International Underwriters) on February 7, 2020 (after trading hours) in respect of an aggregate of 15,000,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price per Share, to facilitate the return in full to She De Limited of the 15,000,000 borrowed Shares which were used to cover the over-allocation in the International Placing.

## **FULL EXERCISE OF THE OVER-ALLOTMENT OPTION**

The Company announces that the Over-allotment Option described in the Prospectus was fully exercised by the Sole Representative (on behalf of the International Underwriters) on February 7, 2020 (after trading hours) in respect of an aggregate of 15,000,000 Shares (the “**Over-allotment Shares**”), representing 15% of the Offer Shares initially available under the Global Offering.

Pursuant to the Stock Borrowing Agreement entered into between Macquarie Capital Limited and She De Limited, Macquarie Capital Limited has borrowed 15,000,000 Shares from She De Limited to cover over-allocations in the International Placing. The Over-allotment Shares will be used to facilitate the return in full to She De Limited of the 15,000,000 borrowed Shares.

The Over-allotment Shares will be issued and allotted by the Company at HK\$6.05 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price per Offer Share under the Global Offering. The Over-allotment Shares will be used to cover over-allocations in the International Placing.

## **Approval of Listing**

Approval for listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Stock Exchange. Listing of and dealing in such Over-allotment Shares are expected to commence on the Main Board of the Stock Exchange at 9:00 a.m. on February 11, 2020.

## Share Capital upon the Completion of the Full Exercise of the Over-allotment Option

The shareholding structure of the Company immediately before and immediately after the completion of the full exercise of the Over-allotment Option is as follows:

Shareholders	Immediately before the completion of full exercise of the Over-allotment Option		Immediately after the completion of full exercise of the Over-allotment Option	
	Number of Shares	Approximate percentage of the Company's issued share capital <sup>(1)</sup>	Number of Shares	Approximate percentage of the Company's issued share capital <sup>(1)</sup>
She De Limited	66,000,000	16.50%	66,000,000	15.90%
Gan En Limited	39,450,000	9.86%	39,450,000	9.51%
Ze Ren Limited	30,600,000	7.65%	30,600,000	7.37%
Ai Xin Limited	30,000,000	7.50%	30,000,000	7.23%
ITG Education	25,880,000	6.47%	25,880,000	6.24%
Tuan Jie Limited	17,100,000	4.28%	17,100,000	4.12%
Du Zhi Limited	15,180,000	3.80%	15,180,000	3.66%
Shen Si Limited	15,000,000	3.75%	15,000,000	3.61%
Zi Qiang Limited	15,000,000	3.75%	15,000,000	3.61%
Kai Tuo Limited	15,000,000	3.75%	15,000,000	3.61%
Qie Wen Limited	10,500,000	2.63%	10,500,000	2.53%
Tuo Xin Limited	10,500,000	2.63%	10,500,000	2.53%
Ming Bian Limited	10,500,000	2.63%	10,500,000	2.53%
Jin Si Limited	7,410,000	1.85%	7,410,000	1.79%
Hou Tu Limited	7,350,000	1.84%	7,350,000	1.77%
Bo Xue Limited	5,220,000	1.31%	5,220,000	1.26%
Mlily Investment	5,240,000	1.31%	5,240,000	1.26%
Qiu Shi Limited	5,190,000	1.30%	5,190,000	1.25%
Jihe Tuoli	4,628,000	1.16%	4,628,000	1.12%
Public Shareholders	64,252,000	16.06%	79,252,000	19.10%
<b>Total</b>	<b>400,000,000</b>	<b>100.00%</b>	<b>415,000,000</b>	<b>100.00%</b>

(1) The percentage figures are subject to rounding adjustments.

The additional net proceeds of approximately HK\$90.44 million to be received by the Company from the issue of the Over-allotment Shares after deducting the underwriting commissions, transaction levy and trading fee (as applicable) relating to the exercise of the Over-allotment Option will be used by the Company for the purposes as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

## STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that the stabilization period in connection with the Global Offering ended on February 8, 2020, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering.

The Company has been informed by Macquarie Capital Limited, the Stabilizing Manager, or any of its affiliates or person acting for it, that the stabilizing actions undertaken during the stabilization period involved:

- (1) over-allocations of an aggregate of 15,000,000 Shares in the International Placing, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (2) the borrowing of an aggregate of 15,000,000 Shares by the Stabilizing Manager from She De Limited pursuant to the Stock Borrowing Agreement to cover over-allocation of Shares in the International Placing. Such Shares will be returned and redelivered to She De Limited in accordance with the terms of the Stock Borrowing Agreement; and
- (3) the full exercise of the Over-allotment Option by the Sole Representative (on behalf of the International Underwriters) on February 7, 2020 (after trading hours) in respect of an aggregate of 15,000,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price per Share, to facilitate the return in full to She De Limited of the 15,000,000 borrowed Shares which were used to cover the over-allocation in the International Placing.

There had been no purchase or sale of any Shares on the market for the purpose of price stabilization by Macquarie Capital Limited, the Stabilizing Manager, or any of its affiliates or person acting for it, during the stabilization period.

The Company confirms that immediately following the allotment and issue of the Over-allotment Shares, the Company continues to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules.

By order of the Board  
**Shanghai Gench Education Group Limited**  
**Zhou Xingzeng**  
*Chairman*

Hong Kong, February 10, 2020

*As at the date of this announcement, our executive Directors are Mr. Zhou Xingzeng, Mr. Zheng Xiangzhan and Mr. Shi Yinjie, our non-executive Director is Mr. Zhao Donghui and our independent non-executive Directors are Mr. Chen Baizhu, Mr. Hu Rongen and Ms. Liu Tao.*