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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)**

### **DISCLOSEABLE TRANSACTIONS IN RELATION TO THE SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

#### **SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

During the Relevant Period, the Group has subscribed for certain wealth management products, namely structured deposits, offered by certain financial institutions in Mainland China.

#### **IMPLICATIONS OF THE LISTING RULES**

As each of the wealth management products subscribed by the Group with each of the Relevant Financial Institutions during the Relevant Period were conducted with the same counterparty, were of similar nature and were completed within 12 months, the corresponding principal amounts of the relevant wealth management products shall be aggregated with the then outstanding balance of the wealth management products held by the Group with the each of the Relevant Financial Institution for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

On such aggregate basis, the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Subscriptions made with the same financial institutions exceeded 5% but all of the ratios were below 25%. Accordingly, the Subscriptions, when aggregated, constituted discloseable transactions under the Listing Rules and are subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

With the mistaken belief of the Listing Rules in respect of the aggregation of transactions under Rule 14.22 of the Listing Rules in the case of subscription of wealth management products, the Group omitted to disclose such transactions at the time of purchase of the wealth management products as mentioned in this announcement which did not comply with the applicable reporting and announcement requirements under the Listing Rules. The Company should have made announcements in respect of each of the Subscriptions as and when such obligations arose. The Company has adopted remedial measures to strengthen the relevant internal control procedures to prevent the occurrence of similar incidents in the future.

## INTRODUCTION

During the Relevant Period, the Group has subscribed for certain wealth management products, namely structured deposits, offered by certain financial institutions in Mainland China. Among these subscriptions, 48 subscriptions constituted discloseable transactions under Chapter 14 of the Listing Rules when aggregated.

## SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS

The details of the wealth management products, namely structured deposits, purchased by the Group during the Relevant Period are set out below:

### 1. Hua Xia Bank Wealth Management Products

| No. | Subscription date | Subscriber                    | Name of product  | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|--|--------------------------------------|------------------------------------|----------------|--|
| 1   | 31 October 2023   | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 231268 (人民幣單位結構性存款231268)   | 50                                   | 1.40%; 2.52%<br>or 2.62%           | 30             | 100  |
| 2   | 24 November 2023  | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 231321 (人民幣單位結構性存款231321)   | 50                                   | 1.35% to 2.58%                     | 31             | 100  |
| 3   | 7 December 2023   | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 231367 (人民幣單位結構性存款231367)   | 50                                   | 1.35% to 2.56%                     | 32             | 100  |
| 4   | 28 December 2023  | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 231415 (人民幣單位結構性存款231415)   | 50                                   | 1.40%; 2.56%<br>or 2.76%           | 95             | 100  |
| 5   | 12 January 2024   | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 241046 (人民幣單位結構性存款241046)   | 50                                   | 1.40%; 2.62%<br>or 2.82%           | 91             | 100  |
| 6   | 8 October 2024    | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 2411506 (人民幣單位結構性存款2411506) | 50                                   | 1.20%; 2.52%<br>or 2.64%           | 92             | 80   |
| 7   | 14 October 2024   | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 2411566 (人民幣單位結構性存款2411566) | 50                                   | 1.15% to 2.63%                     | 60             | 130  |

| No. | Subscription date | Subscriber                    | Name of product   | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|---|--------------------------------------|------------------------------------|----------------|--|
| 8   | 29 October 2024   | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 2411623 (人民幣單位結構性存款2411623)          | 30                                   | 1.15%; 2.45%<br>or 2.60%           | 62             | 160  |
| 9   | 19 December 2024  | Jian Qiao Group               | RMB-denominated Structured Deposit 2411855 (人民幣單位結構性存款2411855)          | 30                                   | 1.30%; 2.30%<br>or 2.45%           | 95             | 130  |
| 10  | 19 December 2024  | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 2411858 (人民幣單位結構性存款2411858)          | 20                                   | 1.30%; 2.30%<br>or 2.45%           | 95             | 130  |
| 11  | 14 January 2025   | Shanghai Jian Qiao University | RMB-denominated Structured Deposit DWJCSH25004 (人民幣單位結構性存款 DWJCSH25004) | 50                                   | 1.30%; 2.32%<br>or 2.49%           | 94             | 100  |
| 12  | 27 March 2025     | Shanghai Jian Qiao University | RMB-denominated Structured Deposit 2510299 (人民幣單位結構性存款2510299)          | 20                                   | 1.30%; 2.27%<br>or 2.49%           | 90             | 70   |
| 13  | 16 April 2025     | Jian Qiao Group               | RMB-denominated Structured Deposit 2510370 (人民幣單位結構性存款2510370)          | 30                                   | 1.20%; 2.22%<br>or 2.44%           | 90             | 100  |
| 14  | 9 May 2025        | Shanghai Jian Qiao University | “Jie Jie Gao” 60D Structured Deposit 2510516 (“節節高”60D 結構性存款2510516)    | 30                                   | 1.30%; 2.29%<br>or 2.48%           | 60             | 80   |
| 15  | 15 May 2025       | Wangting Enterprise           | RMB-denominated Structured Deposit 2510480 (人民幣單位結構性存款2510480)          | 20                                   | 1.30%; 2.30%<br>or 2.49%           | 60             | 100  |
| 16  | 1 September 2025  | Shanghai Jian Qiao University | RMB-denominated Structured Deposit DWJCSH25055 (人民幣單位結構性存款 DWJCSH25055) | 50                                   | 0.70%; 1.87%<br>or 2.12%           | 95             | 130  |
| 17  | 1 September 2025  | Shanghai Jian Qiao University | RMB-denominated Structured Deposit DWJCSH25055 (人民幣單位結構性存款 DWJCSH25055) | 50                                   | 0.70%; 1.87%<br>or 2.12%           | 95             | 130  |

## 2. Pudong Development Bank Wealth Management Products

| No. | Subscription date | Subscriber                    | Name of product   | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|---|--------------------------------------|------------------------------------|----------------|--|
| 1   | 11 October 2023   | Shanghai Jian Qiao University | Li Duo Duo Stable Profit RMB-denominated Company Structured Deposit 23JG3532 (利多多公司穩利23JG3532期 (1個月早鳥款) 人民幣對公結構性存款) | 50                                   | 1.30%; 2.40%<br>or 2.60%           | 30             | 100  |
| 2   | 11 December 2023  | Shanghai Jian Qiao University | Li Duo Duo Stable Profit RMB-denominated Company Structured Deposit 23JG3602 (利多多公司穩利23JG3602期 (3個月早鳥款) 人民幣對公結構性存款) | 30                                   | 1.30%; 2.55%<br>or 2.75%           | 91             | 80   |
| 3   | 23 September 2024 | Shanghai Jian Qiao University | Li Duo Duo Stable Profit RMB-denominated Company Structured Deposit 24JG3481 (利多多公司穩利24JG3481期 (3個月早鳥款) 人民幣對公結構性存款) | 30                                   | 1.10%; 2.25%<br>or 2.45%           | 91             | 70   |
| 4   | 13 January 2025   | Wangting Logistics            | Li Duo Duo Stable Profit RMB-denominated Company Structured Deposit 25JG3008 (利多多穩利25JG3008期 (3個月早鳥款) 人民幣對公結構性存款)   | 20                                   | 0.85%; 2.00%<br>or 2.20%           | 91             | 60   |
| 5   | 10 March 2025     | Shanghai Jian Qiao University | Li Duo Duo Stable Profit RMB-denominated Company Structured Deposit 25JG3094 (利多多公司穩利25JG3094期 (3個月早鳥款) 人民幣對公結構性存款) | 20                                   | 0.85%; 2.00%<br>or 2.20%           | 92             | 70   |

| No. | Subscription date | Subscriber                    | Name of product   | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|---|--------------------------------------|------------------------------------|----------------|--|
| 6   | 21 April 2025     | Wangting Logistics            | Li Duo Duo Stable Profit RMB-denominated Company Structured Deposit 25JG3162 (利多多公司穩利25JG3162期 (3個月早鳥款) 人民幣對公結構性存款) | 20                                   | 0.85%; 2.05%<br>or 2.25%           | 91             | 50   |
| 7   | 6 May 2025        | Wangting Logistics            | Li Duo Duo Stable Profit RMB-denominated Company Structured Deposit 25JG3182 (利多多公司穩利25JG3182期 (3個月早鳥款) 人民幣對公結構性存款) | 20                                   | 0.85%; 2.05%<br>or 2.25%           | 92             | 70   |
| 8   | 11 August 2025    | Wangting Logistics            | Li Duo Duo Stable Profit RMB-denominated Company Structured Deposit 25JG3331 (利多多公司穩利25JG3331期 (3個月早鳥款) 人民幣對公結構性存款) | 30                                   | 0.70%; 1.80%<br>or 2.00%           | 92             | 60   |
| 9   | 1 September 2025  | Shanghai Jian Qiao University | Li Duo Duo Stable Profit RMB-denominated Company Structured Deposit 25JG8468 (利多多公司穩利25JG8468期 人民幣對公結構性存款)          | 30                                   | 0.70%; 1.75%<br>or 1.95%           | 91             | 90   |

### 3. China Merchants Bank Wealth Management Products

| No. | Subscription date | Subscriber                    | Name of product  | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|--|--------------------------------------|------------------------------------|----------------|--|
| 1   | 13 September 2024 | Shanghai Jian Qiao University | China Merchants Bank Two-Tier Progressive Bullish 61-day Structured Deposit (招商銀行點金系列看漲兩層區間 61 天結構性存款) | 30                                   | 1.85% to 2.20%                     | 61             | 75   |

| No. | Subscription date | Subscriber                    | Name of product  | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|--|--------------------------------------|------------------------------------|----------------|--|
| 2   | 20 September 2024 | Shanghai Jian Qiao University | China Merchants Bank Two-Tier Progressive Bullish 61-day Structured Deposit (招商銀行點金系列看漲兩層區間 61 天結構性存款) | 30                                   | 1.85% to 2.20%                     | 61             | 105  |
| 3   | 8 October 2024    | Shanghai Jian Qiao University | China Merchants Bank Two-Tier Progressive Bearish 23-day Structured Deposit (招商銀行點金系列看跌兩層區間 23 天結構性存款) | 30                                   | 1.55% to 1.85%                     | 23             | 165  |
| 4   | 8 October 2024    | Shanghai Jian Qiao University | China Merchants Bank Two-Tier Progressive Bearish 23-day Structured Deposit (招商銀行點金系列看跌兩層區間 23天結構性存款)  | 30                                   | 1.55% to 1.85%                     | 23             | 165  |
| 5   | 5 November 2024   | Shanghai Jian Qiao University | China Merchants Bank Two-Tier Progressive Bullish 62-day Structured Deposit (招商銀行點金系列看漲兩層區間 62 天結構性存款) | 30                                   | 1.75% to 2.00%                     | 62             | 100  |
| 6   | 18 November 2024  | Shanghai Jian Qiao University | China Merchants Bank Two-Tier Progressive Bullish 92-day Structured Deposit (招商銀行點金系列看漲兩層區間 92天結構性存款)  | 30                                   | 1.75% to 2.00%                     | 92             | 90   |
| 7   | 25 November 2024  | Shanghai Jian Qiao University | China Merchants Bank Two-Tier Progressive Bullish 91-day Structured Deposit (招商銀行點金系列看漲兩層區間 91天結構性存款)  | 20                                   | 1.75% to 2.00%                     | 91             | 80   |
| 8   | 13 December 2024  | Gench WFOE                    | China Merchants Bank Two-Tier Progressive Bullish 62-day Structured Deposit (招商銀行點金系列看漲兩層區間 62 天結構性存款) | 10                                   | 1.70% to 2.00%                     | 62             | 90   |

| No. | Subscription date | Subscriber                    | Name of product  | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|--|--------------------------------------|------------------------------------|----------------|--|
| 9   | 1 April 2025      | Wangting Enterprise           | China Merchants Bank Two-Tier Progressive Bearish 28-day Structured Deposit (招商銀行點金系列看跌兩層區間28天結構性存款) | 8                                    | 1.77% to 2.02%                     | 28             | 73   |
| 10  | 1 April 2025      | Wangting Catering             | China Merchants Bank Two-Tier Progressive Bearish 28-day Structured Deposit (招商銀行點金系列看跌兩層區間28天結構性存款) | 25                                   | 1.77% to 2.02%                     | 28             | 73   |
| 11  | 10 April 2025     | Shanghai Jian Qiao University | China Merchants Bank Two-Tier Progressive Bullish 61-day Structured Deposit (招商銀行點金系列看漲兩層區間61天結構性存款) | 20                                   | 1.75% to 2.00%                     | 61             | 93   |
| 12  | 24 April 2025     | Wangting Enterprise           | China Merchants Bank Two-Tier Progressive Bullish 91-day Structured Deposit (招商銀行點金系列看漲兩層區間91天結構性存款) | 15                                   | 1.75% to 2.00%                     | 91             | 108  |
| 13  | 29 August 2025    | Shanghai Jian Qiao University | China Merchants Bank Two-Tier Progressive Bullish 61-day Structured Deposit (招商銀行點金系列看漲兩層區間61天結構性存款) | 30                                   | 1.00% to 1.75%                     | 61             | 60   |

#### 4. China Bohai Bank Wealth Management Products

| No. | Subscription date | Subscriber                    | Name of product  | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|--|--------------------------------------|------------------------------------|----------------|--|
| 1   | 25 September 2024 | Shanghai Jian Qiao University | Bohai Bank Structured Deposit WBS2400391 (渤海銀行WBS2400391結構性存款) | 60                                   | 1.50% to 2.20%                     | 89             | 60   |

| No. | Subscription date | Subscriber                    | Name of product  | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|--|--------------------------------------|------------------------------------|----------------|--|
| 2   | 23 October 2024   | Shanghai Jian Qiao University | Bohai Bank Structured Deposit WBS 2400551(渤海銀行WBS2400551結構性存款) | 30                                   | 1.50% to 2.30%                     | 89             | 90   |
| 3   | 6 December 2024   | Shanghai Jian Qiao University | Bohai Bank Structured Deposit WBS 2400862 (渤海銀行WBS2400862)     | 30                                   | 1.25% to 2.30%                     | 87             | 120  |
| 4   | 26 December 2024  | Shanghai Jian Qiao University | Bohai Bank Structured Deposit WBS 2400978 (渤海銀行WBS2400978)     | 30                                   | 1.25% to 2.30%                     | 88             | 90   |

## 5. China Everbright Bank Wealth Management Products

| No. | Subscription date | Subscriber                    | Name of product  | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|--|--------------------------------------|------------------------------------|----------------|--|
| 1   | 26 January 2024   | Shanghai Jian Qiao University | 2024 Fixed Exchange Rate Company Structured Deposit 492 (2024年掛鉤匯率對公結構性存款定制第一期產品492) | 20                                   | 1.50%; 2.50%<br>or 2.60%           | 91             | 80   |

## 6. Industrial Bank Wealth Management Products

| No. | Subscription date | Subscriber                    | Name of product   | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount<br>as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|---|--------------------------------------|------------------------------------|----------------|--|
| 1   | 19 September 2024 | Shanghai Jian Qiao University | Industrial Bank RMB Company Structured Deposit (興業銀行企業金融人民幣結構性存款產品) | 30                                   | 1.50% to 2.25%                     | 100            | 60   |



| No. | Subscription date | Subscriber                    | Name of product   | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|---|--------------------------------------|------------------------------------|----------------|---|
| 2   | 2 December 2024   | Shanghai Jian Qiao University | Industrial Bank RMB Company Structured Deposit (興業銀行企業金融人民幣結構性存款產品) | 30                                   | 1.35% to 2.20%                     | 100            | 60  |

## 7. Bank of Nanjing Wealth Management Products

| No. | Subscription date | Subscriber                    | Name of product   | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|---|--------------------------------------|------------------------------------|----------------|---|
| 1   | 29 October 2024   | Shanghai Jian Qiao University | 2024 Denominated 44th Term 63 87-day Structured Deposit (單位結構性存款 2024 年第44期(63 號87天)) | 30                                   | 1.40%; 2.20% or 2.50%              | 87             | 80  |

## 8. China Construction Bank Wealth Management Products

| No. | Subscription date | Subscriber                    | Name of product  | Subscription amount<br>(RMB million) | Expected annual return rate<br>(%) | Term<br>(days) | Principal amount as at the subscription date<br>(RMB million) |
|-----|-------------------|-------------------------------|--|--------------------------------------|------------------------------------|----------------|---|
| 1   | 15 September 2023 | Shanghai Jian Qiao University | Corporate RMB Customized Structured Deposits of Shanghai Branch (中國建設銀行上海市分行單位人民幣定制型結構性存款) | 100                                  | 1.50% to 2.70%                     | 31             | 100   |

## PAYMENT OF PRINCIPAL AMOUNT AND INVESTMENT RETURN UPON MATURITY

The principal amount and the investment return generated related to the Subscriptions were returned and paid on the maturity date (as the case may be). Such amounts were transferred to the agreed account of the Group on the maturity date, or the next business day if the maturity date is a non-business day, with the term of investment extended correspondingly. The Group did not exercise any right of early redemption before the maturity date of the wealth management products it subscribed during the Relevant Period.

## **BASIS OF CONSIDERATION**

The Board confirmed that the consideration for each of the Subscriptions was determined on normal commercial terms following negotiations conducted at arm's length between the Group and each of the Relevant Financial Institutions, the Group having considered (i) the then available surplus cash of the Group for treasury management purposes; (ii) the expected investment return and terms of the Subscriptions as offered by each of the Relevant Financial Institutions against those offered and then available by other comparable banks in the market; and (iii) the prevailing market interest rates and practices.

## **SOURCE OF FUNDS FOR THE SUBSCRIPTION**

The Subscriptions were all financed by the Company's own funds (from those other than the proceeds from the initial public offering).

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS OF THE WEALTH MANAGEMENT PRODUCTS**

The Subscriptions were entered by the Group for treasury management purposes, optimizing the use of its working capital to maximize returns. The Group had held idle funds, and the Directors resolved to strategically utilize such funds through entering into the Subscriptions. The Directors considered (i) the risk associated with wealth management products is relatively low; (ii) the Subscriptions were funded by internal resources; (iii) the Subscriptions offered a better return than the prevailing fixed-term deposit interest rates generally offered by commercial banks in the PRC; and (iv) the Subscriptions have no material impact on the operations and working capital of the Group. In light of the above reasons, the Board is of the view that the Subscriptions are fair and reasonable and in line with the interests of the Company and the Shareholders as a whole.

## **INFORMATION OF THE PARTIES**

### **1. Information about the Group**

The Company is incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange (stock code: 1525). It is an investment holding company operating its business through its subsidiaries. The Group is a higher vocational education group which provides undergraduate education and junior college education services primarily in the PRC, focusing on high-quality schooling for the provision of excellent education for students. The Group operates Shanghai Jian Qiao University, being the domestic leading private university, at Lingang New Area in the China (Shanghai) Pilot Free Trade Zone.

## **2. Information about Hua Xia Bank**

Hua Xia Bank is a licensed bank incorporated in the PRC under PRC laws and is listed on the Shanghai Stock Exchange (stock code: 600015.SH). The principal business of Pudong Development Bank comprises of finance and trust investment business.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, Hua Xia Bank and its ultimate beneficial owners are Independent Third Parties independent of the Company and its connected persons as at the date of this announcement.

## **3. Information about Pudong Development Bank**

Pudong Development Bank is a licensed bank incorporated in the PRC under PRC laws and is listed on the Shanghai Stock Exchange (stock code: 600000.SH). The principal business of Pudong Development Bank comprises of finance and trust investment business.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, Pudong Development Bank and its ultimate beneficial owners are Independent Third Parties independent of the Company and its connected persons as at the date of this announcement.

## **4. Information about China Merchants Bank**

China Merchants Bank is a licensed bank incorporated in the PRC under PRC laws and is listed on the Shanghai Stock Exchange (stock code: 600036.SH). The principal business of China Merchants Bank comprises of finance and trust investment business.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, China Merchants Bank and its ultimate beneficial owners are Independent Third Parties independent of the Company and its connected persons as at the date of this announcement.

## **5. Information about China Bohai Bank**

China Bohai Bank is a licensed bank incorporated in the PRC under PRC laws and is listed on the Hong Kong Stock Exchange (stock code: 09668.HK). The principal business of China Bohai Bank comprises of finance and trust investment business.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, China Bohai Bank and its ultimate beneficial owners are Independent Third Parties independent of the Company and its connected persons as at the date of this announcement.

## **6. Information about China Everbright Bank**

China Everbright Bank is a licensed bank incorporated in the PRC under PRC laws and is listed on the Shanghai Stock Exchange (stock code: 601818.SH). The principal business of China Everbright Bank comprises of finance and trust investment business.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, China Everbright Bank and its ultimate beneficial owners are Independent Third Parties independent of the Company and its connected persons as at the date of this announcement.

## **7. Information about Industrial Bank**

Industrial Bank is a licensed bank incorporated in the PRC under PRC laws and is listed on the Shanghai Stock Exchange (stock code: 601166.SH). The principal business of Industrial Bank comprises of finance and trust investment business.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, Industrial Bank and its ultimate beneficial owners are Independent Third Parties independent of the Company and its connected persons as at the date of this announcement.

## **8. Information about Bank of Nanjing**

Bank of Nanjing is a licensed bank incorporated in the PRC under PRC laws and is listed on the Shanghai Stock Exchange (stock code: 601009.SH). The principal business of Bank of Nanjing comprises of finance and trust investment business.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, Bank of Nanjing and its ultimate beneficial owners are Independent Third Parties independent of the Company and its connected persons as at the date of this announcement.

## **9. Information about China Construction Bank**

China Construction Bank is a licensed bank incorporated in the PRC under PRC laws and is listed on the Shanghai Stock Exchange (stock code: 601939.SH). The principal business of China Construction Bank comprises of finance and trust investment business.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, China Construction Bank and its ultimate beneficial owners are Independent Third Parties independent of the Company and its connected persons as at the date of this announcement.

## **IMPLICATION OF THE LISTING RULES**

As the highest applicable percentage ratio for each subscribing for wealth management products during the Relevant Period, on a standalone basis, was less than 5%, and therefore does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

However, in accordance with Rule 14.22 of the Listing Rules, as each of the wealth management products subscribed by the Group with each of the Relevant Financial Institutions during the Relevant Period conducted with the same counterparty, were of similar nature and were completed within 12 months, the corresponding principal amounts of the relevant wealth management products shall be aggregated with the then outstanding balance of the wealth management products held by the Group with each of the Relevant Financial Institution for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

On such aggregate basis, the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Subscriptions made with the same financial institutions exceeded 5% but all of the ratios were below 25%. Accordingly, the Subscriptions, when aggregated, constituted discloseable transactions under the Listing Rules and are subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

With the mistaken belief that (i) the wealth management products, namely, structured deposits, were equivalent to bank deposits maintained by the Group in the ordinary course of business and not considered as acquisitions of assets which fall within the definition of “transaction” under Chapter 14 of the Listing Rules; and (ii) the aggregation requirements under Rule 14.22 of the Listing Rules in the case of subscription of wealth management products, the Group omitted to disclose such transactions at the time of purchase of the wealth management products as mentioned in this announcement which did not comply with the applicable reporting and announcement requirements under the Listing Rules. The Company should have made announcements in respect of each of the Subscriptions as and when such obligations arose. The Company has adopted remedial measures to strengthen the relevant internal control procedures to prevent the occurrence of similar incidents in the future.

## **REMEDIAL MEASURES**

The Company should have complied with the relevant notification and announcement requirements under Rule 14.34 of the Listing Rules in respect of subscribing for wealth management products as and when such obligation arose. The Company regrettably acknowledges that its compliance with the relevant requirements under the Listing Rules (the “Non-compliance”) has been delayed due to its oversight in monitoring the total balance of wealth management products with a single counterparty. The Company emphasizes that the Non-compliance was inadvertent, and the Company had no intention to withhold any information relating to the subscriptions of wealth management from disclosure.

Following thorough internal review, the Company identified that the Non-compliance was primarily due to its careless omission and misunderstanding of the Listing Rules. The Company has always, and will continue to, place great emphasis on the importance of compliance with the Listing Rules, the risk assessment of its subscriptions for wealth management products and avoid occurrence of similar incidents in the future.

To prevent the occurrence of similar incidents and ensure compliance with the relevant requirements of the Listing Rules in the future, the Company has adopted the following measures to enhance its internal control:

1. the Group has been and will continue to arrange for relevant internal training sessions at least once a year for each member of the Board, senior management, finance department and relevant personnel of the Group, with ad hoc training to be conducted whenever there are updates or amendments to the Listing Rules. The training will cover (i) obligations under Chapter 14 and Chapter 14A of the Listing Rules, including the aggregation rules under Rule 14.22 and applicable disclosure obligations; (ii) case studies of recent disciplinary actions by the Stock Exchange relating to notifiable and connected transactions; and (iii) other matters that are considered necessary and appropriate for the attention for the Board, senior management and relevant personnel. Training will be delivered by external legal advisers or compliance professionals, supplemented with written training materials and Q& A sessions to ensure participants' understanding. Attendance record will be maintained and reviewed annually.
2. the Company has adopted enhanced internal control procedures, including:
  - a) Transaction Pre-Screening: All proposed transactions (including subscriptions of wealth management products) shall firstly be reported by the finance department to the chief financial officer for pre-screening against the Listing Rules requirements.
  - b) Approval Controls: A dual-approved system has been implemented whereby both the chief financial officer and the company secretary should approve any transaction involving financial products, with verification of (i) percentage ratios, (ii) aggregation with other transactions within 12 months, and (iii) disclosure obligations.
  - c) Centralized Monitoring: Our IT specialist from the finance department responsible for the financial informatization of the Group, who graduated from Nanjing University of Aeronautics and Astronautics with a bachelor's degree in software engineering and obtained intermediate economist certification from the Ministry of Human Resources and Social Security of the PRC and the project management professional certification from the Project Management Institute, has designed a centralized database to record all wealth management products transaction with financial institutions within the Group. Our IT specialist will update the market capitalization of the Company as approved by the financial manager on daily basis in the centralized database, which will generate a daily report for review by the financial manager, the chief financial officer and the responsible officer (as disclosed below) to ensure the accuracy. The transaction record as provided by

the treasury team of the finance department after execution of transaction agreement(s) will also be updated by the IT specialist in the centralized database for internal reference by the Group when the Group proposes to proceed with a transaction. The Company has appointed Ms. Yang Yu (楊宇), the current supervisor of Shanghai Jianqiao University and an associate of the Hong Kong Corporate Governance Institute, to be responsible officer for monitoring these wealth management products transactions and to conduct daily reviews of this database together with financial manager, the chief financial officer to ensure timely detection of aggregation situations.

3. the Company will review, strengthen and continue to monitor the relevant internal control measures of the Group, including but not limited to (i) procedures before execution of transaction agreement(s), (ii) management review and approval procedures for execution transaction agreement(s), and (iii) post-execution procedures, to ensure that current and future transactions will be conducted in compliance with the applicable requirements under the Listing Rules and other relevant rules and regulations.
4. the chief financial officer is now the designated personnel to work the following before approval of any proposed transaction: (i) verify the credentials of the financial institution; (ii) assess risk classification and compare the relevant wealth management products' expected return against similar products; (iii) evaluate whether the transaction aligns with the Company's financial and risk tolerance; (iv) review the size test results, subscription terms, historical dealings with the financial institution, the Company's current liquidity position, and overall market conditions.
5. for any proposed transaction that may, whether on a standalone or aggregated basis, meet or exceed any applicable 5% threshold under Chapter 14 of the Listing Rules, or the proposed transaction contains complex features, the Company will consult with its external legal advisers prior to submission of relevant material to the Board for financial review and approval before its execution.
6. the Company has engaged its legal advisers to perform thorough review of compliance with disclosure requirements using checklist for notifiable and connected transactions under the Listing Rules. These checklists have been adopted by the Company for ongoing internal monitoring and compliance assessment.

## DEFINITIONS

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

“Board” the board of Directors

“Bank of Nanjing” Bank of Nanjing Co., Ltd.\* (南京銀行股份有限公司), a licensed bank incorporated under the laws of the PRC

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| “Bank of Nanjing Wealth Management Products”         | the wealth management products offered by Bank of Nanjing (Shanghai Xuhui Sub-branch) and subscribed by the Group   |
| “China Bohai Bank”                                   | China Bohai Bank Co., Ltd.* (渤海銀行股份有限公司), a licensed bank incorporated under the laws of the PRC  |
| “China Bohai Bank Wealth Management Products”        | the wealth management products offered by China Bohai Bank (Shanghai Tongji Sub-branch) and subscribed by the Group   |
| “China Construction Bank”                            | China Construction Bank Corporation* (中國建設銀行股份有限公司), a licensed bank incorporated under the laws of the PRC   |
| “China Construction Bank Wealth Management Products” | The wealth management products offered by China Construction Bank (Shanghai Jinqiao Sub-branch) and subscribed by the Group   |
| “China Everbright Bank”                              | China Everbright Bank Co., Ltd.* (中國光大銀行股份有限公司), a licensed bank incorporated under the laws of the PRC   |
| “China Everbright Bank Wealth Management Products”   | the wealth management products offered by China Everbright Bank (Shanghai Lingang New Area Sub-branch) and subscribed by the Group  |
| “China Merchants Bank”                               | China Merchants Bank Co., Ltd.* (招商銀行股份有限公司), a licensed bank incorporated under the laws of the PRC  |
| “China Merchants Bank Wealth Management Products”    | the wealth management products offered by China Merchants Bank (Shanghai Jinshajiang Road Sub-branch) and subscribed by the Group   |
| “Company”  | Shanghai Gench Education Group Limited (上海建橋教育集團有限公司), an exempted company with limited liability incorporated in the Cayman Islands and the issued shares of which are listed on the Stock Exchange (stock code: 1525) |
| “Directors”  | the director(s) of the Company  |
| “Gench WFOE”   | Wangting Education Technology (Shanghai) Limited (望亭教育科技(上海)有限公司), a limited liability company established under the laws of the PRC which is an indirect wholly-owned subsidiary of the Company                        |
| “Group”  | the Company, its subsidiaries and consolidated affiliated entities from time to time  |



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| “Hua Xia Bank”                                       | Hua Xia Bank Co., Ltd.* (華夏銀行股份有限公司), a licensed bank incorporated under the laws of the PRC  |
| “Hua Xia Bank Wealth Management Products”            | the wealth management products offered by Hua Xia Bank (Shanghai Branch Lingang Sub-branch) and subscribed by the Group   |
| “Independent Third Party”                            | Person(s) or company(ies) who or which is/are independent of the Company, its connected persons, subsidiaries or any of their respective associates (within the meaning of the Listing Rules) |
| “Industrial Bank”                                    | Industrial Bank Co., Ltd.* (興業銀行股份有限公司), a licensed bank incorporated under the laws of the PRC   |
| “Industrial Bank Wealth Management Products”         | the wealth management products offered by Industrial Bank (Shanghai Huangpu Sub-branch) and subscribed by the Group   |
| “Jian Qiao Group”                                    | Shanghai Jianqiao (Group) Co., Ltd.* (上海建橋(集團)有限公司), a limited liability company established under the laws of the PRC and a consolidated affiliated entity of the Group                      |
| “Listing Rules”                                      | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time  |
| “Pudong Development Bank”                            | Shanghai Pudong Development Bank Co., Limited* (上海浦東發展銀行股份有限公司), a licensed bank incorporated under the laws of the PRC   |
| “Pudong Development Bank Wealth Management Products” | the wealth management products offered by Pudong Development Bank (Nanshi Sub-branch) and subscribed by the Group   |
| “Relevant Financial Institutions”                    | collectively, Hua Xia Bank, Pudong Development Bank, China Merchants Bank, China Bohai Bank, China Everbright Bank, Industrial Bank, Bank of Nanjing and China Construction Bank              |
| “Relevant Period”                                    | the period from the date of listing of the Group on the Stock Exchange and up to the date of this announcement (both dates inclusive)   |
| “RMB”  | Renminbi, the lawful currency of the PRC  |
| “Shareholder(s)”                                     | the shareholder(s) of the Company   |

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| “Shanghai Jian Qiao University” | a university in the PRC operated as a private non-enterprise unit under the name of “Shanghai Jian Qiao University”* (上海建橋學院) from 28 June 2000 to 9 August 2021 and as a limited liability company under the name of “Shanghai Jian Qiao University Co., Ltd.”* (上海建橋學院有限責任公司) since 10 August 2021, with the short name of “Shanghai Jian Qiao University”* (上海建橋學院) in the relevant private school operating permit |
| “Subscriptions”                 | collectively, the subscriptions of Bank of Nanjing Wealth Management Products, China Bohai Bank Wealth Management Products, China Construction Bank Wealth Management Products, China Merchants Bank Wealth Management Products, Hua Xia Bank Wealth Management Products, Industrial Bank Wealth Management Products and Pudong Development Bank Wealth Management Products  |
| “Stock Exchange”                | The Stock Exchange of Hong Kong Limited  |
| “Wangting Catering”             | Shanghai Wangting Catering Management Co., Ltd.* (上海望亭餐飲管理有限公司), a limited liability company established under the laws of the PRC which is an indirect wholly-owned subsidiary of the Company   |
| “Wangting Enterprise”           | Shanghai Wangting Enterprise Services Co., Ltd.* (上海望亭企業服務有限公司), a limited liability company established under the laws of the PRC which is an indirect wholly-owned subsidiary of the Company   |
| “Wangting Logistics”            | Shanghai Wangting Logistics Management Service Co., Ltd.* (上海望亭後勤管理服務有限公司) a limited liability company established under the laws of the PRC which is an indirect wholly-owned subsidiary of the Company   |
| “%”                             | per cent   |

By order of the Board  
**Shanghai Gench Education Group Limited**  
**Zhao Donghui**  
*Chairman*

Shanghai, 15 December 2025

*As at the date of this announcement, our executive Directors are Mr. Zhao Donghui and Mr. Ding Zheyin, our non-executive Directors are Ms. Li Huihui, Mr. Ye Qionghai and Ms. Zhao Jiaqiao and our independent non-executive Directors are Mr. Chen Baizhu, Mr. Hu Rongen and Ms. Liu Tao.*

*In this announcement, the English translation of company or entity names in Chinese which are marked with “\*” is for identification purpose only. If there is any inconsistency between the English name and the Chinese name, the Chinese name shall prevail.*