

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Wisdom Education International Holdings Company Limited**

### **睿見教育國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6068)**

#### **DISCLOSEABLE TRANSACTION — ACQUISITION OF LAND FOR EDUCATIONAL USE IN SHUNDE DISTRICT, FOSHAN CITY, GUANGDONG PROVINCE, CHINA**

##### **ACQUISITION OF LAND**

The Board is pleased to announce that, Guangdong Guangzheng, a consolidated affiliated entity of the Company, made a successful bid for the land use rights of the Land situated at Shunde District, Foshan City, Guangdong Province, China and entered into the Agreement with the Land Reserve Development Centre on 8 October 2018 in respect of the acquisition of the Land at the consideration of approximately RMB276 million, and the proposed development of a boarding school on the Land.

As one or more of the applicable percentage ratios in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements but exempt from the circular and Shareholders' approval requirements under Rule 14.33 of the Listing Rules.

## **ACQUISITION OF LAND**

The Board is pleased to announce that, Guangdong Guangzheng, a consolidated affiliated entity of the Company, made a successful bid for the land use rights of the Land situated at Shunde District, Foshan City, Guangdong Province, China and entered into the Agreement with the Land Reserve Development Centre on 8 October 2018 in respect of the acquisition of the Land at the consideration of approximately RMB276 million, and the proposed development of a boarding school on the Land.

### **DETAILS OF THE AGREEMENT**

Date: 8 October 2018

Parties: (1) Guangdong Guangzheng, a limited liability company established in the PRC whose principal business is educational investment

(2) the Land Reserve Development Centre, a PRC governmental body responsible for, among other things, administering the examination and approval of land planning of state-owned land in Foshan City

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Land Reserve Development Centre is a third party independent of the Company and its connected persons.

### **The Land**

The Land is situated at No. 35, Qi'an Road, Jun'an Town, Shunde District, Foshan City, Guangdong Province, China (中國廣東省佛山市順德區均安鎮齊安路35號) with the land number of 072046-003 (3). The Land has a total site area of approximately 98,800 sqm with a term of 50 years and is designated for educational use.

### **Consideration**

The consideration for the Land was approximately RMB276 million, which was the price of the final winning bid at the auction held by the Land Reserve Development Centre and was determined after taking into account, among other matters, the prevailing market price of comparable land in Foshan City.

50% of the consideration will be payable by the Group within 30 days from the date of the Land Transfer Contract, and the remaining 50% of the consideration will be payable by the Group within three months from the date of the Land Transfer Contract. The Group intends to settle the consideration with its internal resources.

## **Other principal terms**

The Group shall be responsible for the development of a boarding school on the Land, which is expected to have, among other things, primary, middle and high school sections with a total capacity of no less than 4,440 students, subject to the relevant government approvals.

Within 36 months from the transfer of the Land, the Group is required to commence full operation of student recruitment and teaching activities which can be developed by phases according to the actual development status. However, the Group has to ensure that the first phase of student recruitment will commence before 1 September 2019.

The construction and development of each section of the school must follow the first-level of provincial standard or above with comprehensive boarding conditions.

## **REASONS FOR THE ACQUISITION OF LAND**

The Group is one of the largest premium private primary and secondary school operators in South China, in terms of student enrolment. As at 1 September 2018, the Group had a total student enrolment of 51,520 students from schools located in Dongguan, Huizhou, Jieyang in Guangdong Province, Panjin in Liaoning Province, Weifang in Shandong Province and Guan'an in Sichuan Province.

One of the Group's key development strategies is to have a comprehensive coverage across the Greater Bay Area including Guangzhou, Shenzhen, Dongguan, Huizhou, Foshan, Jiangmen, Zhongshan, Zhuhai, and Zhaoqing.

Apart from the existing schools in Dongguan and Huizhou, the Group has entered into cooperation or framework agreements with the local governments of Jiangmen, Guangzhou and Zhaoqing, respectively, in respect of the proposed establishment of a private boarding school in each of these cities. The Group believes that the establishment of a private boarding school in Shunde District, Foshan, which is adjacent to Jiangmen and Zhongshan, will further expand the coverage of the Group across the Greater Bay Area.

According to the feasibility study conducted by the Group in respect of the premium private primary and secondary school business in Foshan City, the Group expects that there are huge market development potentials and prospects for such business, with relatively high tuition fee level. Accordingly, the Board believes that the acquisition of the Land will provide an excellent opportunity to the Group for building a premium private primary and secondary school with higher positioning, better school design and more advanced education quality, thus further enhancing our school brand and influence in South China. In this regard, the Group believes that the development of a boarding school in Shunde District, Foshan City will mark a new milestone of the Group.

Having considered the above-mentioned, the Directors (including independent non-executive Directors) consider that the Acquisition is on normal commercial terms which are fair and reasonable and in the interests of the shareholders of the Company as a whole.

## **IMPLICATIONS ON LISTING RULES**

As one or more of the applicable percentage ratios in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements but exempt from the circular and Shareholders' approval requirements under Rule 14.33 of the Listing Rules.

## **DEFINITIONS**

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

“Acquisition”	acquisition of the land use rights of the Land through a listing-for-sale process as set out in the Agreement
“Agreement”	the agreement dated 8 October 2018 entered into between the Land Reserve Development Centre and Guangdong Guangzheng in relation to the Acquisition and the proposed development of a boarding school on the Land
“Board”	the board of Directors
“China” or “PRC”	the People's Republic of China, excluding Taiwan, Hong Kong and Macau Special Administrative Region for the purpose of this announcement
“Company”	Wisdom Education International Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guangdong Guangzheng”	Guangdong Guangzheng Educational Group Co., Ltd.* (廣東光正教育集團有限公司), a limited liability company established in the PRC and a consolidated affiliated entity of the Company

“Greater Bay Area”	Guangdong-Hong Kong-Macao Greater Bay Area which comprises nine cities in Guangdong Province namely, Guangzhou, Shenzhen, Dongguan, Huizhou, Foshan, Jiangmen, Zhongshan, Zhuhai, Zhaoqing, Hong Kong and Macao
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Land”	a parcel of land situated at No. 35, Qi’an Road, Jun’an Town, Shunde District, Foshan City, Guangdong Province, China (中國廣東省佛山市順德區均安鎮齊安路35號) (land no. of 072046–003 (3)) with a total site area of approximately 98,800 sqm designated for educational use with a term of 50 years
“Land Reserve Development Centre”	the Land Reserve Development Centre of Jun’an Town, Shunde District, Foshan City
“Land Transfer Contract”	the land use rights transfer contract to be entered into between the Land Reserve Development Centre and Guangdong Guangzheng in respect of the transfer of the land use rights of the Land to Guangdong Guangzheng
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“sqm”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board of  
**Wisdom Education International Holdings Company Limited**  
**Li Suwen**  
*Chairperson*

Dongguan, China, 9 October 2018

*As of the date of this announcement, the executive directors of the Company are Mr. Liu Xuebin, Ms. Li Suwen, Mr. Li Jiuchang and Mr. Wang Yongchun; and the independent non-executive directors of the Company are Mr. Sun Kai Lit Cliff, Mr. Tam King Ching Kenny and Mr. Yau Sze Ka.*

\* *For identification purpose only*