
DEFINITIONS

In this document, unless the context otherwise requires, the following terms shall have the following meanings. Certain technical terms are explained in the section headed “Glossary of Technical terms” in this document.

“Adjusted Net Profit”	a non-IFRS measure that eliminates the effect of certain non-cash or one-off items from our profit for the year. See section headed “Financial Information – Non-IFRS Measure”
“affiliate”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“Application Form(s)”	WHITE Application Form(s), YELLOW Application Form(s) or GREEN Application Form(s), individually or collectively, as the context so requires, any of them, which is used in relation to the Hong Kong Public Offering
“Articles” or “Articles of Association”	the articles of association of our Company adopted on 29 November 2017 with effect from the Listing Date, as amended from time to time, a summary of which is set out in the section headed “Appendix IV – Summary of the Constitution of the Company and Cayman Islands Company Law”
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Baiyun Technician College”	Guangzhou Baiyun Senior Technical School of Business and Technology (Guangzhou Baiyun Technician College of Business and Technology) (廣州白雲工商高級技工學校 (廣州市白雲工商技師學院)), a technical school that obtained approval from the Guangzhou Municipal People’s Government (廣州市人民政府) and the Guangzhou Ministry of Labour (廣東省勞動廳) for its establishment on 9 April 1996 and one of our PRC Operating Schools. We obtained control of Baiyun Technician College in August 2017. See the section headed “History, Reorganisation and Corporate Structure – Obtaining Control of Baiyun Technician College”
“Blue Sky BVI”	Blue Sky Education International Limited (藍天教育國際有限公司), a company incorporated in the BVI with limited liability on 15 May 2017 and a Controlling Shareholder of our Company
“BNP Paribas”	BNP Paribas Securities (Asia) Limited

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“Board”	the board of directors of our Company
“business day”	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
“BVI”	the British Virgin Islands
“BVI China Education Group”	China Education Group Holdings (BVI) Limited (中國教育集團控股(英屬維爾京群島)有限公司), a company incorporated in the BVI with limited liability on 17 May 2017 and a wholly-owned subsidiary of our Company
“Cayman Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Cayman Registrar”	the Registrar of Companies of the Cayman Islands
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct clearing participant or a general clearing participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
“China” or “PRC”	the People’s Republic of China and for the purposes of this document only, except where the context requires otherwise, references to China or the PRC exclude Hong Kong, Macau and Taiwan
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

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“Company”, “our Company”, or “the Company”	China Education Group Holdings Limited (中國教育集團控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands on 19 May 2017 and carries on business in Hong Kong as “ChinaEdu 中教常春藤”
“Concert Party Agreement”	the agreement dated 29 November 2017 and entered into among the Controlling Shareholders with respect to interests in our Company, details of which are set out in “History, Reorganisation and Corporate Structure – The Concert Party Agreement”. Accordingly, Mr. Yu, Mr. Xie, Blue Sky BVI and White Clouds BVI are acting together as a group of Controlling Shareholders
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“consolidated affiliated entities” or “consolidated affiliated entity”	the entities we control through the Contractual Arrangements, namely Huafang Education, Lihe Education, and our PRC Operating Schools and their respective subsidiaries
“Contractual Arrangements”	the series of contractual arrangements entered into by, among others, the Company, WFOE, Mr. Yu, Mr. Xie, Huafang Education, Lihe Education, our PRC Operating Schools and our consolidated affiliated entities, details of which are described in the section headed “Contractual Arrangements”
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Yu, Mr. Xie, Blue Sky BVI and White Clouds BVI and each of them shall be referred to as a Controlling Shareholder. See the section headed “Relationship with Controlling Shareholders” for further details
“Co-manager”	Pacific Foundation Securities Limited
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Decision on Amending the Law for Promoting Private Education”	the Decision of the Standing Committee of the National People’s Congress on Amending the Law for Promoting Private Education of the PRC (《全國人民代表大會常務委員會關於修改〈中華人民共和國民辦教育促進法〉的決定》), which was promulgated by Order No. 55 of the President of the PRC on 7 November 2016 and came into force on 1 September 2017

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“Deed of Indemnity”	the deed of indemnity dated 29 November 2017 entered into by our Controlling Shareholders in favour of our Company in respect of certain indemnities, further information of which is set out in “E. Other Information – 1. Deed of Indemnity” in Appendix V
“Director(s)”	the director(s) of our Company
“Dr. Yu”	Dr. Yu Kai (喻愷), an executive Director and the chief executive officer of our Company
“Frost & Sullivan”	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent global market research and consulting company
“GDP”	Gross Domestic Product
“Global Offering”	the Hong Kong Public Offering and the International Offering
“GREEN Application Form(s)”	the application form(s) to be completed by White Form eIPO Service Provider, Computershare Hong Kong Investor Services Limited, designated by our Company
“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	the Company, its subsidiaries and its consolidated affiliated entities from time to time or, where the context so requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries and consolidated affiliated entities, such subsidiaries and consolidated affiliated entities as if they were subsidiaries and consolidated affiliated entities of our Company at the relevant time
“Guangdong Baiyun University”	Guangdong Baiyun University (廣東白雲學院), a private regular university formerly known as “Private Baiyun Vocational and Technical College (民辦白雲職業技術學院)” that obtained MOE approval for its establishment on 12 March 1999 and one of our PRC Operating Schools
“Historical Financial Information”	the audited consolidated financial statements of our Group for the financial years ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017 as included in the section headed “Accountants’ Report on Historical Financial Information” in Appendix IA

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“HK China Education Group”	China Education Group (Hong Kong) Limited (中國教育集團(香港)有限公司), a company incorporated in Hong Kong with limited liability on 25 May 2017 and a wholly-owned subsidiary of our Company
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong dollars” or “HK dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Offer Shares”	the 50,000,000 Shares initially being offered for subscription in the Hong Kong Public Offering (subject to reallocation as described in the section headed “Structure of the Global Offering”)
“Hong Kong Public Offering”	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price (plus brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) on the terms and subject to the conditions described in this document and the Application Forms, as further described in the section headed “Structure of the Global Offering-The Hong Kong Public Offering”
“Hong Kong Securities and Futures Ordinance” or “SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Hong Kong Share Registrar”	Computershare Hong Kong Investor Services Limited
“Hong Kong Takeovers Code” or “Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering as listed in the section headed “Underwriting – Hong Kong Underwriters”

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“Hong Kong Underwriting Agreement”	the underwriting agreement, dated 4 December 2017, relating to the Hong Kong Public Offering, entered into among the Company, the Controlling Shareholders, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Co-manager and the Hong Kong Underwriters, as further described in the section headed “Underwriting – Underwriting Arrangements and Expenses – The Hong Kong Public Offering”
“Huafang Education”	Ganzhou Huafang Education Consulting Company Limited (贛州市華方教育諮詢有限公司), a company established in the PRC with limited liability on 2 August 2017 and one of our consolidated affiliated entities
“IFRS”	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“Independent Third Party(ies)”	any entity(ies) or persons who is not a connected person of our Company within the meaning ascribed thereto under the Listing Rules
“International Offering”	the conditional placing of the International Offering Shares at the Offer Price outside the United States in offshore transactions in reliance on Regulation S, as further described in the section headed “Structure of the Global Offering”
“International Offering Shares”	the 450,000,000 Shares being initially offered for subscription and purchased at the Offer Price under the International Offering together, where relevant, with any additional Shares that may be issued pursuant to any exercise of the Over-allotment Option, subject to reallocation as described in the section headed “Structure of the Global Offering”
“International Underwriters”	the underwriters of the International Offering
“International Underwriting Agreement”	the international underwriting agreement relating to the International Offering and expected to be entered into by, among others, our Company, the Joint Global Coordinators and the International Underwriters on or about 8 December 2017, as further described in the section headed “Underwriting – Underwriting Arrangements and Expenses – International Offering”

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“Jiangxi University of Technology”	Jiangxi University of Technology (江西科技學院), a private regular university formerly known as “Private Blue Sky Vocational and Technical College (民辦藍天職業技術學院)” that obtained MOE approval for its establishment on 26 July 1999 and one of our PRC Operating Schools
“Joint Bookrunners”	BNP Paribas, CLSA Limited, ICBC International Capital Limited, ABCI Capital Limited, CCB International Capital Limited, China Securities (International) Corporate Finance Company Limited and Haitong International Securities Company Limited
“Joint Global Coordinators”	BNP Paribas and CLSA Limited
“Joint Lead Managers”	BNP Paribas, CLSA Limited, ICBC International Securities Limited, ABCI Securities Company Limited, CCB International Capital Limited, China Securities (International) Corporate Finance Company Limited and Haitong International Securities Company Limited
“Lanyun Education”	Ganzhou Lanyun Education Consultation Centre (Limited Partnership) (贛州藍雲教育諮詢中心(有限合夥)), a limited partnership established in the PRC on 20 July 2017, and held as to 99% by Mr. Xie and 1% by Mr. Yu
“Latest Practicable Date”	27 November 2017, being the latest practicable date for ascertaining certain information in this document before its publication
“Lihe Education”	Lihe Education Consulting (Ganzhou) Company Limited (禮和教育諮詢(贛州)有限公司), a company established in the PRC with limited liability on 26 July 2017 and one of our consolidated affiliated entities
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Date”	the date, expected to be on or about 15 December 2017, on which the Shares are listed and on which dealings in the Shares are first permitted to take place on the Stock Exchange

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“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange
“Memorandum” or “Memorandum of Association”	the memorandum of association of our Company adopted on 29 November 2017, with effect from the Listing Date, as amended from time to time
“MOE”	the Ministry of Education of the PRC (中華人民共和國教育部)
“MOFCOM”	the Ministry of Commerce of the PRC (中華人民共和國商務部)
“MOHRSS”	the Ministry of Human Resources and Social Security of the PRC (中華人民共和國人力資源和社會保障部)
“Mr. Xie”	Mr. Xie Ketao (謝可滔), an executive Director, co-chairman of our Company and a Controlling Shareholder of our Company
“Mr. Yu”	Mr. Yu Guo (于果), an executive Director, co-chairman of our Company and a Controlling Shareholder of our Company
“NDRC”	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
“Offer Price”	the final price per Offer Share (exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee), expressed in Hong Kong dollars, at which Hong Kong Offer Shares are to be subscribed for pursuant to the Hong Kong Public Offering and International Offering Shares are to be offered pursuant to the International Offering, to be determined as described in the section headed “Structure of the Global Offering – Pricing”
“Offer Share(s)”	the Hong Kong Offer Shares and the International Offering Shares together, where relevant, with any additional Shares to be sold by our Company pursuant to the exercise of the Over-allotment Option

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“Over-allotment Option”	the option expected to be granted by our Company to BNP Paribas, exercisable by BNP Paribas for up to 30 days from the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to issue and allot up to an additional of 75,000,000 Offer Shares (representing in aggregate 15% of the initial Offer Shares) to, among other things, cover over-allocations in the International Offering, if any, details of which are described in the section headed “Structure of the Global Offering – The International Offering – Over-allotment Option”
“PBOC”	the People’s Bank of China (中國人民銀行)
“Post-IPO Share Option Scheme”	the share option scheme conditionally approved and adopted by our Company on 29 November 2017, the principal terms of which are set out in the section headed “Appendix V – Statutory and General Information – D. Share Option Schemes and Share Award Scheme – 3. Post-IPO Share Option Scheme”
“PRC Operating Schools”	Jiangxi University of Technology, Guangdong Baiyun University and Baiyun Technician College
“PRC Tax Consultant”	Jiangxi ZhongHai Certified Tax Agents Limited Corporation (江西中海稅務師事務所有限責任公司), our PRC tax consultant
“Pre-IPO Share Option Scheme”	the share option scheme conditionally approved and adopted by the Board, the principal terms of which are set out in the section headed “Appendix V – Statutory and General Information – D. Share Option Schemes and Share Award Scheme – 1. Pre-IPO Share Option Scheme”
“Price Determination Agreement”	the agreement to be entered into among our Company and BNP Paribas (on behalf of the Underwriters) at or about the Price Determination Date to record and fix the Offer Price
“Price Determination Date”	the date, expected to be on or around Friday, 8 December 2017 (Hong Kong time) and in any event no later than 5:00 p.m. on Saturday, 9 December 2017, on which the Offer Price is to be fixed by an agreement between us and BNP Paribas (on behalf of the Underwriters)
“Principal Share Registrar and Transfer Office”	Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008, Cayman Islands

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“Registered School Sponsors”	Mr. Yu, Mr. Xie and Lihe Education, and each of them a Registered School Sponsor
“Regulation S”	Regulation S under the U.S. Securities Act
“RMB” or “Renminbi”	Renminbi, the lawful currency of China
“SAFE”	the State Administration of Foreign Exchange of the PRC (國家外匯管理局)
“SFC”	The Securities and Futures Commission of Hong Kong
“Share Award Scheme”	the share award scheme approved and adopted by the Shareholders on 29 November 2017, the principal terms of which are set out in the section headed “Appendix V – Statutory and General Information – D. Share Option Schemes and Share Award Scheme – 2. Share Award Scheme”
“Share Capital Reorganisation”	the change in the authorised and issued share capital of the Company, details of which are set out in “History, Reorganisation and Corporate Structure – Corporate Reorganisation – 1. Incorporation of Offshore Group Companies – Our Company”
“Shareholder(s)”	holder(s) of our Share(s)
“Share Option Schemes”	the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme
“Shares”	ordinary shares in our Company of par value HK\$0.00001 each
“Sole Sponsor”	BNP Paribas
“Stabilisation Manager”	BNP Paribas
“Stock Borrowing Agreement”	the stock borrowing agreement expected to be entered into between the Stabilisation Manager and Blue Sky BVI on or about 8 December 2017 pursuant to which Blue Sky BVI agrees to lend in aggregate up to 75,000,000 Shares to the Stabilisation Manager on the terms set out therein
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto in section 15 of the Companies Ordinance

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“substantial shareholder”	has the meaning ascribed to it in the Listing Rules
“Track Record Period”	the three financial years ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“United States”, “U.S.” or “US”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“University of Science and Technology”	University of Science and Technology, a corporation incorporated in the State of California of the United States on 10 July 2017 and a wholly-owned subsidiary of our Company
“US dollars”, “U.S. dollars” or “US\$”	United States dollars, the lawful currency of the United States
“U.S. Securities Act”	United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“VIE” or “VIEs”	variable interest entity or variable interest entities
“WFOE”	Huajiao Education Technology (Jiangxi) Company Limited (華教教育科技(江西)有限公司), a company established in the PRC with limited liability on 13 June 2017 and an indirectly wholly-owned subsidiary of our Company
“ WHITE Application Form(s)”	the application form(s) for use by the public who require(s) such Hong Kong Offer Shares to be issued in the applicant’s name
“White Clouds BVI”	White Clouds Education International Limited (白雲教育國際有限公司), a company incorporated in the BVI with limited liability on 15 May 2017 and a Controlling Shareholder of our Company
“ White Form eIPO ”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name, submitted online through the designated website of the www.eipo.com.hk

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“White Form eIPO Service Provider”	Computershare Hong Kong Investor Services Limited
“YELLOW Application Form(s)”	the application form(s) for use by the public who require(s) such Hong Kong Offer Shares to be deposited directly into CCASS
“Zhongluotan Land”	a parcel of land located in Zhongluotan Town, Baiyun District, Guangzhou, Guangdong province, the PRC. Guangdong Baiyun University obtained the land use right certificate for the 1st phase of the site with a site area of approximately 188,666 sq.m. in August 2017. See “Business – Our Business Strategies – Develop new school campus to further increase our capacity and student body” for further details of this parcel of land
“%”	per cent

Unless otherwise expressly stated or the context otherwise requires, all data in this document is as of the date of this document.

The English names of the PRC entities (including schools), PRC laws or regulations, and the PRC governmental authorities referred to in this document are merely translations from their Chinese names and are for identification purposes. If there is any inconsistency, the Chinese names shall prevail.

As a result of the restrictions imposed by PRC laws and regulations, our Company is unable to own or hold any direct sponsor interest or equity interest (as the case may be) in our consolidated affiliated entities. Accordingly, the term “ownership” or the relevant concept, as applied to our Company in this document, as the case may be, refers to an economic interest in the assets or businesses through the Contractual Arrangements without holding any sponsorship/equity interest in our consolidated affiliated entities. See the section headed “Contractual Arrangements”.

Certain amounts and percentage figures included in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.