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Neuedu

東軟教育科技有限公司

Neusoft Education Technology Co. Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9616)

DISCLOSEABLE TRANSACTIONS FURTHER SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS

FURTHER SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS

References are made to the announcements of the Company dated 27 April 2022, 2 June 2022 and 22 September 2022 in respect of, inter alia, the Group's subscriptions for structured deposits and wealth management products from Industrial Bank. As at the date of this announcement, the aggregated outstanding principal amount of the structured deposits and wealth management products that the Group subscribed from Industrial Bank was approximately RMB303.06 million.

The Board hereby announces that on 14 October 2022 (after trading hours), each of Dalian University and Chengdu University (each a Consolidated Affiliated Entity of the Company) entered into an IB Wealth Management Agreement with Industrial Bank, pursuant to which Dalian University and Chengdu University agreed to subscribe for the wealth management products from Industrial Bank in the amount of RMB75.0 million and RMB110.0 million, respectively, with their self-owned idle funds. Accordingly, the Group agreed to subscribe for the wealth management products from Industrial Bank in the total amount of RMB185.0 million on 14 October 2022.

LISTING RULES IMPLICATIONS

As IB Wealth Management Agreements and Former IB Agreements are all entered into with Industrial Bank, the Company has aggregated the Transactions in accordance with the relevant requirements of Rule 14.22 of the Listing Rules. As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) after aggregation exceeds 5% but is less than 25%, the transactions contemplated under the IB Wealth Management Agreements constitute discloseable transactions of the Company pursuant to Chapter 14 of the Listing Rules, and are only subject to the notification and announcement requirements, but exempted from the circular and shareholders' approval requirements.

BACKGROUND

References are made to the announcements of the Company dated 27 April 2022, 2 June 2022 and 22 September 2022 in respect of, inter alia, the Group's subscriptions for structured deposits and wealth management products from Industrial Bank. As at the date of this announcement, the aggregated outstanding principal amount of the structured deposits and wealth management products that the Group subscribed from Industrial Bank was approximately RMB303.06 million.

SUBSCRIPTION OF IB WEALTH MANAGEMENT PRODUCTS

On 14 October 2022 (after trading hours), each of Dalian University and Chengdu University (each a Consolidated Affiliated Entity of the Company) entered into an IB Wealth Management Agreement with Industrial Bank, pursuant to which, Dalian University and Chengdu University agreed to subscribe for the wealth management products from Industrial Bank in the amount of RMB75.0 million and RMB110.0 million, respectively, with their self-owned idle funds. Accordingly, the Group agreed to subscribe for the wealth management products from Industrial Bank in the total amount of RMB185.0 million on 14 October 2022. The main terms of each of the IB Wealth Management Agreements are set out as follows.

IB Wealth Management Agreement A:

Date of subscription	:	14 October 2022
Name of product	:	IB Gold Snowball Tianli Fast Line Net Value Wealth Management Product (興業銀行金雪球添利快線淨值型理財產品)
Parties	:	Dalian University (as the subscriber) Industrial Bank (as the product administrator)

Amount of subscription	:	RMB75.0 million
Term of product	:	Non-fixed term
Type of product	:	Non-guaranteed principal with floating return
Risk rating of product	:	R1 (IB internal rating)
Expected annualised rate of return	:	1.00%–3.00%
Investment scope	:	100% invested in fixed-income assets
Termination and redemption	:	Dalian University is entitled to terminate and redeem the product at any time

IB Wealth Management Agreement B:

Date of subscription	:	14 October 2022
Name of product	:	IB Gold Snowball Tianli Fast Line Net Value Wealth Management Product (興業銀行金雪球添利快線淨值型理財產品)
Parties	:	Chengdu University (as the subscriber) Industrial Bank (as the product administrator)
Amount of subscription	:	RMB110.0 million
Term of product	:	Non-fixed term
Type of product	:	Non-guaranteed principal with floating return
Risk rating of product	:	R1 (IB internal rating)
Expected annualised rate of return	:	1.00%–3.00%
Investment scope	:	100% invested in fixed-income assets
Termination and redemption	:	Chengdu University is entitled to terminate and redeem the product at any time

BASIS OF DETERMINATION OF THE CONSIDERATION

The Directors have confirmed that the consideration of the transactions under each of the IB Wealth Management Agreements was determined based on normal commercial terms after arm's length negotiation between the Company and Industrial Bank with reference to the idle funds of the Group available for the purpose of treasury management.

REASONS FOR AND BENEFITS OF ENTERING INTO THE IB WEALTH MANAGEMENT AGREEMENTS

On the premise of ensuring the safety and liquidity of funds, the Group adheres to the reasonable and effective operation of periodic idle funds to improve the capital income after meeting fund needs of daily operation and dividends, among others. The wealth management products the Group is proposed to subscribe are at low risk and with good liquidity, and can provide relatively high capital returns. Therefore, the Directors (including the independent non-executive Directors) are of the view that the transactions under the IB Wealth Management Agreements were entered into on normal commercial terms, and the terms and conditions thereunder are fair and reasonable and in the best interests of the Company and its shareholders as a whole.

GENERAL INFORMATION OF PARTIES

Information on the Group

The Group is principally engaged in the provision of private IT higher education service, IT training services and education technology services in the PRC.

Information on the Industrial Bank

Industrial Bank was one of the first joint-stock commercial banks approved by the State Council and the People's Bank of China (中國人民銀行) and listed on the Shanghai Stock Exchange in 2007 (stock code: 601166). It has developed into a comprehensive financial services group with banks as the dominating part, covering leasing, trust funds, consumer finance, wealth management, futures, research and consulting, digital finance, asset management, etc.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Industrial Bank and its ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

LISTING RULES IMPLICATIONS

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DEFINITIONS

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

“%”	per cent
“Consolidated Affiliated Entity” or “Consolidated Affiliated Entities”	entities controlled by the Company through the contractual arrangements entered into by our Group and considered as our subsidiaries
“Board”	the board of Directors of the Company
“Company”	Neusoft Education Technology Co. Limited (東軟教育科技有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on 20 August 2018
“Chengdu University”	Chengdu Neusoft University (成都東軟學院), established in 2003, and one of the higher education schools operated by our Group, which is a Consolidated Affiliated Entity of the Company
“Dalian University”	Dalian Neusoft University of Information (大連東軟信息學院), established in 2004, and one of the higher education schools operated by our Group, which is a Consolidated Affiliated Entity of the Company
“Director(s)”	the director(s) of the Company

“Former IB Agreements”	the agreements entered into between the Group and Industrial Bank on 27 April 2022, 2 June 2022, 1 August 2022 and 22 September 2022 in relation to the Group’s subscriptions of the structured deposits and wealth management products from Industrial Bank, the details of which were set out in the announcements of the Company dated 27 April 2022, 2 June 2022 and 22 September 2022, respectively
“Group”	the Company and its subsidiaries (including its Consolidated Affiliated Entities)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IB” or “Industrial Bank”	Industrial Bank Co., Ltd., a joint-stock commercial bank in China and listed on the Shanghai Stock Exchange (stock code: 601166)
“IB Wealth Management Agreement(s)”	the agreement(s) entered into between the Group and Industrial Bank on 14 October 2022 (after trading hours) in relation to the Group’s subscriptions of the wealth management products from Industrial Bank
“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
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“R1”	basically risk-free level of the internal risk rating of Industrial Bank, the wealth management products of which level do not guarantee the principle while under little influence of risk factors and with high liquidity according to the internal assessment criteria of Industrial Bank
“RMB”	Renminbi, the lawful currency of PRC

“State Council”

State Council of the PRC (中華人民共和國國務院)

“Transactions”

collectively, the transactions under the IB Wealth Management Agreements and Former IB Agreements

By order of the Board

NEUSOFT EDUCATION TECHNOLOGY CO. LIMITED

Dr. LIU Jiren

Chairperson and non-executive Director

Hong Kong, 14 October 2022

As at the date of this announcement, the Board comprises Dr. LIU Jiren as Chairperson and non-executive Director; Dr. WEN Tao as executive Director; Mr. RONG Xinjie, Dr. ZHANG Xia, Dr. ZHANG Yinghui and Mr. SUN Yinhuan as non-executive Directors (aside from our Chairperson); and Dr. LIU Shulian, Dr. QU Daokui and Dr. WANG Weiping as independent non-executive Directors.