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枫叶教育

China Maple Leaf Educational Systems Limited

中國楓葉教育集團有限公司*

(the “**Company**”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1317)

**COMPLETION OF THE ISSUE OF US\$125,000,000 2.25 PER CENT.
CONVERTIBLE BONDS DUE 2026 UNDER GENERAL MANDATE**

Reference is made to the announcement by the Company dated 13 January 2021 concerning the proposed issue of US\$125,000,000 convertible bonds due 2026 under general mandate (the “**Convertible Bonds Announcement**”) and the announcement of the Company dated 17 August 2020 concerning the specific performance obligations of the controlling shareholder of the Company under certain loan facilities (the “**Facilities Announcement**”, together with the Convertible Bonds Announcement, the “**Announcements**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as defined in the Announcements.

The Company is pleased to announce that all of the Conditions have been fulfilled and the Company has completed the issue of the Bonds today. The Company has obtained conditional approval from the Stock Exchange for the listing of the Bonds and the listing of, and permission to deal in, the New

* *For identification purposes only*

Shares. The aggregate issuance amount of the Bonds was US\$125,000,000. The Bonds bear interest on their outstanding principal amount from and including 27 January 2021 at the rate of 2.25% per annum, payable semi-annually in arrear on 27 January and 27 July in each year until the Maturity Date. Subject as provided in the Conditions, each Bond shall entitle the Bondholder to convert such Bond into New Shares credited as fully paid at any time during the Conversion Period.

EFFECT ON THE SHAREHOLDING OF THE COMPANY

The following table illustrates: (1) the existing shareholding structure as at the date of this announcement and (2) the shareholding structure assuming the Bonds are fully converted into New Shares at the Conversion Price of HK\$2.525 each, on the assumptions that (a) there will be no other change to the share capital of the Company from the date of this announcement until completion of the conversion of the Bonds in full, save for the issue of the New Shares as a result of the conversion of the Bonds in full (as the case may be); and (b) the Bondholders do not and will not hold any Shares other than the New Shares as a result of the conversion of the Bonds.

Shareholder	As at the date of this announcement		Assuming the Bonds are fully converted into New Shares at the Conversion Price of HK\$2.525	
	No. of Shares	<i>% of issued share capital of the Company (approximate)</i>	No. of Shares	<i>% of enlarged share capital of the Company (approximate)</i>
Sherman Investment Holdings Limited	1,483,639,818 <i>(Note 1)</i>	49.53%	1,483,639,818	43.91%
Bondholders	0	0.00%	383,881,188	11.36%
Other Shareholders	<u>1,511,681,102</u>	<u>50.47%</u>	<u>1,511,681,102</u>	<u>44.73%</u>
Total	<u>2,995,320,920</u>	<u>100.00%</u>	<u>3,379,202,108</u>	<u>100.00%</u>

Note 1: Pursuant to the Securities Lending Agreement dated 12 January 2021, Sherman Investment Holdings Limited has provided securities lending to UBS AG, London Branch with an aggregate of up to 330,000,000 Shares upon and subject to the terms and conditions stated in the Securities Lending Agreement.

In light of the potential dilution impact of the Bonds, the Company is also pleased to announce that the lenders of the Facility Agreements have granted a waiver to reduce the threshold of Mr. Shu Liang Sherman Jen's ownership requirement under the Facility Agreements from 45% to 40% such

that no change of control will occur if Mr. Shu Liang Sherman Jen does not or cease directly or indirectly to have the power to cast or control the casting of at least 40% of the maximum number of votes that might be cast at a general meeting of the Company.

This announcement does not constitute, or form part of, an offer or invitation, or solicitation or inducement of an offer, to subscribe for or purchase any of the Bonds or other securities of the Company, nor is this announcement circulated to invite offers for any securities of the Company.

By order of the Board
China Maple Leaf Educational Systems Limited
Mr. Shu Liang Sherman Jen
Chairman and Chief Executive Officer

Hong Kong, 27 January 2021

As at the date of this announcement, the Board comprises Mr. Shu Liang Sherman Jen, Ms. Jingxia Zhang and Mr. James William Beeke as Executive Directors; and Mr. Peter Humphrey Owen, Dr. Alan Shaver and Mr. Lap Tat Arthur Wong as Independent Non-executive Directors.