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DASHAN EDUCATION HOLDINGS LIMITED

大山教育控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9986)

VOLUNTARY ANNOUNCEMENT ACQUISITION OF EQUITY INTEREST

This announcement is made by Dashan Education Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform the shareholders and potential investors of the Company of the latest information in relation to the business development of the Company.

THE ACQUISITION

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 15 October 2020, Zhengzhou Jinshui Dashan Training School Company Limited* (鄭州市金水區大山培訓學校有限公司) (“**Dashan Training**”), being an entity controlled by the Company through contractual arrangements, has entered into a share transfer agreement (the “**Share Transfer Agreement**”) with Shanghai Hemo Investment Partnership LLP* (上海禾莫投資合夥企業(有限合夥)) (“**Shanghai Hemo**”), pursuant to which, Shanghai Hemo has agreed to sell, and Dashan Training has agreed to acquire, 153,299 shares of Beijing First Future Education Technology Corporation Limited* (北京飛博教育科技股份有限公司) (“**First Future**”), representing approximately 2.95% of the entire issued share capital in First Future (the “**Acquisition**”), at a consideration of RMB5 million (the “**Consideration**”). The completion of the Acquisition shall take place upon the settlement of the Consideration, which shall be no later than five business days after entering into the Share Transfer Agreement.

INFORMATION OF FIRST FUTURE

First Future is a company established in the People’s Republic of China (the “**PRC**”) with limited liability and is principally engaged in providing online-merge-offline (the “**OMO**”) English language education solutions to kindergartens, public schools, after-school education institutions and etc. in the PRC. The Group has engaged First Future for the provision of online teaching system and curriculum since December 2017 and the current service agreement for the provision of such service will run until September 2021.

REASONS FOR AND BENEFIT OF THE ACQUISITION

The Group is principally engaged in the provision of primary and secondary after-school education services and offers primary and secondary school students OMO after-school education services.

Leveraging on the growth and demand of OMO model in the education industry, the Board considers that the Acquisition would lay the strong foundation for the Group to further enhance its OMO after-school education services by leveraging First Future's resources and experience in providing OMO English language education solutions in the PRC.

The Board is of the view that the terms of the Acquisition are fair, reasonable and in the best interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Shanghai Hemo and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under The Rules of Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")), therefore, the Acquisition does not constitute a connected transaction under the Chapter 14A of the Listing Rules.

As all of the relevant applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are less than 5%, the Acquisition does not give rise to a disclosure obligation of the Company under Chapter 14 of the Listing Rules.

By order of the Board
Dashan Education Holdings Limited
Zhang Hongjun
Chairman

Hong Kong, 15 October 2020

As at the date of this announcement, the executive Directors are Mr. Zhang Hongjun, Mr. Shan Jingchao and Mr. Ma Wenhao; the non-executive Director is Mr. Jia Shuilin; and the independent non-executive Directors are Mr. Lui Siu Keung, Mr. Li Gang, Mr. Zhang Jian and Ms. Yang Min. This announcement is available for viewing on the website of the Company at www.dashanwaiyu.com and the website of the Stock Exchange at www.hkexnews.hk.

* *For identification purpose only*