

## **RAFFLES EDUCATION LIMITED**

(Incorporated in the Republic of Singapore) (Company  
Registration No. 199400712N)

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### **DISPOSAL OF NO. 1 OFFICE BUILDING IN LANGFANG**

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The Board of Directors (the “**Board**”) of Raffles Education Limited (the “**Company**”), wishes to announce that the Company’s subsidiary, Oriental University City Holdings (H.K.) Limited (“OUCHK”), listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong, has on 4 December 2024 announced the disposal of No. 1 Office Building located in Langfang Development Zone, Hebei, the People’s Republic of China, at a total consideration of RMB11.00 million (equivalent to approximately HK\$11.90 million), subject, inter alia, to OUCHK’s shareholders’ approval.

Please refer to the attached announcement by OUCHK, dated 4 December 2024, for more information on the disposal.

Shareholders are advised to exercise caution when dealing in the shares of the Company. Shareholders should consult their professional advisers if they have any doubt about the actions they should take.

**BY ORDER OF THE BOARD**  
**Raffles Education Limited**  
**4 December 2024**

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## **ORIENTAL UNIVERSITY CITY HOLDINGS (H.K.) LIMITED**

**東方大學城控股(香港)有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 8067)**

### **DISCLOSEABLE TRANSACTION – DISPOSAL OF NO. 1 OFFICE BUILDING IN LANGFANG**

#### **DISPOSAL OF NO. 1 OFFICE BUILDING IN LANGFANG**

On 4 December 2024 (after trading hours of the Stock Exchange), the Vendor, a subsidiary of the Company, as vendor and the Purchaser as purchaser entered into the Agreement, pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to dispose of No. 1 Office Building located in Langfang Development Zone, Hebei, the PRC, at the consideration of RMB11.00 million (equivalent to approximately HK\$11.90 million).

#### **Listing Rules Implications**

As one or more of the applicable percentage ratio in respect of the Disposal is more than 5% but lower than 25%, the Disposal constitutes a discloseable transaction of the Company and is, therefore, subject to reporting and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

#### **THE DISPOSAL**

On 4 December 2024 (after trading hours of the Stock Exchange), the Vendor, a subsidiary of the Company, as vendor and the Purchaser as purchaser entered into the Agreement, pursuant to which the Purchaser has agreed to purchase, and the Vendor has agreed to dispose of, No. 1 Office Building located in Langfang Development Zone, Hebei, the PRC, at a total consideration of RMB11.00 million (equivalent to approximately HK\$11.90 million).

## The Agreement

Set out below are the principal terms of the Agreement:

Date : 4 December 2024

Parties : (1) Vendor : Langfang Development Zone Oriental University City Education Consulting Co., Ltd.\*  
(廊坊開發區東方大學城教育諮詢有限公司)

(2) Purchaser : Beijing Zhoulin Spectrum Technology Co., Ltd.\*  
(北京周林頻譜科技有限公司)

## Property to be disposed of

No. 1 Office Building consists of (i) the land use right in relation to a plot of land located in Oriental University City, Langfang Development Zone, Hebei, the PRC with an estimated aggregate land area of approximately 7,483.95 sq. m.; and (ii) the buildings and ancillary facilities erected thereon with total gross floor area of approximately 3,605.87 sq. m. The term of the land use right is until 13 July 2053. No. 1 Office Building will be sold on an “as is” basis.

The rental income, operating (loss)/profit and net loss (before and after taxation) attributable to No. 1 Office Building for the two financial years ended 30 June 2024 are set out below:

	For the year ended 30 June	
	2023	2024
	RMB'000	RMB'000
Rental Income	565	715
Operating (Loss)/Profit*	(257)	27
Net Loss before taxation	(47)	(13)
Net Loss after taxation	(178)	(82)

\* *Operating (Loss)/Profit refers to operating (loss)/profit before fair value changes attributable to No. 1 Office Building*

## Consideration and Payment Terms

The consideration of RMB11.00 million (equivalent to approximately HK\$11.90 million) shall be paid by the Purchaser to the Vendor in the following manner:

(a) RMB1.00 million (equivalent to approximately HK\$1.08 million) shall be paid before 5 December 2024 (the “1<sup>st</sup> Payment”);

- (b) RMB8.00 million (equivalent to approximately HK\$8.66 million) shall be paid before 12 December 2024 (the “**2<sup>nd</sup> Payment**”); and
- (c) RMB2.00 million (equivalent to approximately HK\$2.16 million) (the “**Balance**”) shall be paid by the Purchaser upon the Completion.

### **Basis of the Consideration**

The consideration was determined after arm’s length negotiations between the Vendor and the Purchaser by reference to the valuation of No. 1 Office Building of RMB11.33 million (equivalent to approximately HK\$12.26 million) as at 30 November 2024, conducted by Cushman & Wakefield, an independent valuer, using income capitalization approach.

### **Completion**

The Parties shall apply to the local Land and Property Management Department for registration of the transfer of No. 1 Office Building within 2 months after the 1<sup>st</sup> Payment and 2<sup>nd</sup> Payment so that No. 1 Office Building will be registered in the name of the Purchaser. Upon the Completion, the Purchaser shall pay the Balance to the Vendor.

### **Termination**

Any party to the Agreement may terminate the Agreement in the event of any of the following circumstances:

- (a) a force majeure event occurs, and the event or its impact lasts for more than 60 days;
- (b) if the transfer registration procedures cannot be completed within 180 days from the date of the Agreement for reason not attributable to the Vendor or the Purchaser;
- (c) if either party receives any injunction or court order prohibiting the completion of the transaction contemplated under the Agreement.

In such an event, the Vendor shall return the 1<sup>st</sup> Payment and the 2<sup>nd</sup> Payment, if paid, in full without interest to the Purchaser.

### **Information of the Purchaser**

The Purchaser is a private limited liability company and existing under the laws of the PRC, whose scope of business includes, among others, provision of technical development and consultation services and production and sales of medical devices. To the best knowledge of the Company, as at the date of this announcement, the Purchaser is owned as to approximately 58% by Zhou Lin (周林),

16.4% by Zhang xueshan (張雪珊), 5% by each of Zhou Lilin (周麗林), Zhou Yalin (周亞林) and Zhou Guanlin (周冠林) and 10.6% by 7 other shareholders, whom each of them owns not more than 2% interest in the Purchaser.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, (i) each of the Purchaser and its ultimate beneficial owners is a third party independent of the Company and its connected persons; and (ii) there is, and in the past twelve months, there has been, no material loan arrangement between (a) the Purchaser, any of its directors and legal representatives and/or any ultimate beneficial owner(s) of the Purchaser who can exert influence on the transaction; and (b) the Company, any connected person at the Company's level and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in the Disposal).

### **Information of the Group and the Vendor**

The Company is an investment holding company and its subsidiaries are principally engaged in the leasing of education facilities, comprising primarily teaching buildings and dormitories to education institutions in the PRC, Malaysia and the Republic of Indonesia. In addition, the Group also owns, leases and manages hotel properties in Switzerland, the Group also leases commercial properties in the OUC Campus to commercial tenants operating a range of supporting facilities, including a shopping centre, supermarket, cafe and cafeterias, bank, telecommunication companies, dental and polyclinic, amongst others, to serve the needs of students in the campus and the residents of adjacent housing estates.

The Vendor is a subsidiary of the Company, owned as to 99% by the Company, whose scope of business includes, among others, provision of education facilities rental services in the PRC.

### **Reasons for and Benefits of the Disposal**

The Board considers that the Disposal provides an optimum opportunity for the Company to realise its investment in No. 1 Office Building, having considered the high cost in maintaining No. 1 Office Building relative to the rent income generated. The Disposal of this low-yielding property is in line with the Group's aim to rationalise its assets to improve the overall return of its investment properties. The Disposal not only would save the Group on recurring operational and capital expenditures and property-related taxes, but also enable the Group to reduce its borrowings.

The Directors consider that the terms of the Agreement are fair and reasonable, and the Disposal is in the interest of the Company and the Shareholders as a whole.

## Utilisation of Proceeds

The net proceeds from the Disposal, after deducting the relevant transaction-related expenses and taxes, are estimated to be approximately RMB8.66 million (equivalent to approximately HK\$9.37 million). Having considered the financial performance of the Group and the liquidity of the Group, the Company intends to apply the net proceeds from the Disposal as follows:

<b>Proposed Use</b>	<b>Approximate amount (RMB'000)</b>
Repayment of bank loan	4,000
General working capital	4,660

It is expected that the net proceeds of approximately RMB8.66 million (equivalent to approximately HK\$9.37 million) would be fully utilized by the fourth quarter of the financial year ending 30 June 2025. In the event the actual amounts of relevant transaction related expenses and taxes are lower or higher than estimates, the net proceeds shall increase or decrease accordingly. The consequential excess or shortfall in net proceeds shall be adjusted to/from the use as general working capital.

## Financial Effects of the Disposal

Following the Completion, the Group is expected to record an unaudited loss of approximately RMB0.41 million (equivalent to approximately HK\$0.44 million) from the Disposal, which is the difference between the net proceeds in the amount of approximately RMB8.66 million (equivalent to approximately HK\$9.37 million) to be received by the Vendor, less the carrying amount (net book value) of No. 1 Office Building in the sum of approximately RMB10.34 million (equivalent to approximately HK\$11.19 million) as at 30 June 2024 and the gain arising from the de-recognition of deferred tax liabilities attributable to No. 1 Office Building of approximately RMB1.28 million (equivalent to approximately HK\$1.39 million) as at 30 June 2024. Shareholders should note that the actual loss of the Disposal will be calculated based on the relevant figures as at the date of Completion and subject to audit and therefore, might be different from the aforementioned amount.

## Listing Rules Implications

As one or more of the applicable percentage ratio in respect of the Disposal is more than 5% but lower than 25%, the Disposal constitutes a discloseable transaction of the Company and is, therefore, subject to reporting and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

## DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following respective meanings:

“1 <sup>st</sup> Payment”	the meaning as defined in the section headed “The Agreement – Consideration and Payment Terms” above
“2 <sup>nd</sup> Payment”	the meaning as defined in the section headed “The Agreement – Consideration and Payment Terms” above
“Agreement”	the sale and purchase agreement dated 4 December 2024 entered into between the Vendor and the Purchaser relating to the sale and purchase of No. 1 Office Building
“Balance”	the meaning as defined in the section headed “The Agreement – Consideration and Payment Terms” above
“Board”	the board of Directors
“Company”	Oriental University City Holdings (H.K.) Limited, a company incorporated in Hong Kong with limited liability and whose issued Shares are listed and traded on the GEM of the Stock Exchange (stock code: 8067)
“Completion”	completion of the Disposal, namely the date on which the title of No. 1 Office Building is vested in the Purchaser
“connected person(s)”	has the meaning as ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of No. 1 Office Building under the Agreement
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“No. 1 Office Building”	the property to be transferred by the Vendor to the Purchaser pursuant to the Agreement including land use rights, buildings and ancillary facilities

“percentage ratio(s)”	has the meaning as ascribed to it under Rule 19.07 of the GEM Listing Rules
“PRC”	the People’s Republic of China
“Purchaser”	Beijing Zhoulin Spectrum Technology Co., Ltd.* (北京周林頻譜科技有限公司), a company established and existing under the laws of the PRC
“Shares”	the ordinary shares of the Company
“Shareholder(s)”	the holder(s) of the Shares in issue
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed to it under the GEM Listing Rules
“Vendor”	Langfang Development Zone Oriental University City Education Consulting Co., Ltd.* (廊坊開發區東方大學城教育諮詢有限公司), a subsidiary of the Company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“sq. m.”	square meter(s)
“%”	per cent.

*Unless otherwise specified in this announcement, translations of RMB into HK\$ are made in this announcement, for illustration only, at the rate of RMB1.00 to HK\$1.082251. No representation is made that any amounts in RMB or HK\$ could have been or could be converted at that rate or at any other rates or at all.*

\* *For ease of reference, the names of the PRC established companies or entities have generally been included in this announcement in both Chinese and English languages and in the event of inconsistency, the Chinese language shall prevail.*

For and on behalf of  
**Oriental University City Holdings (H.K.) Limited**  
**Liu Ying Chun**  
*Chief Executive Officer and Executive Director*

Hong Kong, 4 December 2024



*As at the date of this announcement, the executive Directors are Mr. Chew Hua Seng (Chairman) and Mr. Liu Ying Chun (Chief Executive Officer); the non-executive Director is Ms. Geng Yu; and the independent non-executive Directors are Mr. Tan Yeow Hiang, Kenneth, Mr. Wilson Teh Boon Piaw and Mr. Liu Guilin.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication. This announcement will also be published on the website of the Company at [www.oriental-university-city.com](http://www.oriental-university-city.com).*