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**CHINA BEST GROUP HOLDING LIMITED**

**國華集團控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 370)**

**SUPPLEMENTAL ANNOUNCEMENT TO  
VOLUNTARY ANNOUNCEMENT  
IN RELATION TO THE COOPERATION AGREEMENT WITH  
ZHONGKE BIANYI (NINGBO) TECHNOLOGY CO., LTD.\***

Reference is made to the voluntary announcement (the “**Announcement**”) published by China Best Group Holding Limited (the “**Company**”) on 10 March 2025 in relation to a cooperation agreement (the “**Cooperation Agreement**”) entered into by and between Hong Kong Artificial Intelligence Group Limited (港仔人工智能集團有限公司) (“**AI Group**”), a wholly-owned subsidiary of the Company, and Zhongke Bianyi (Ningbo) Technology Co., Ltd.\* (中科編易(寧波)科技有限公司) (“**Zhongke Bianyi**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board wishes to provide the Shareholders and potential investors with additional information in relation to the Cooperation Agreement and the JV Company to be established as follows:

**Initial capital of the JV Company**

Pursuant to the Cooperation Agreement, AI Group is responsible for raising the working capital of the JV Company upon the formation of the same, and ensuring that the amount of initial capital of the JV Company shall be no less than RMB10 million. It is contemplated that AI Group will raise the initial capital amount of RMB10 million from external sources and/or the Group’s internal resources.

\* *For identification purposes only*

Although the Cooperation Agreement required AI Group to ensure the JV Company has an initial capital of not less than RMB10 million, it has not specified a clear timeline within which the Group must procure the availability of initial capital. It is expected that for each AI education base establishment project, the Group will raise and/or inject capital to the JV Company or its subsidiary to support the project's working capital requirements until the base commences operation and generates revenue in about six months from the establishment.

As at the date of this announcement, the JV Company is expected to require an initial capital injection between RMB7 million and RMB8 million over the next eight months to kick-start a number of projects after the establishment of the JV Company.

### **Further information on the intellectual property rights to be licensed to the JV Company**

Pursuant to the Cooperation Agreement, Zhongke Bianyi has undertaken that all of the intellectual property rights (the “**IP Rights**”) owned by its team in computer system software, artificial intelligence and other aspects will be licensed to the JV Company or its domestic wholly-owned subsidiary(ies), including the artificial intelligence teaching materials for two provinces developed by it. As at the date of this announcement, it is not expected that any licence fee is payable for the JV Company or its domestic wholly-owned subsidiary(ies) to use the IP Rights.

The parties will work together for the JV Company to develop its own intellectual property rights required for the AI education robots. Therefore, Zhongke Bianyi has agreed to grant free licences to the JV Company to use the IP Rights if and when required incidental to the JV Company's operations and development of its AI education robots.

### **Business and revenue model of the JV Company**

It is envisaged the business model of the JV Company shall include:

- (i) undertaking engagements from city and county governments and educational institutions to establish and operate AI education and training bases, covering research and development (R&D) institute, universal technology education training, and weekend courses on technology;
- (ii) undertaking engagements from schools to establish and operate technology laboratories, covering procurement, training for teachers, and course materials; and
- (iii) development, manufacturing, distribution and maintenance of mobile AI education robots.

It is envisaged the revenue model of the JV Company shall include, among others,:

- (i) revenue generated from sale and maintenance of mobile AI education robots;
- (ii) contract payments for construction of training bases and provision of AI education services;
- (iii) income generated from operation of AI education bases; and
- (iv) contract payments from schools for establishing and operating their technology laboratories.

**Further information on how the Company considers that the performance targets are achievable**

The Company has considered the following factors in concluding the business and revenue model of the JV Company described above is feasible and the performance targets specified in the Cooperation Agreement are achievable:

- (i) the recent exponential growth in scale of the AI education market in the People's Republic of China (the "PRC");
- (ii) the promulgation of national policies by the PRC government on digitalization of education and introduction of AI systems in education;
- (iii) the background and track record of Zhongke Bianyi;
- (iv) Zhongke Bianyi's access to governmental AI education projects at various cities and counties, a number of which are under negotiation and expected to be implemented within a year; and
- (v) the support from the Company by leveraging its business network in regions in the PRC, including Xi'an, Tianjin, and Guangdong.

**Further information on Zhongke Bianyi and its capabilities to empower the JV Company in meeting the performance targets**

The core team of Zhongke Bianyi has been authoring educational materials on AI for municipal governments since the establishment of Zhongke Bianyi. Zhongke Bianyi's AI educational materials and textbooks were the first ones to be recognized by provincial level educational authorities. It has a proven business model including provision of educational equipment and materials as well as delivery of courses to schools.

Zhongke Bianyi also has a proven track record in assisting governmental educational departments in promoting and implementing AI education, facilitating its access to and good connection with different levels of local governments in the PRC.

Based on the above, as well as the number of projects currently under active negotiation between Zhongke Bianyi and various local governments, the Company considers that Zhongke Bianyi has the capabilities required to empower the JV Company in meeting the performance targets.

By Order of the Board  
**China Best Group Holding Limited**  
**Mr. Qin Jie**  
*Executive Director and Chief Executive Officer*

Hong Kong, 15 April 2025

*As at the date of this announcement, the Board comprises one non-executive Director, namely, Mr. Li Mengzhe (Chairman), three executive Directors, namely, Ms. Wang Yingqian (Deputy Chairman), Mr. Qin Jie (Chief Executive Officer) and Mr. Li Haitao, and three independent non-executive Directors, namely, Mr. Liu Tonghui, Ms. Yin Meiqun and Mr. Ye Jianmu.*