
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China E-Learning Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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This circular, for which the directors of China E-Learning Group Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 circular 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 circular misleading.



CHINA E-LEARNING GROUP LIMITED

中國網絡教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08055)

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
AND
NOTICE OF THE 2017 ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of China E-Learning Group Limited to be held at Unit 2610, 26th Floor, Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong on Friday, 12 May 2017 at 10:00 a.m. is set out on pages 17 to 21 of this circular. A form of proxy for use at the 2017 annual general meeting is also enclosed with this circular. Such form of proxy is also published on the websites of The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (www.hkgem.com) and the Company (www.chinae-learning.com).

Whether or not you are able to attend the 2017 annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the 2017 annual general meeting or any adjournment thereof (i.e. not later than 10:00 a.m. on Wednesday, 10 May 2017). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the 2017 annual general meeting or any adjourned meeting thereof if they so wish.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of publication.

References to time and dates in this circular are to Hong Kong time and dates.

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”)
OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

| | |
|---------------------------|--|
| “2017 AGM” | an annual general meeting of the Company to be held at Unit 2610, 26th Floor, Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong on Friday, 12 May 2017 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 17 to 21 of this circular, or any adjournment thereof; |
| “Articles of Association” | the articles of association of the Company currently in force; |
| “Board” | the board of Directors; |
| “China” or “PRC” | The People’s Republic of China, which for the purpose of this circular and for geographical reference only, excludes Hong Kong, Macau and Taiwan; |
| “Company” | China E-Learning Group Limited 中國網絡教育集團有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM; |
| “Director(s)” | the director(s) of the Company; |
| “GEM” | the Growth Enterprise Market of the Stock Exchange; |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on the GEM; |
| “Group” | the Company and its subsidiaries from time to time; |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC; |
| “Issuance Mandate” | as defined in paragraph 2(b) of the Letter from the Board; |

DEFINITIONS

| | |
|---------------------------|--|
| “Latest Practicable Date” | 31 March 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular; |
| “Old Scheme” | the share option scheme adopted by the Company on 24 November 2001; |
| “Option(s)” | the option(s) to subscribe for Share(s) under the Company’s share option schemes; |
| “Participants” | full time executive directors or full time employees of the Company or any of its subsidiaries; |
| “Repurchase Mandate” | as defined in paragraph 2(a) of the Letter from the Board; |
| “Scheme Mandate Limit” | the maximum number of Shares which may be issued upon exercise of all Options granted/to be granted under the Share Option Scheme and all other Options under any other share option schemes of the Group; |
| “SFO” | Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong; |
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the share capital of the Company; |
| “Share Option Scheme” | the share option scheme adopted by the Company on 23 May 2011; |
| “Shareholder(s)” | holder(s) of Share(s); |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Takeovers Code” | The Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong (as amended from time to time); and |
| “%” | per cent. |

LETTER FROM THE BOARD



CHINA E-LEARNING GROUP LIMITED

中國網絡教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08055)

Executive Directors:

Mr. Yuan Wei

Mr. Wang Weihua

Ms. Zhang Jianxin

Independent Non-executive Directors:

Dr. Huang Chung Hsing

Mr. Li Qunsheng

Ms. Li Ya Ru Nancy

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal Place of Business

in Hong Kong:

Unit 2610, 26th Floor

Office Tower

Convention Plaza

No. 1 Harbour Road, Wanchai

Hong Kong

5 April 2017

To the Shareholders

Dear Sir or Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
AND
NOTICE OF THE 2017 ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the certain resolutions to be proposed at the 2017 AGM for (i) the granting of the Repurchase Mandate to the Directors; (ii) the granting of the Issuance Mandate to the Directors; (iii) the extension of the Issuance Mandate by adding to it the aggregate number of Shares repurchased by the Company under the Repurchase Mandate; (iv) the re-election of the retiring Directors; and (v) the refreshment of the Scheme Mandate Limit.

2. PROPOSED GRANTING OF THE REPURCHASE AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 30 June 2016, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares. Such mandates, to the extent not utilized, will lapse at the conclusion of the 2017 AGM.

At the 2017 AGM, ordinary resolutions will be proposed to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares on GEM or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, not exceeding 10% of the total number of issued Shares as at the date of passing of such resolution (i.e. 330,497,938 Shares on the basis that the existing issued share capital of the Company of 3,304,979,386 Shares remains unchanged as at the date of the 2017 AGM) (the “**Repurchase Mandate**”);
- (b) to allot, issue or deal with Shares not exceeding 20% of the total number of issued Shares as at the date of passing of such resolution (i.e. 660,995,877 Shares on the basis that the existing issued share capital of the Company of 3,304,979,386 Shares remains unchanged as at the date of the 2017 AGM) (the “**Issuance Mandate**”); and
- (c) to extend the Issuance Mandate by an amount representing the number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate will continue to be in force until the conclusion of the next annual general meeting of the Company held after the 2017 AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 8 and 9 of the notice of the 2017 AGM as set out on pages 17 to 21 of this circular.

LETTER FROM THE BOARD

In accordance with the requirements of the GEM Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the GEM Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Articles 86(3) and 87 of the Articles of Association, Mr. Wang Weihua, Ms. Zhang Jianxin, Dr. Huang Chung Hsing and Mr. Li Qunsheng shall retire at the 2017 AGM and, being eligible, all of them will offer themselves for re-election at the 2017 AGM.

In accordance with Rule 17.46A of the GEM Listing Rules, a listed issuer shall disclose the details required under Rule 17.50(2) of the GEM Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above retiring Directors are set out in Appendix II to this circular.

4. PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

At the annual general meeting of the Company held on 23 May 2011, the Company adopted a new Share Option Scheme and the Old Scheme became terminated therefrom. The Share Option Scheme became effective on 23 May 2011 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. Upon termination of the Old Scheme, no further Options under the Old Scheme can be granted but the Options which have been granted during the life of the Old Scheme shall continue to be exercisable in accordance with their terms of issue and the provisions of Chapter 23 of the GEM Listing Rules. As at the Latest Practicable Date, an aggregate of 24,166,633 Options under the Old Scheme were outstanding, representing approximately 0.73% of the Shares in issue as at the Latest Practicable Date.

The Board proposes to seek the approval of the Shareholders to refresh the existing Scheme Mandate Limit. Under the existing Scheme Mandate Limit, the Directors were authorized to grant 330,497,938 Options to subscribe for up to 330,497,938 Shares, representing 10% of the issued share capital of the Company as at the date of the Company's extraordinary general meeting on 12 December 2016 at which the existing Scheme Mandate Limit was approved. Since the approval of the existing Scheme Mandate Limit on 12 December 2016 and up to the Latest Practicable Date, the Company has granted 330,000,000 Options under the existing Scheme Mandate Limit; no Option was exercised or lapsed or cancelled; 330,000,000 Options remained outstanding (representing approximately 9.98% of the Shares in issue as at the Latest Practicable Date) and 497,938 Options have not been granted. In addition to the above, up to the Latest Practicable Date, there are a total of 174,600,000 Options remained outstanding (representing approximately 5.28% of the Shares in issue as at the Latest Practicable Date) under the Scheme Mandate Limit approved in the Company's annual general meetings held on 23 May 2014 and 9 June 2015, respectively.

LETTER FROM THE BOARD

Accordingly, immediately prior to the refreshment of the existing Scheme Mandate Limit, a total of 528,766,633 Options granted under the Old Scheme and the Share Option Scheme to subscribe for 528,766,633 Shares remained outstanding, which represented 16.00% of the Shares in issue as at the Latest Practicable Date, since the adoption of the Old Scheme and the Share Option Scheme.

In order to provide the Company with greater flexibility in granting Options to eligible persons (including but not limited to employees and Directors) of the Company under the Share Option Scheme as incentives or rewards for their contribution to the Company, the Board decided to seek the approval from the Shareholders to refresh the Scheme Mandate Limit at the 2017 AGM. The refreshment of the Scheme Mandate Limit is in line with the purpose of the Share Option Scheme. The Directors consider that such refreshment of the Scheme Mandate Limit is in the interest of the Company and the Shareholders as a whole.

Based on 3,304,979,386 Shares in issue as at the Latest Practicable Date and assuming no further Shares are repurchased and issued prior to the 2017 AGM, upon the approval of the refreshment of the Scheme Mandate Limit at the 2017 AGM, the Directors will, apart from the 528,766,633 Options which have already been granted and are still outstanding, be authorized to exercise the powers of the Company to issue 330,497,938 Options to subscribe for a total of 330,497,938 Shares, representing 10% of the total number of Shares in issue as at the 2017 AGM. Assuming that the refreshment of the Scheme Mandate Limit is approved at the 2017 AGM and taking into account the following:

- (i) the additional 330,497,938 Shares subject to the Scheme Mandate Limit (as refreshed);
and
- (ii) the 528,766,633 Shares subject to the Options granted under the Old Scheme and the Share Option Scheme and yet to be exercised,

the number of the Shares that may be issued under the Options to be granted under the Scheme Mandate Limit (as refreshed) and to be issued under the Options granted under the Old Scheme and the Share Option Scheme and outstanding will be in aggregate of 859,264,571 Shares, representing approximately 26.00% of the Shares in issue as at the Latest Practicable Date and is within the 30% of Shares in issue as at the Latest Practicable Date. Under the GEM Listing Rules, the 30% scheme limit represents a limit of 30% of the Shares in issue from time to time which may be issued upon the exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group.

LETTER FROM THE BOARD

Pursuant to Rule 23.03(4) of the GEM Listing Rules, the total number of securities issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the relevant class of securities of the listed issuer (or the subsidiary) in issue. Where any further grant of options to a participant would result in the securities issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the relevant class of securities in issue, such further grant must be separately approved by shareholders of the listed issuer in general meeting with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting. The total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the issued Shares unless approved by the Shareholders in accordance with Rule 23.03(4) of the GEM Listing Rules.

The refreshment of the Scheme Mandate Limit of the Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution at the 2017 AGM to approve the refreshment of the Scheme Mandate Limit by the Shareholders, to authorise the Directors to grant Options to subscribe for Shares under the Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Options granted under the Share Option Scheme; and
- (ii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the new Shares to be issued pursuant to the exercise of any Options granted under the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange by the Company for the approval of the listing of and permission to deal in the Shares to be issued upon the exercise of any Options that may be granted under the Share Option Scheme and any other schemes of the Company under the refreshed Scheme Mandate Limit.

An ordinary resolution will be proposed at the 2017 AGM to approve the refreshment of the Scheme Mandate Limit of the Share Option Scheme in the terms as set out in the notice of the 2017 AGM. In order that the Company could continue to grant Options to selected Participants as incentives or rewards for their contribution to the Company, the Directors recommend the Shareholders to vote in favor of the resolution.

LETTER FROM THE BOARD

5. 2017 AGM AND PROXY ARRANGEMENT

The notice of the 2017 AGM is set out on pages 17 to 21 of this circular. At the 2017 AGM, resolutions will be proposed to approve, inter alia, the granting of the Repurchase Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased by the Company pursuant to the Repurchase Mandate and the re-election of the retiring Directors.

Pursuant to the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the 2017 AGM. An announcement on the poll vote results will be published by the Company after the 2017 AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

A form of proxy for use at the 2017 AGM is enclosed with this circular and such form of proxy is also published on the GEM website (www.hkgem.com) and the Company's website (www.chinae-learning.com). Whether or not you are able to attend the 2017 AGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the 2017 AGM or any adjournment thereof (i.e. not later than 10:00 a.m. on Wednesday, 10 May 2017). Completion and delivery of the form of proxy will not preclude you from attending and voting at the 2017 AGM or any adjournment thereof if you so wish and in such event, the proxy form shall be deemed to be revoked.

6. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, the granting/extension of the Issuance Mandate, the re-election of the retiring Directors and the refreshment of the Scheme Mandate Limit are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of the resolutions to be proposed at the 2017 AGM.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular: Appendix I – Explanatory Statement on the Repurchase Mandate; and Appendix II – Details of the Directors Proposed to be Re-elected at the 2017 AGM.

Yours faithfully,
On behalf of the Board
Yuan Wei
Executive Director

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the 2017 AGM in relation to the granting of the Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the proposed granting of the Repurchase Mandate is in the interests of the Company and the Shareholders.

Repurchases of the Shares may, depending on market conditions and funding arrangements at the time, result in an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 3,304,979,386 Shares in issue.

Subject to the passing of the ordinary resolution set out in item 8 of the notice of the 2017 AGM in respect of the granting of the Repurchase Mandate and on the basis that the Shares in issue remains unchanged as at the date of the 2017 AGM, i.e. being 3,304,979,386 as at the Latest Practicable Date, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a total of 330,497,938 Shares, representing 10% of the total number of Shares in issue as at the date of the 2017 AGM.

3. FUNDING OF REPURCHASES

Repurchases of Shares will be funded from the Company's internal resources, which shall be funds legally available for such purposes in accordance with the Company's Memorandum and Articles of Association, the GEM Listing Rules, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2016) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, according to the disclosure of interests notices filed, Ms. Liu Yang ("**Ms. Liu**"), was deemed to be interested in 393,080,000 issued Shares through her controlled corporations, representing approximately 11.89% of the total number of Shares. On the basis that (i) the total number of Shares in issue (being 3,304,979,386 Shares) remains unchanged as at the date of the 2017 AGM and (ii) the above shareholding interest of Ms. Liu in the Company remains unchanged immediately after the full exercise of the Repurchase Mandate, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the 2017 AGM (presuming that apart from the decrease of the number of Shares in issue arising from the said full exercise of the Repurchase Mandate, there is no other change in the number of Shares in issue), the shareholding interest of Ms. Liu in the issued Shares would be increased to approximately 13.22% of the total Shares in issue. As far as the Directors are aware, no Shareholder, other than Ms. Liu, owns interests of 10% or more in the issued Shares as at the Latest Practicable Date.

The Directors are not aware of any consequences, which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

In addition, the GEM Listing Rules prohibit a company from making repurchase of its shares on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the company's issued share capital would be in public hands. The Directors do not propose to repurchase Shares, which would result in less than the prescribed minimum percentage of Shares in public hands.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the GEM Listing Rules), have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the GEM Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

7. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous six months (whether on the GEM or otherwise).

8. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the GEM during each of the following months were as follows:

| Month | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
|--------------|-------------------------------|------------------------------|
| 2016 | | |
| April | 0.220 | 0.188 |
| May | 0.232 | 0.194 |
| June | 0.360 | 0.225 |
| July | 0.350 | 0.250 |
| August | 0.290 | 0.223 |
| September | 0.360 | 0.250 |
| October | 0.400 | 0.315 |
| November | 0.355 | 0.300 |
| December | 0.355 | 0.285 |
| 2017 | | |
| January | 0.340 | 0.290 |
| February | 0.330 | 0.280 |
| March | 0.315 | 0.275 |

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2017 AGM

Pursuant to the GEM Listing Rules, the details of the Directors, who will offer themselves for re-election at the 2017 AGM according to the Articles of Association, are provided below:

(1) **MR. WANG WEIHUA**

Position & experience

Mr. Wang Weihua (“**Mr. Wang**”), aged 56, was appointed as an executive Director on 15 December 2016. Mr. Wang graduated from Beijing Institute of Technology with a master’s degree in business administration. He has extensive experience in the management field. Mr. Wang does not hold any position with the Company and its subsidiaries.

Mr. Wang has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Wang has not been appointed for any fixed term but is subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Wang was interested in 201,224,000 Shares (including 168,224,000 Shares held by him and 33,000,000 Options granted by the Company entitling him to subscribe for 33,000,000 Shares). Save as disclosed above, Mr. Wang was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Wang does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the GEM Listing Rules), or controlling Shareholders (as defined in the GEM Listing Rules) of the Company.

Director’s emoluments

Mr. Wang is entitled to receive a director’s fee of HK\$720,000 per annum, which has been determined with reference to his duties and responsibilities.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2017 AGM

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Wang to be disclosed pursuant to any of the requirements under paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules; and there are no other matters concerning Mr. Wang that need to be brought to the attention of the Shareholders.

(2) MS. ZHANG JIANXIN

Position & experience

Ms. Zhang Jianxin (“**Ms. Zhang**”), aged 48, was appointed as an executive Director on 13 July 2016. She graduated from the Central Radio and Television University in accounting in 2003, and obtained the Senior International Finance Manager Qualification Certificate from International Financial Management Association and China Association of Chief Financial Officers in 2008. From July 2007 to Aug 2013, Ms. Zhang was the financial controller of Beijing Hua Tuo Education Technology Company Limited, a wholly owned subsidiary of the Company. Since September 2013, Ms. Zhang has been the director of Hunan IIN Medical Network Technology Development Company Limited* (湖南國訊醫藥網絡科技開發有限公司), a wholly owned subsidiary of the Company.

Ms. Zhang has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Ms. Zhang has not been appointed for any fixed term but is subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Zhang held 5,000,000 Options granted by the Company, entitling her to subscribe for 5,000,000 Shares. Save as disclosed above, Ms. Zhang was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

* *for identification purpose only*

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2017 AGM

Relationships

As far as the Directors are aware, Ms. Zhang does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the GEM Listing Rules), or controlling Shareholders (as defined in the GEM Listing Rules) of the Company.

Director's emoluments

Ms. Zhang is entitled to receive a director's fee of HK\$600,000 per annum, which has been determined with reference to her duties and responsibilities.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. Zhang to be disclosed pursuant to any of the requirements under paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules; and there are no other matters concerning Ms. Zhang that need to be brought to the attention of the Shareholders.

(3) DR. HUANG CHUNG HSING

Position & experience

Dr. Huang Chung Hsing (“**Dr. Huang**”), aged 63, was appointed as an independent non-executive Director and a member of the audit committee of the Company on 14 August 2008. He holds a Ph.D. degree in Management Science and Information Systems from the University of Texas at Austin, the United States and a Bachelor's degree of Science in Electrical Engineering from National Taiwan University. Dr. Huang is the Associate Dean of College of Management, National Taiwan University. He is also the chairman of the Committee of Service Management of Chinese Management Association in Taiwan and the associate researcher of Health Management Center of National Taiwan University Hospital in Taiwan. He has previously held senior positions in various universities and banks such as Beijing University in China and Bank of SinoPac. Dr. Huang has extensive experience in service operation management, business decision making and management of innovation.

Dr. Huang has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Dr. Huang has entered into a service contract with the Company for a term of 2 years and is subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2017 AGM

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Dr. Huang was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Dr. Huang does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the GEM Listing Rules), or controlling Shareholders (as defined in the GEM Listing Rules) of the Company.

Director's emoluments

Dr. Huang is entitled to receive a director's fee of HK\$60,000 per annum, which has been determined with reference to his duties and responsibilities.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Dr. Huang to be disclosed pursuant to any of the requirements under paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules; and there are no other matters concerning Dr. Huang that need to be brought to the attention of the Shareholders.

(4) MR. LI QUNSHENG

Position & experience

Mr. Li Qunsheng (“**Mr. Li**”), aged 57, was appointed as an independent non-executive Director, the chairman of the audit committee, and a member of both the nomination committee and the remuneration committee of the Company on 7 February 2014. He graduated from Dongbei University of Finance and Economics in China in 1982 and is currently a certified public accountant in China. From 1982 to 1993, Mr. Li served in the Ministry of Finance, Investment Department of the National Audit Office and the China Audit Administration. In 1993, he served as vice president of BOT investment & Development Corporation and was in charge of the financial affairs of the company as well as the management of its subsidiaries. He was also involved in planning the investments into high-grade highways and M&A activities. Mr. Li left office in 1997, and then joined Golden Sino (China Infrastructure) Development Holdings Limited as general manager, responsible for project planning, negotiations, project construction management, capital operation etc. In 1999, Mr. Li joined Shenzhen Xiansheng Technology Development Co., Ltd. as chief

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2017 AGM

executive officer, responsible for daily operation and management of the company and capital operation of the company. Mr. Li joined Ever Crown International (HK) Limited in 2002 upon its invitation and served as chief executive officer. After that, Mr. Li joined Guangzhou Huan Long Expressway Co., Ltd. in 2009 as managing director, and has been responsible for managing the Guangzhou City Nansha Port Expressway project since then.

Mr. Li is currently acting as an independent non-executive director of Superb Summit International Group Limited, a company listed on the Stock Exchange (stock code: 1228). Save as disclosed above, Mr. Li has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Li has entered into a service contract with the Company for a term of 2 years and is subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Li was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Mr. Li does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the GEM Listing Rules), or controlling Shareholders (as defined in the GEM Listing Rules) of the Company.

Director's emoluments

Mr. Li is entitled to receive a director's fee of HK\$100,000 per annum, which has been determined with reference to his duties and responsibilities.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Li to be disclosed pursuant to any of the requirements under paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules; and there are no other matters concerning Mr. Li that need to be brought to the attention of the Shareholders.

NOTICE OF THE 2017 AGM



CHINA E-LEARNING GROUP LIMITED

中國網絡教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08055)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of China E-Learning Group Limited 中國網絡教育集團有限公司 (the “**Company**”) will be held at Unit 2610, 26th Floor, Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong on Friday, 12 May 2017 at 10:00 a.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and the reports of the directors and auditor for the year ended 31 December 2016;
2. To re-elect Mr. Wang Weihua as an executive director of the Company;
3. To re-elect Ms. Zhang Jianxin as an executive director of the Company;
4. To re-elect Dr. Huang Chung Hsing as an independent non-executive director of the Company;
5. To re-elect Mr. Li Qunsheng as an independent non-executive director of the Company;
6. To authorize the board of directors of the Company to fix the respective directors’ remuneration;
7. To re-appoint McMillan Woods SG CPA Limited as auditor of the Company and to authorize the board of directors of the Company to fix auditor’s remuneration;
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

NOTICE OF THE 2017 AGM

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited or any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company’s shareholders in a general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”;

NOTICE OF THE 2017 AGM

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) during the Relevant Period which would or might require the exercise of such powers during or after the end of the Relevant Period;
- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of the outstanding conversion rights attaching to any convertible securities issued by the Company, which are convertible into shares of the Company;
 - (iii) the exercise of options granted under share option scheme(s) of the Company; and
 - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF THE 2017 AGM

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company’s shareholders in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

“Rights Issue” means an offer of shares of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the Company’s register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”;

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions set out in items 8 and 9 of the notice convening the Meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 9 of the Notice be and is hereby extended by the addition to the aggregate number of shares of the Company which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate number of shares of the Company purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 8 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”; and

NOTICE OF THE 2017 AGM

11. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the Listing Committee of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the Company’s shares to be issued upon exercise of any options to be granted under the Refreshed Limit (as defined below) pursuant to the share option scheme adopted by the Company on 23 May 2011 (the “**Share Option Scheme**”), the existing scheme mandate limit under the Share Option Scheme be refreshed so that the total number of shares of the Company to be allotted and issued upon exercise of any options to be granted under the Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the Company’s share option schemes) shall not exceed 10% of the aggregate number of the Company’s shares in issue as at the date of passing of this resolution (the “**Refreshed Limit**”) and that the Directors be and are hereby authorized to grant options up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”.

By Order of the Board
China E-Learning Group Limited
Yuan Wei
Executive Director

Hong Kong, 5 April 2017

Notes:

- (a) Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (b) In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Meeting or any adjournment thereof (i.e. not later than 10:00 a.m. on Wednesday, 10 May 2017). Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and, in such event, the form of proxy shall be deemed to be revoked.
- (c) To ascertain shareholders’ eligibility to attend and vote at the Meeting, the register of members of the Company will be closed from Tuesday, 9 May 2017 to Friday, 12 May 2017 (both days inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the Meeting, unregistered holders of shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates are lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited (at its address shown in Note (b) above) for registration no later than 4:30 p.m., on Monday, 8 May 2017.
- (d) References to time and dates in this notice are to Hong Kong time and dates.