



EdtechX Holdings and Meten International Announce Successful Merger Closing and Capital Raise

March 30, 2020

LONDON, March 30, 2020 (GLOBE NEWSWIRE) -- **EdtechX Holdings Acquisition Corp.** ("EdtechX") (Nasdaq: EDTX), the world's first special purpose acquisition company focused on investing in the education services and education technology industry, and **Meten International Education Group** ("Meten"), a leading English language training ("ELT") service provider in China, announced today that they have successfully completed their previously announced merger transaction.

The combined entity will operate as [Meten EdtechX Education Group](#) Ltd. ("Meten EdtechX") and will continue to focus on providing English language and future skills training for Chinese students and professionals.

In connection with the closing of the merger transaction, EdtechX and Meten completed the private placement of US\$ 36 million from institutional investors including [Azimut](#), a leading Italian asset manager with assets under management of more than US\$ 60 billion, and [Xiamen ITG Holding Group](#), a Fortune Global 500 Company engaged in range of industries across China including education. These investments add to the previous investments into Meten by [China International Capital Corporation](#) and private equity funds affiliated with Tsinghua University. The transaction is expected to accelerate the expansion of Meten's ELT offering and its fast-growing digital platform, '[Likeshuo](#)', as well as fund potential synergistic and accretive acquisitions in China and internationally.

Commenting on the announcement, [Benjamin Vedrenne-Cloquet](#), CEO of EdtechX, and [Charles McIntyre](#), Chairman and Chief Investment Officer of EdtechX, jointly said:

"We believe that the closing of these simultaneous transactions during these unprecedented market conditions is a significant achievement. It is testament to the strong fundamentals of the Chinese ELT market, characterized by rapid growth in demand for practical English language learning, and the robust expansion strategy pursued by Meten EdtechX which leverages an efficient omnichannel business model and technology to deliver profitable growth."

"While the current COVID-19 pandemic continues to affect global economies, it has also created the conditions for accelerated adoption of online education and training globally. This is a trend we expect to continue in the long term."

Alan Peng, Chief Executive Officer of Meten International Education Group, commented:

"The closing of this merger marks a significant milestone for Meten, an achievement made possible through the support of investors across the world and the dedication of management teams on both sides of the transaction. We look forward to working with Benjamin and Charles to deliver our growth strategy, taking full advantage of the extensive industry experience of our new board directors and the additional funding raised in connection with the transaction."

Meten EdtechX's ordinary shares will trade on the Nasdaq stock exchange under the symbol METX. Benjamin Vedrenne-Cloquet and Charles McIntyre have joined the Board of Meten EdtechX as independent directors to support Meten's founders and management team with international investor relations and the implementation of their acquisition and digital expansion strategy.

Chardan acted as financial and capital markets advisor to EdtechX. Macquarie acted as financial advisor to Meten. Graubard Miller LLP acted as legal counsel to EdtechX and Morgan, Lewis & Bockius and Conyers acted as legal counsels to Meten. Loeb & Loeb acted as special legal advisor to Chardan. Citigate Dewe Rogerson and Inbound Capital acted as Investor Relation advisors for the merged entity Meten EdtechX.

About Meten International Education Group

[Meten](#) is a leading English language training ("ELT") service provider in China, delivering English language and future skills training for Chinese students and professionals. Meten benefits from a highly efficient business model, which leverages the synergies between its nationwide network of 149 learning centres and sophisticated digital platform, [Likeshuo](#), to deliver profitable growth.

Meten's superior teaching quality and student satisfaction is underpinned by cutting edge technology deployed across the business. AI-driven centralised teaching and management systems record and analyse learning processes in real time and personalise course content, facilitating continuous development of the course offering and strict quality control.

Meten has grown rapidly and profitably to reach \$200 million (RMB 1,424 million) in revenue and \$20.1 million (RMB 144 million) in adjusted EBITDA in 2018, up from \$113.9 million (RMB 802 million) in revenue and \$2.4 million (RMB 17.1 million) in EBITDA in 2016, representing a two-year revenue CAGR of 33% and two-year EBITDA CAGR of 190%. It has closed the 2019 financial year with gross billings in line with management expectations,

and its projected normalized adjusted EBITDA and adjusted net income for 2019 are \$19.9 million (RMB 135.0 million) and \$9.0 million (RMB 64.0 million), respectively, after taking into account certain one-off events.

Meten is well positioned to leverage China's rapid growth in demand for education and training services, driven by the country's continuous economic development and increasing urbanization. A growth strategy focused on further developing the online offering, expanding the offline network into tier two, three and four cities, and further enhancing and diversifying the service offering, is expected to deliver approximately 50% growth in revenue, 109% in adjusted EBITDA and 203% in adjusted net income by 2021.

Investor Relation Website: <http://investor.metenedu-edtechx.com/>

About EdtechX Holdings Acquisition Corp. ("EdtechX")

EdtechX Holdings Acquisition Corp., headquartered in London UK, is public acquisition company sponsored by affiliates of a specialist "edtech" investment bank, IBIS Capital, and Azimut Enterprises, a Milan based global asset management firm with approximately \$61 billion in AUM. EdtechX listed on Nasdaq on October 2018 with an initial capital raise of \$63.5M and announced the acquisition of Meten in December 2019 for a stock consideration of \$535M. EdtechX is led by French Chief Executive Officer, Benjamin Vedrenne-Cloquet, and British Chairman, Charles McIntyre. Benjamin and Charles are long standing business partners and have built businesses in the edtech, media and financial services sectors. Together, they lead [IBIS Capital](#), a leading specialist education and edtech focused investment bank whose advisory arm was involved in the acquisition of Wall Street English China in 2018. In 2013, Charles and Benjamin also co-founded EdtechX Global, a world leading conference and insight network across Europe, Asia and China, gathering over 10,000 companies and 2000 industry leaders, innovators and influencers in the education, training and edtech industries. In addition, Charles McIntyre is Chairman of Learnlight, a leading English tutoring digital platform for corporates. Benjamin Vedrenne-Cloquet is also Chairman of the Board of CFBL (a French English Bilingual College in London).

Forward Looking Statements

This press release includes "forward looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. All statements contained in this press release other than statements of historical facts, including, without limitation, statements regarding Meten EdtechX's future financial and business performance, attractiveness of Meten EdtechX's service offerings and platforms and the value proposition of Meten EdtechX's services, are forward-looking statements. When used in this press release, the words "estimates," "projected," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "should," "future," "propose" and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside Meten EdtechX's management's control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Important factors, among others, that may affect actual results or outcomes include: the inability to recognize the anticipated benefits of the business combination; costs related to the business combination; Meten EdtechX's ability to execute on its plans to develop and market new services and the timing of these development programs; Meten EdtechX's estimates of the size of the markets for its services; the rate and degree of market acceptance of Meten EdtechX's products; the success of other competing technologies that may become available; Meten EdtechX's ability to identify and integrate acquisitions; the performance and security of Meten EdtechX's services; potential litigation involving Meten EdtechX; and general economic and market conditions impacting demand for Meten EdtechX's services. Neither EdtechX nor Meten undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

A video accompanying this announcement is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/ee29d847-3789-471e-84b8-9dc169ed8497>

Photos accompanying this announcement are available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/5e6f1595-1e5e-41f5-a39d-a53e462838b2>

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