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Minsheng Education Group Company Limited
民生教育集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1569)

DISCLOSEABLE TRANSACTION
COMMENCEMENT OF THE ENTRUSTED ARRANGEMENT
AND
ENTITLEMENT OF 51% NET PROFITS OF THE TARGET SCHOOL

Reference is made to the announcement of Minsheng Education Group Company Limited (the “**Company**”) dated 6 November 2017 (the “**Announcement**”). Terms defined in the Announcement shall have the same meanings when used in this announcement.

The Board is pleased to inform shareholders of the Company and investors that, in respect of the Capital Contribution and acquisition of 51% school sponsor’s interest in the Target School by Chongqing Yuecheng, a consolidated affiliated entity of the Company, (i) a new Permit for Operating a Private School (民辦學校辦學許可證) showing Chongqing Yuecheng as the school sponsor of the Target School (holding 51% school sponsor’s interest) has been granted by the Education Commission of Chongqing City (重慶市教育委員會); and (ii) the amended articles of the Target School having been filed with the Education Commission of Chongqing City (重慶市教育委員會) and the Chongqing City Civil Affairs Bureau (重慶市民政局).

The Board would also like to inform shareholders of the Company and investors that the Handover of the Target School has been conducted. Accordingly, commencing from 1 December 2017, Chongqing Yuecheng has been entrusted to manage the Target School (including Chongqing Zhenzhi), including but not limited to the aspects of the assets, business operation, human resources, students and legal documents of the Target School (including Chongqing Zhenzhi). In return of its management services, Chongqing Yuecheng is entitled to 51% of the net profits of the Target School. The financial results of the Target School will be consolidated in the financial results of the Group under the prevailing accounting principles since the commencement of the Entrustment Arrangement.

By the order of the Board
Minsheng Education Group Company Limited
Li Xuechun
Chairman

Hong Kong, 4 December 2017

As at the date of this announcement, the executive Directors are Mr. Li Xuechun, Ms. Zhang Weiping, Mr. Zuo Yichen and Mr. Lam Ngai Lung, the non-executive Directors are Mr. Lin Kaihua and Ms. Li Yanping, and the independent non-executive Directors are Mr. Chan Ngai Sang, Kenny, Mr. Yu Huangcheng and Mr. Wang Wei Hung, Andrew.