

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

**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)**

**STRATEGIC COOPERATION AGREEMENT ENTERED INTO  
BY THE COMPANY  
AND  
CICC CAPITAL ON SETTING UP  
AN EDUCATION INDUSTRY MERGER AND ACQUISITION FUND**

This announcement is a voluntary announcement made by Minsheng Education Group Company Limited (the “**Company**”, and together with its subsidiaries, collectively referred to as the “**Group**”) to provide information of the business development of the Company for its shareholders and potential investors.

**STRATEGIC COOPERATION AGREEMENT**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that the Company entered into a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) with CICC Capital Management Co., Ltd. (“**CICC Capital**”) regarding an education industry merger and acquisition fund (the “**M&A Fund**”) on 28 December 2018 (after trading hours). Pursuant to the Strategic Cooperation Agreement, both parties shall establish a long-term, stable and “win-win” comprehensive strategic cooperative partnership based on the principles of voluntariness, equality, integrity and mutual benefit. Both parties shall cooperate with each other by setting up the **M&A Fund** with a total size of approximately RMB10 billion, which is to be raised in four phases.

The major terms of the Strategic Cooperation Agreement are as follows:

Date: 28 December 2018 (after trading hours)

Parties: the Company and CICC Capital

Total size of the M&A Fund: Approximately RMB10 billion to be raised in four phases

Proposed investment direction and cooperation mode of the M&A Fund: The Company and CICC Capital proposed to cooperate with each other by setting up the M&A Fund, which is to (1) be market-facing, conducive to development of the nation, and promoting employment; (2) focus on investments in the private higher education industry; and (3) promote industry-education integration and the school-enterprise cooperation in order to cultivate more high-skilled talents. The M&A Fund will be established in a manner on terms to be mutually agreed by the parties through further negotiation. The total size of the M&A Fund will be about RMB10 billion, which is to be raised in four phases. The Company shall be entitled to the first priority to acquire any investment project proposed to be disposed of by the M&A Fund on the same conditions as those offered to other purchasers.

Other cooperation modes: Subject to compliance with relevant laws, regulations and regulatory requirements, both parties shall explore a multi-level mutually-beneficial cooperation in investment, consulting and management on the basis of the above cooperation.

The specific transactions involved in the cooperation between the Company and CICC Capital and the definitive rights and obligations of the parties involved in such transactions shall be subject to the specific cooperation/transaction/project agreement to be separately negotiated and entered into by the relevant parties, and may be adjusted in accordance with relevant laws, regulations and regulatory requirements when necessary. For the avoidance of doubt, the Strategic Cooperation Agreement does not provide or constitute any capital commitment (whether equity, loan or otherwise), including any contractual commitment to subscribe for capital, to the M&A Fund.

## **INFORMATION ABOUT CICC CAPITAL**

CICC Capital is a wholly-owned privately offered fund management institution of China International Capital Corporation Limited (“CICC”, 3908.HK) and qualified as the institution of privately offered investment funds by Asset Management Association of China. As CICC’s privately offered fund management institution, CICC Capital carries out business of domestic and foreign privately offered funds and is one of the leading institutions of privately offered investment funds in China. As of the end of 2017, the overall size of assets under management (AUM) of CICC Capital exceeded RMB200 billion. CICC Capital or its subsidiary fund management institutions are managers of National FOF (Fund of Funds) of rising industries and managers of several local government industrial funds.

## **REASONS AND MAJOR BENEFITS OF ENTERING INTO THE STRATEGIC COOPERATION AGREEMENT**

The Directors believe that CICC Capital is a privately offered fund management platform which possesses comprehensive middle and back office services, strong brand influence as well as outstanding financing and investment capabilities. Pursuant to the Strategic Cooperation Agreement,

the Company intends to establish a long-term, stable and “win-win” comprehensive strategic partnership with CICC Capital based on the principles of voluntariness, equality, integrity and mutual benefit. Through the M&A Fund, the cooperation between the Company and CICC Capital will facilitate the integration of industry with education, promote the organic link of the chain of education and the chain of talents with the chain of industries and the chain of innovation, further improve the quality of teaching and cultivate high-quality practical-oriented talents, thereby contributing to the promotion of supply-side structural reform of human resources, the expansion of employment and entrepreneurship, the promotion of economic transformation and upgrade and the fostering of new engines of economic development.

The Directors are of the view that the Group and CICC Capital have a solid foundation for cooperation, share a wide scope for cooperation and good prospects for cooperation. The Directors are of the view that the Strategic Cooperation Agreement (i) is conducive to promoting industry-education integration and school-enterprise cooperation, and cultivate more high-skilled talents; (ii) will allow the parties to promote mutual development by leveraging on the Group’s operational capability in the education industry, and CICC Capital’s advantageous capabilities in finance and resources from multiple channels; (iii) can further expand the Group’s financing channels, enhance Group’s financing capability, and provide competitive capital arrangement to the Group for a long-term and stable development; and (iv) will entitle the Company to the first priority to acquire investment projects invested by the M&A Fund, which provide a high-quality project reserve in a planned way for the Group’s expansion.

Taking into accounts of the above reasons and benefits, the Directors consider that the terms of the Strategic Cooperation Agreement and the transactions contemplated thereunder are fair and reasonable, and are in the interests of the Company and its shareholders as a whole.

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

Hong Kong, 2 January 2019

*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.*