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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)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement dated 15 March 2019 (the “**Announcement**”) issued by Minsheng Education Group Company Limited (the “**Company**”) in relation to the acquisition of 51% of the equity interest (“**1st Tranche Equity**”) in Nanchang Hezhitong Education Consulting Company Limited* (南昌合至同教育諮詢有限公司) (“**Nanchang Hezhitong**”) by Chongqing Yiersheng Zhiyuan Education Technology Co., Ltd.* (重慶悅易而升教育科技有限公司) (“**Chongqing Yiersheng**”), a wholly-owned subsidiary of Chongqing Yuecheng Zhiyuan Education Technology Co., Ltd.* (重慶悅誠智遠教育科技有限公司), a consolidated affiliated entity of the Company, and the subsequent possible acquisition of 14% of the equity interest (“**2nd Tranche Equity**”) in Nanchang Hezhitong. Unless otherwise specified, terms used in this announcement shall have the same meaning as those defined in the Announcement.

It is disclosed in the paragraph headed “The Acquisition” on page 1 of the Announcement and in the paragraph headed “Equity Transfer” on page 2 of the Announcement that, “*pursuant to the Equity Transfer Agreement, Chongqing Yiersheng also has the right to acquire an additional 14% equity interest in Nanchang Hezhitong at the consideration of RMB140 million which shall be satisfied by the issue of the Consideration Shares by the Company pursuant to the General Mandate.*” The Company clarifies that the Vendor, instead of Chongqing Yiersheng, shall have the right to invoke the acquisition of the 2nd Tranche Equity by Chongqing Yiersheng. Specifically, pursuant to the Equity Transfer Agreement, within 6 months after the date of Completion, the Vendor, by giving the Subsequent Equity Transfer Notice to the Purchaser, shall have the right to sell, and upon receipt of the Subsequent Equity Transfer Notice the Purchaser must acquire, the 2nd Tranche Equity at the consideration of RMB140 million, which shall be satisfied by the issue of the Consideration Shares to the Vendor pursuant to the General Mandate.

The Company further clarifies that, as one or more of the applicable percentage ratios under Rules 14.07 of the Listing Rules in respect of the acquisitions of the 1st Tranche Equity and the 2nd Tranche Equity in aggregate is more than 5% but all of the applicable percentage ratios are less than 25%, the transactions contemplated under the Equity Transfer Agreement constitute a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements, but exempt from the compliance on the circular and shareholder approval pursuant to Chapter 14 of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 18 March 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.

** for identification purpose only*