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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 **THE ACQUISITION OF 60% OF THE EQUITY INTEREST OF DOXUE** **NETWORK TECHNOLOGY (BEIJING) COMPANY LIMITED**

SUMMARY

THE ACQUISITION

The Board is pleased to announce that on 14 October 2020 (after trading hours), Minsheng Zhicai (a consolidated affiliated entity of the Company), Ruichang Anrui, Shougang Ganghua, Zhang Shihua, Zhang Pusheng and Doxue Network entered into the Equity Transfer Agreement. Pursuant to which Minsheng Zhicai conditionally agreed to acquire, and Ruichang Anurui conditionally agreed to sell 60% of the equity interest of Doxue Network, the consideration represents 60% of 12 times of the average of the total net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses in the audited consolidated financial statements of Doxue Network for the two years ending 31 December 2020 and 2021 (the “**Average Net Profit**”), based on the Average Net Profit forecasted by the management of Doxue Network, is RMB 248,400,000 (adjustable, the maximum shall not more than RMB 288,000,000).

PERFORMANCE COMMITMENT

Zhang Shihua, Zhang Pusheng, Ruichang Anrui, Shouguang Ganghua and Doxue Network jointly undertook to Minsheng Zhicai that in the first three (3) complete financial accounting years after the closing, i.e. the years ending 31 December 2021, 2022 and 2023, the total audited net profit attributable to the parent company (after deduction of non-recurring profits and losses) of Doxue Network shall be RMB155,610,000. The audited net profit attributable to the parent company (after deduction of non-recurring gains and losses) of Doxue Network for the year ending 31 December 2021 shall be no less than RMB39,000,000; the audited net profit attributable to the

parent company (after deduction of non-recurring gain and losses) of Doxue Network for the year ending 31 December 2022 shall be no less than RMB50,700,000; the audited net profit attributable to the parent company (after deduction of non-recurring gain and losses) of Doxue Network for the year ending 31 December 2023 shall be no less than RMB65,910,000.

INFORMATION OF DOXUE NETWORK

As the operating entity of “Doxue Classroom” and “MBACHINA”, Doxue Network mainly provides online education services and education information service business for the MBA category, including management joint exams, international projects, school selection consultation, pre-examination training, test preparation materials, overseas business schools, thesis writing training, doctoral application services, etc. As of 31 July 2020, (i) there are more than 200 business schools cooperating with Doxue Network, including Peking University HSBC Business School, PBC School of Finance, Tsinghua University, Cheung Kong Graduate School of Business, Fanhai International Finance School of Fudan University, and Antai Economics and Management of Shanghai Jiaotong University Schools, The University of Hong Kong and the Hong Kong University of Science and Technology and other well-known business schools; and (ii) Doxue Classroom and MBACHINA have accumulated approximately 1.9 million users, approximately 159,000 newly added registered users and approximately 98,000 newly added paying users in 2020 so far.

IMPLICATION UNDER THE LISTING RULES

As one or more of the applicable percentage ratios under Rules 14.07 of the Listing Rules in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements, but not subject to the circular and shareholder approval requirements pursuant to Chapter 14 of the Listing Rules.

THE ACQUISITION

The Board is pleased to announce that on 14 October 2020 (after trading hours), Minsheng Zhicai (a consolidated affiliated entity of the Company), Ruichang Anrui, Shougang Ganghua, Zhang Shihua, Zhang Pusheng and Doxue Network entered into the Equity Transfer Agreement. Pursuant to which Minsheng Zhicai conditionally agreed to acquire, and Ruichang Anrui conditionally agreed to sell 60% of the equity interest of Doxue Network, the consideration represents 60% of 12 times of the average of the total net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses in the audited consolidated financial statements of Doxue Network for the two years ending 31 December 2020 and 2021 (the “**Average Net Profit**”), based on the Average Net Profit forecasted by the management of Doxue Network, is RMB 248,400,000 (adjustable, the maximum shall not more than RMB 288,000,000).

Details of the terms and conditions of the Equity Transfer Agreement are set out below:

The Equity Transfer Agreement

Date 14 October 2020 (after trading hours)

Parties

- (i) Minsheng Zhicai, the Purchaser;
- (ii) Ruichang Anrui, the Vendor;
- (iii) Shouguang Ganghua;
- (iv) Zhang Shihua;
- (v) Zhang Pusheng; and
- (vi) Doxue Network

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Ruichang Anrui, Shouguang Ganghua, Zhang Shihua, Zhang Pusheng and Doxue Network and each of their respective ultimate beneficial owners are Independent Third Parties of the Company and its connected persons.

For further information on the parties, please refer to the section headed "Information of the Parties" below.

Basis and Adjustment of the Consideration

The consideration of the Acquisition represents 60% of 12 times of the average of the total net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses in the audited consolidated financial statements of Doxue Network for the two years ending 31 December 2020 and 2021 (the "**Average Net Profit**"), based on the Average Net Profit forecasted by the management of Doxue Network, is RMB 248,400,000 (adjustable, the maximum shall not more than RMB 288,000,000).

The consideration for the Acquisition may be adjusted in accordance with the following mechanism:

- (1) The estimated Average Net Profit of RMB34,500,000 ("**Estimated Average Net Profit**") shall be the standard for adjusting and confirming the total consideration.
- (2) If the actual Average Net Profit ("**Actual Average Net Profit**") is 90% or more of the Estimated Average Net Profit, the consideration shall be adjusted to be 12 times of the Actual Average Net Profit.
- (3) If the Actual Average Net Profit is 70% or more but less than 90% of the Estimated Average Net Profit, the consideration shall be adjusted to be 11.5 times of the Actual Average Net Profit.

- (4) If the Actual Average Net Profit is less than 70% of the Estimated Average Net Profit, the consideration shall be adjusted to be 10 times of the Actual Average Net Profit.

In any event, the consideration for the Acquisition shall not exceed RMB288,000,000.

The consideration is determined by the Company and Ruichang Anrui after arms' length negotiation and on normal commercial terms, taking into account (i) the reputation and industry reputation of the operating brands "Doxue Class" and "MBACHINA" under Doxue Network, the number of users, the future growth potential of Doxue Network and the future development prospects of China's online education business; and (ii) the reasons and benefits of the acquisition have been published in the paragraph headed "Reasons and benefits of the Acquisition" in this announcement.

The Directors believe that the terms of the Equity Transfer Agreement, the Acquisition and the total consideration as a whole is fair, reasonable and in the interests of the Company and its shareholders.

Payment of the Consideration

The consideration (as adjusted) shall be paid in four instalments subject to fulfilment of the respective conditions precedent as follows:

	Date of payment	Amount	Main Conditions Precedent
First instalment (as deposit)	Within ten (10) working days from the date of signing the Equity Transfer Agreement	RMB43,200,000	Please refer to paragraph headed "First Instalment Payment Main Conditions Precedent" in section headed "Conditions Precedent – Main Conditions Precedent for instalment Payments" below.
Second instalment	Within ten (10) working days from the date on which the Minsheng Zhicai confirmed that the relevant conditions precedent in respect of the second instalment have been fulfilled, after receipt of a certificate from Ruichang Anrui to such effect	RMB64,800,000	Please refer to paragraph headed "Second Instalment Payment Main Conditions Precedent" in section headed "Conditions Precedent – Main Conditions Precedent for instalment Payments" below.

	Date of payment	Amount	Main Conditions Precedent
Third instalment	Within ten (10) working days from the date on which the Minsheng Zhicai confirmed that the relevant conditions precedent in respect of the third instalment have been fulfilled, after receipt of a certificate from Ruichang Anrui to such effect	The difference between (i) the amount representing 60% of 12 times of the net profit attributable to shareholders of the parent company (after deducting non-recurring gains and losses) of Dexue Network for the year ending 31 December 2020 by Doxue Network (the “ 1st Adjustment Price ”) and (ii) the sum of the amount paid by Minsheng Zhicai at first and second instalments	Please refer to paragraph headed “Third Instalment Payment Main Conditions Precedent” in section headed “Conditions Precedent – Main Conditions Precedent for instalment Payments” below.
Fourth Instalment	Within ten (10) working days from the date on which the Minsheng Zhicai confirmed that the relevant conditions precedent in respect of the fourth instalment have been fulfilled, after receipt of a certificate from Ruichang Anrui to such effect	The difference between (i) the amount representing 60% of 12 times of the Actual Average Net Profit; and (ii) the sum of the amount paid by Minsheng Zhicai at first, second and third instalments	Please refer to paragraph headed “Fourth Instalment Payment Main Conditions Precedent” in section headed “Conditions Precedent – Main Conditions Precedent for instalment Payments” below.

Completion

Completion shall take place within three (3) working days after all the conditions precedent for Completion specified in the Equity Transfer Agreement are proved to be met or waived, or other time agreed in writing by Doxue Network and Minsheng Zhicai at the agreed place.

Conditions Precedent

A. Main Conditions precedent for completion

- (1) The statements and warranties of each parties in the Equity Transfer Agreement were true and accurate at the time of making, and should be true and accurate as of the delivery date, and have the same effect and effect as those made on the date of Completion; and
- (2) Each parties have signed and delivered to other parties every transaction agreement with him as a party.

B. Main Conditions precedent for instalment payments

The main conditions precedent for the first, second, third and fourth instalment payments are as follows:

First instalment payment main conditions precedent

The conditions precedent for completion remains satisfied or waived in writing by the relevant party(ies).

Second instalment payment main conditions precedent

- (1) The conditions precedent for completion remains satisfied or waived in writing by the relevant party(ies).
- (2) The board of directors of Doxue Network consists of five (5) directors, including three (3) directors appointed by Minsheng Zhicai (including one (1) chairman). The industrial and commercial changes and filing registration in respect of the changes in legal representative, directors, supervisors, managers and the company's articles of incorporation of Doxue Network and its subsidiaries have been completed and the business license issued by the market supervision and management department that records the designated person by Minsheng Zhicai as the legal representative have been obtained; and Doxue Network has delivered to Minsheng Zhicai the original of the relevant documents proving that the above matters have been completed and confirmed by Minsheng Zhicai;
- (3) Ruichang Anrui passes all the seals of Doxue Network (including official seals, financial seals, contract seals, etc.) and related business licenses, account opening permits, organization code certificates, bank account information (including the changes of the form of seal on the seal card to the form of seal designated by Minsheng Zhicai and the authorized signatory to the designated person by Minsheng Zhicai) to Minsheng Zhicai or its designated person for safe keeping, management and application;
- (4) All backstage data and source code review authority of Doxue Network, including but not limited to all product source codes and code warehouses, package compilation system, all backstage database authority have been released to Minsheng Zhicai or its designated persons with the login account and login password having the highest authority for access and management;
- (5) Minsheng Zhicai has paid the first instalment and received the corresponding receipt issued by Ruichang Anrui.

Third instalment payment main conditions precedent

- (1) The conditions precedent for completion remains satisfied or waived in writing by the relevant party(ies).
- (2) Doxue Network has provided Minsheng Zhicai with an unqualified opinion audit report issued by the Doxue Network for the year ending 31 December 2020;
- (3) Minsheng Zhicai and Ruichang Anrui have confirmed in writing the 1st Adjustment Price and the amount that Minsheng Zhicai should pay for the third installment;
- (4) Minsheng Zhicai has paid the second instalment and received the corresponding receipt issued by Ruichang Anrui; and
- (5) Shouguang Ganghua has signed an equity pledge agreement and handled the corresponding equity pledge registration for the equity held by Doxue Network.

Fourth instalment payment main conditions precedent

- (1) The conditions precedent for completion remains satisfied or waived in writing by the relevant party(ies).
- (2) Doxue Network has provided Minsheng Zhicai with the unqualified opinion audit report of Doxue Network for the two years ending 31 December 2020 and 2021, issued by the auditor;
- (3) Minsheng Zhicai and Ruichang Anrui have confirmed in writing the amount that Minsheng Zhicai should pay for the fourth installment;
- (4) Minsheng Zhicai has paid the third instalment and received the corresponding receipt issued by Ruichang Anrui.

Performance Commitment

Zhang Shihua, Zhang Pusheng, Ruichang Anrui, Shouguang Ganghua and Doxue Network (“**Covenantors**”) jointly undertook to Minsheng Zhicai that in the first three (3) complete financial accounting years after the closing, i.e. the three years ending 31 December 2021, 2022 and 2023, the total audited net profit attributable to the parent company (after deduction of non-recurring profits and losses) of Doxue Network shall be RMB155,610,000 (“**Targeted Net Profit**”).

The audited net profit attributable to the parent company (after deduction of non-recurring gains and losses) of Doxue Network for the year ending 31 December 2021 shall be no less than RMB39,000,000; the audited net profit attributable to the parent company (after deduction of non-recurring gain and losses) of Doxue Network for the year ending 31 December 2022 shall be no less

than RMB50,700,000; the audited net profit attributable to the parent company (after deduction of non-recurring gain and losses) of Doxue Network for the year ending 31 December 2023 shall be no less than RMB65,910,000. Before 30 April 2024, Doxue Network shall provide Minsheng Zhicai with an unqualified opinion audited report issued by Minsheng Zhicai's designated auditor in accordance with the international accounting standards for the performance commitment period of Doxue Network.

If the actual financial performance being achieved is lower than 90% of the Targeted Net Profit, Minsheng Zhicai has the rights to request the Covenantors to jointly and severally make equity and/or cash compensation in the following ways:

Equity compensation amount = ((Targeted Net Profit – cumulative net profit (after tax) attributable to shareholders of the parent company of Doxue Network (after deducting non-recurring gains and losses) as recorded in the consolidated financial statements during the performance commitment period)/cumulative net profit (after tax) attributable to shareholders of the parent company of Doxue Network (after deducting non-recurring gains and losses) as recorded in the consolidated financial statements during the performance commitment period)) × the proportion of the equity interest of Doxue Network held by Minsheng Zhicai;

Cash compensation amount = ((Targeted Net Profit – cumulative net profit (after tax) attributable to shareholders of the parent company of Doxue Network (after deducting non-recurring gains and losses) as recorded in the consolidated financial statements during the performance commitment period)/Targeted Net Profit) x consideration paid by Minsheng Zhicai.

The aforesaid amount of equity compensation shall not exceed the equity of Doxue Network held by the Covenantors after the completion of the Acquisition. Cash compensation is only applicable to cases where the cumulative net profit of Doxue Network attributable to the parent company after deducting non-recurring profits and losses does not reach RMB90,000,000 during the performance commitment period, and the amount of cash compensation does not exceed 50% of the total consideration having paid by Minsheng Zhicai if the cash compensation amount is not enough to compensate Minsheng Zhicai, the Covenantors shall still make equity compensation.

The Covenantors shall procure that the above-mentioned equity compensation and/or cash compensation to be completed within 30 days from the date of the unqualified opinion audit report of the Doxue Network performance commitment period issued by the auditor designated by Minsheng Zhicai in accordance with international accounting standards. In the event of equity compensation, Minsheng Zhicai has the right to require any of the Covenantors to transfer the equity of Doxue Network owned by the promise party to Minsheng Zhicai at RMB1 or the lowest price permitted by law.

INFORMATION ON THE PARTIES

Minsheng Zhicai

Minsheng Zhicai is a limited liability company established in Beijing in October 2020 and a consolidated affiliated entity of the Company and is mainly engaged in education consulting and other businesses. Minsheng Zhicai is an indirect wholly-owned subsidiary of Chongqing Jierui Education Technology Co., Ltd* (重慶傑睿教育科技有限公司) (“**Jierui**”), which is controlled by the Company through a series of contractual arrangements entered into between Chongqing Mengzhuo Education Technology Co., Ltd.* (重慶夢卓教育科技有限公司), an indirect wholly-owned subsidiary of the Company, Jierui, and its shareholders for the operations of the Jierui Operating Entities on 2 May 2018. For details of the contractual arrangement, please refer to the announcements of the Company dated 12 March 2018, 13 April 2018 and 2 May 2018.

Doxue Network mainly engages in MBA online education business and education information service business in China, and holds a value-added telecommunications business license. According to the “Special Administrative Measures for Foreign Investment Access (Negative List) (2019 Edition)”, the proportion of foreign shares in value-added telecommunications services shall not exceed 50% (except for e-commerce, domestic multi-party communications, store and forward, and call centers). In addition, in accordance with the Regulations on the Administration of Foreign Investment in Telecommunications Services, major foreign investors of foreign-invested telecommunications enterprises operating value-added telecommunications services should have good performance and operational experience in operating value-added telecommunications services. According to the requirements of the above-mentioned laws and regulations, considering that the foreign shareholding ratio of value-added telecommunications services does not exceed 50%, and the overseas entities controlled by the Company do not have good performance and operating experience in operating value-added telecommunications services, in order to enable the Group to control Doxue Network, Minsheng Zhicai will acquire 60% of the equity interests of Doxue Network, so that Doxue Network will become a subsidiary of Jierui, and Jierui will be controlled by the Company through a series of contract arrangements (rather than equity interests).

Ruichang Anrui

Ruichang Anrui is a limited partnership established in Ruichang City, Jiangxi Province in August 2020 and is mainly engaged in information consulting services, market research and network technology services. As of the date of this announcement, Zhang Shihua and Zhang Pusheng together hold 97.75% of the equity interest in Ruichang Anrui.

Shouguang Ganghua

Shouguang Ganghua is a limited partnership established in Shouguang City, Shandong Province in July 2020 and is mainly engaged in information consulting services, market research and network technology services. As of the date of this announcement, Zhang Shihua and Zhang Pusheng jointly hold 97.75% of the equity interest in Shouguang Ganghua.

Zhang Shihua

Mr. Zhang Shihua, a PRC citizen. As of the date of this announcement, Mr. Zhang Shihua holds 73.31% equity in Ruichang Anrui and Shouguang Ganghua respectively.

Zhang Pusheng

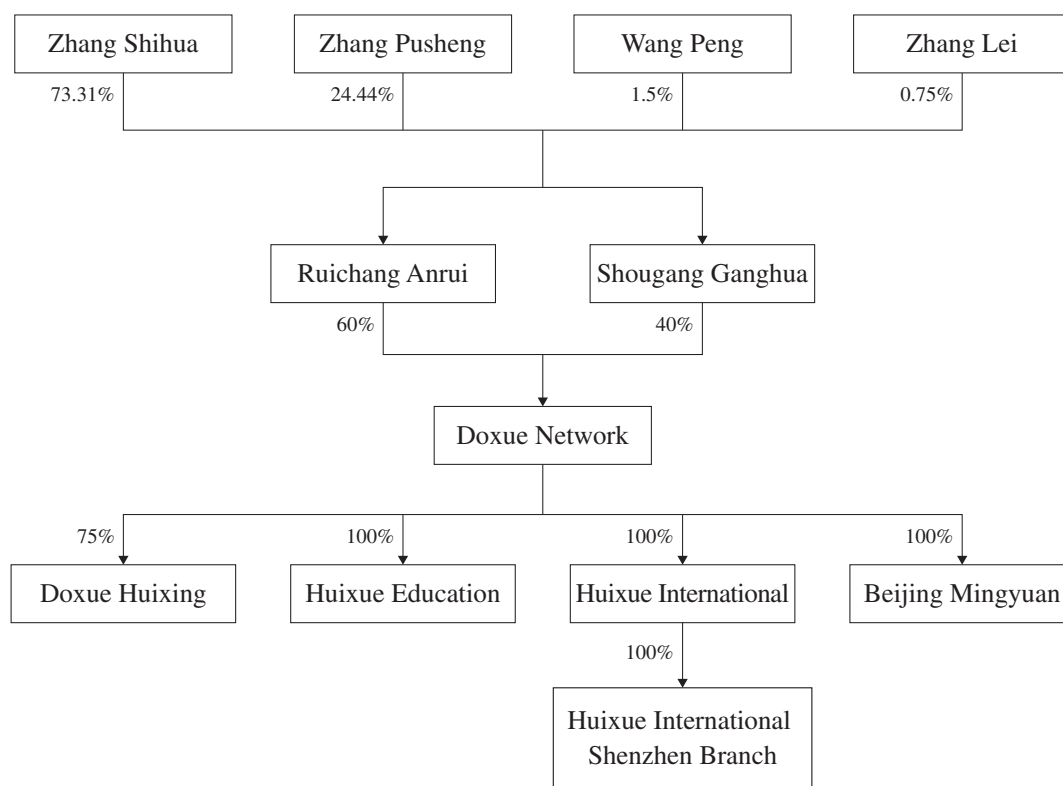
Mr. Zhang Pusheng, a PRC citizen. As of the date of this announcement, Mr. Zhang Pusheng holds 24.44% equity in Ruichang Anrui and Shouguang Ganghua respectively.

Doxue Network

Doxue Network is a limited liability company established in Beijing in May 2014 and is mainly engaged in education consulting, technology development and consulting, application software services, self-funded study abroad intermediary services and publication retail. As of the date of this announcement, Doxue Network:

- (i) directly holds 75% equity interests in Doxue Huixing;
- (ii) directly holds 100% equity interests in Doxue Education;
- (iii) directly holds 100% equity interests in Doxue International;
- (iv) directly holds 100% equity interests in Beijing Mingyuan;
- (v) indirectly holds 100% equity interests in Doxue Huixing Shenzhen Branch.

The following sets forth shareholding structure of Doxue Network and its subsidiaries as at the date of the Equity Transfer Agreement:



Below sets out the information of the subsidiaries of Doxue Network:

Doxue Huixing

Doxue Huixing is a limited liability company established in Beijing in June 2013 and is mainly engaged in technology development, technology and consulting, technical services and education consulting.

Huixue Education

Huixue Education is a limited liability company established in Beijing in March 2007 and is mainly engaged in organizing cultural and artistic exchange activities, software development and education consulting.

Huixue International

Huixue International is a limited liability company established in Beijing in January 2006 and is mainly engaged in publication retailing, organizing cultural and artistic exchange activities (excluding commercial performances) and publishing advertisements.

Beijing Mingyuan

Beijing Mingyuan is a limited liability company established in Beijing in November 2014 and is mainly engaged in organizing cultural and artistic exchange activities (excluding commercial performances), undertaking exhibition activities and meeting services.

Huixue International Shenzhen Branch

Huixue International Shenzhen Branch is a limited liability company branch established in Shenzhen in August 2015 and is mainly engaged in cultural event planning, computer software technology distribution, marketing planning and advertising business.

Set out below is the summary of the consolidated financial information of Doxue Network, according to the financial information provided by Doxue Network:

	As at 31 December 2018	As at 31 December 2019	As at seven months ended 31 July 2020
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	32,443	46,075	38,989
Profit after tax	7,404	14,462	9,586

According to the financial information provided by Doxue Network, the unaudited consolidated net assets was RMB11,883,812 as of 31 July 2020.

REASONS AND BENEFITS OF THE ACQUISITION

The Directors consider that the Acquisition is in line with the Group's overall strategy to build a new ecosystem of higher education by empowering education through technology; and realize integration and collaborative development of the two business segment, on-campus education and online education.

1. The market of profession-oriented degree programs is growing fast and has great potential

Driven by national policies, market demand, and the alleviation measures to tackle employment difficulties, China's profession-oriented degree programs, will enter into a new round of expansion cycle. In 2020, the total enrollment of postgraduate students will reach 1.106 million, among which the enrollment of profession-oriented master degree students will account for 60%. The enrollment expanded by 189,000, or 23.5 percent. In September 2020, China has issued the "Opinions on Accelerating the Reform and Development of Graduate Education in the New Era" and "Professional Degree Graduate Education Development Plan (2020-2025)",

which clearly stated that it would “continue to expand the enrollment of postgraduate students, vigorously develop profession-oriented degree education”, “the enrollment of profession related master degree postgraduate students shall account for two-thirds of the total master degree postgraduate students”.

Among all profession-oriented degree programs, business management major has always been one of the most popular majors. More than 70% of companies around the world want to recruit MBA graduates, according to data from 2019 Report of Financial Times. After graduation, Chinese MBA students earn 300,000-500,000 yuan per year. According to FT (Financial Times), lowest salary increase was over 100% for top ten business school graduates, 60% for the top 100 business school graduates, ranking the second in terms of student enrollment among all profession-oriented master degree programs (after engineering postgraduate programme). Among the number of admissions for the 2020 master’s degree in many top “double first-class” construction universities represented by Tsinghua University, the number of admissions for MBA ranks first.

2. Doxue Network is a leading enterprise in the business administration related postgraduate education sector

As of 31 July 2020, the total number of business schools in cooperation with Doxue Network is more than 200, including Peking University HSBC Business School, PBC School of Finance, Tsinghua University; Fanhai International School of Finance, Fudan University; Antai College of Economics & Management, Shanghai Jiao Tong University; the Hong Kong University of Hong Kong University of Science and Technology. MBACHINA is the most active media platform in the postgraduate education sector related to business administration in China, there are approximately 200,000 newly added users on the platform (the number of candidates for the National Management Joint Examination in 2019 is about 240,000). MBACHINA’s ranking of business schools has been widely recognized by the sector, universities and learners, making it the most influential ranking in the industry.

3. Enrich and enhance the Company’s financial performance in the next three years

The Covenantors have undertaken to Minsheng Zhicai that in three years ending 31 December 2021, 2022 and 2023, the total audited net profit attributable to the parent company after deduction of non-recurring profits and losses will reach RMB155,610,000. As a result, the Company’s financial performance is expected to be strengthened in the next three years.

4. Supplement and expand the group’s existing online education sector

The Group’s existing online education business mainly constitutes undergraduate and junior college degree education, while Doxue Network mainly provides services related to postgraduate degree education of business administration major and degree promotion

courses. The Acquisition will enrich the types of online education provided by the Group, enhance the educational level of online education, and generate synergy with the Group's existing on-campus education and online education business.

IMPLICATION UNDER THE LISTING RULES

As one or more of the applicable percentage ratios under Rules 14.07 of the Listing Rules in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements, but not subject to the circular and shareholder approval requirements pursuant to Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise specified:

Acquisition	the acquisition of 60% of the equity interests in Doxue Network by Minsheng Zhicai pursuant to the Equity Transfer Agreement
Beijing Mingyuan	Beijing Mingyuan International Culture Company Limited* (北京茗遠國際文化有限公司), a company established in the PRC
Board	the Board of Directors
Company	Minsheng Education Group Company Limited (民生教育集團有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1569)
Completion	completion of the Acquisition pursuant to the Equity Transfer Agreement
Director(s)	director(s) of the Company
Doxue Network	Doxue Network Technology (Beijing) Company Limited* (都學網絡科技(北京)有限公司), a company established in the PRC
Doxue Huixing	Doxue Huixing Education Technology (Beijing) Company Limited* (都學慧行教育科技(北京)有限公司), a company established in the PRC

Equity Transfer Agreement	an equity transfer agreement dated 14 October 2020 entered into among Minsheng Zhicai, Ruichang Anrui, Shougang Ganghua, Zhang Shihua, Zhang Shengpu and Doxue Network in related to the Acquisition
The Group	the Company and its subsidiaries
Huixue Education	Huixue Education Technology (Beijing) Company Limited* (慧學教育科技(北京)有限公司), a company established in the PRC
Huixue International	Huixue International Culture Exchange (Beijing) Company Limited* (慧學國際文化交流(北京)有限公司), a company established in the PRC
Huixue International Shenzhen Branch	Huixue International Culture Exchange (Beijing) Company Limited Shenzhen Branch Company* (慧學國際文化交流(北京)有限公司深圳分公司), a company's branch company established in the PRC
Independent Third Party(ies)	has the meaning ascribed thereto under the Listing Rules
Listing Rules	The Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
Minsheng Zhicai	Beijing Minsheng Zhicai Education Technology Company Limited* (北京民晟智才教育科技有限公司), a company established in the PRC, a consolidated affiliated entity of the Company
PRC	the People's Republic of China, which for the purpose of this announcement and unless context suggests otherwise, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
RMB	Renminbi, the lawful currency of the PRC
Ruichang Anrui	Ruichang Anrui Enterprise Management Center (Limited Partnership)* (瑞昌安瑞企業管理中心(有限合夥)), a limited partnership established in China
Shareholder(s)	Shareholder(s) of the Company
Shouguang Ganghua	Shouguang Ganghua Information Consulting Service Center (Limited Partnership)* (壽光港華信息諮詢服務中心(有限合夥)), a limited partnership established in China
Stock Exchange	The Stock Exchange of Hong Kong Limited

%

Percentage

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

Hong Kong, 15 October 2020

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*