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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)

VOLUNTARY ANNOUNCEMENT
ACQUISITION OF 51% EQUITY INTEREST IN SHANGHAI CIIC
INTERNATIONAL BUSINESS DEVELOPMENT CO., LTD
AND
ENTERING INTO STRATEGIC COOPERATION AGREEMENT WITH CIIC
TECHNOLOGY GROUP CO., LTD

This is a voluntary announcement made by Minsheng Education Group Company Limited (the “**Company**”), together with its subsidiaries, the “**Group**”).

THE ACQUISITION

The board of directors (“**Directors**”) of the Company (the “**Board**”) is pleased to announce that on 28 July 2022, through publicly listed and transferred on the Shanghai United Assets and Equity Exchange (上海聯合產權交易所), Beijing Open Distance Education Center Company Limited* (北京奧鵬遠程教育中心有限公司) (“**Open Distance Education**”) (a wholly-owned subsidiary of the Company) and CIIC Technology Group Co., Ltd.* (中智科技集團有限公司) (“**CIIC Technology**”) entered into the agreements (the “**Equity Transaction Contracts**”) for the acquisition of 51% equity interest in Shanghai CIIC International Business Development Co., Ltd.* (上海中智國際商務發展有限公司) (“**Shanghai CIIC**”) by Open Distance Education from CIIC Technology, for a transaction price of RMB8.75 million (the “**Acquisition**”).

STRATEGIC COOPERATION AGREEMENT

The Board announced that on the same date, the Company entered into a strategic cooperation agreement with CIIC Technology (“**Strategic Cooperation Agreement**”).

The main content of the Strategic Cooperation Agreement

In response to the national strategy, to promote the in-depth integration of the new generation of information technology in the industry and enterprises with the cultivation of talents in junior colleges and universities, as well as education and teaching, to provide a carrier of industry-education integration, school-enterprise cooperation and “Internet +” integrated educational service support for talent cultivation, and to promote the overall upgrading and innovative development of the relevant discipline and professional cluster, the Company and CIIC Technology, through friendly negotiation, decided to give play to their respective advantages to carry out strategic cooperation in vocational education, industry-education integration, public training, talent training, etc., and strive to cultivate high-quality industry technical talents, skilled craftsmen, and craftsmen of our great country, educate people for the party and educate talents for the country. The two parties will cooperate in the following five aspects:

1. Strengthen strategic capital cooperation

In accordance with the strategic planning of both parties, in-depth cooperation at the top-level design level and capital cooperation at the strategic level shall be strengthened. In accordance with the relevant work arrangements of the National Development and Reform Commission and the State-owned Assets Supervision and Administration Commission on the mixed reform of state-owned enterprises, the advantages of full integration of state-owned capital and private capital will be brought into play to build an industrial ecosystem that is in line with the strategic development of both parties.

2. Create an investment holding platform for the education industry

Combine the resource advantages of both parties, explore various forms such as joint ventures and cooperation, integrate high-quality education (vocational education) resources, and jointly build an investment holding platform for the education (vocational education) industry.

3. Promote the establishment of modern industrial colleges

According to the development of relevant industries in the country and the industrial resource advantages of both parties in certain fields, we will jointly build a modern industrial college involving key core technologies and people’s livelihood, carry out school-enterprise cooperation projects such as co-construction of professional groups, co-construction of majors and customized classes. Under the guidance of national policies, leveraging on advantage of the platform of industrial colleges, socialized academic qualification improvement and internship training services will be provided, realizing the proceduralization, intelligentization, refinement and digitalization of the full-cycle student management of internships and the connection of employment needs of the enterprises and talent cultivation.

4. *Co-build an online industry talent learning platform*

Giving full play to the service advantages and business advantages of CIIC Technology's online learning platform on the enterprise side, and combining with the professional advantages and teacher advantages of the Group's online learning platform on the education side, the online platform will be utilized as a carrier for talent empowerment and integration of industry and education to jointly establish a online industry talent learning platform with industry characteristics, and create a high-quality online training brand of "platform interoperability, data sharing, and teacher sharing".

5. *Develop international talent employment services*

Taking the Group's participation in the business mixed-ownership reform project of Shanghai CIIC as an opportunity, relying on CIIC Technology's advantages in talent services and the advantages of the Group in informatization construction and education services, both parties will provide services for overseas study, immigration, and return of overseas talents for employment and explore the establishment of in-depth cooperation mechanisms and models in other aspects.

INFORMATION ON CIIC TECHNOLOGY

CIIC Technology is a wholly-owned subsidiary of China International Technology and Intelligence Cooperation Group Co., Ltd.* (中國國際技術智力合作集團有限公司)("CIIC Group"). CIIC Group is the only central first-level enterprise directly managed by the State-owned Assets Supervision and Administration Commission of the State Council with human resources as its core business, and its service capabilities cover 388 cities across the nation. It ranks 76th among the top 500 industrial enterprises, and has led in human resources service industry of China for many years. In accordance with the strategic requirements of CIIC Group's "One Body and Two Wings", CIIC Group has laid out the two-wing industries of "scientific and technological innovation" and "intellectual development", and is committed to developing new formats of education and health care, technology services and other market segments, extend the second growth curve in the field of human capital services, fulfilling the social responsibility of central enterprises, and establishing a chain of enterprise in the field of education and healthcare.

INFORMATION ON SHANGHAI CIIC

Shanghai CIIC was founded in 1993, and is a wholly-owned subsidiary of CIIC Technology before the completion of the Acquisition. As an important force in the "international human resources service business" of CIIC Group, it is committed to providing diversified exit and entry solutions for government agencies, enterprises and individuals. Shanghai CIIC is one of the first professional consulting agencies in Shanghai that has been approved by the Ministry of Public Security to operate intermediary services for citizens entering and leaving the country for private purposes. It is also one of the earliest companies in China to provide immigration consulting services.

Shanghai CIIC is the first batch of overseas study intermediary service agencies approved by the Ministry of Education and the Shanghai Municipal Education Commission, the established long-term and stable cooperative relationship with over a thousand of colleges and universities in United States, United Kingdom and other countries, integrates language training, application for study abroad, overseas study tours, internships and employment, overseas services, and international schools, creating a closed loop of all-rounded study abroad services. Shanghai CIIC deeply integrates and develops international educational resources, based on educational culture, deepens business investment and international identity management, explores the field of innovation and venture capital, and pays attention to the physical and mental health of young students and the development of career planning.

For the year ended 31 December 2021, the unaudited revenue of Shanghai CIIC was approximately RMB9.48 million, and its unaudited net profit after tax was approximately RMB1.07 million. As at 31 December 2021, the unaudited net assets of Shanghai CIIC was approximately RMB17.45 million.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of CIIC Technology and Shanghai CIIC and their ultimate beneficial owner is a third party independent of the Company and its connected persons.

BENEFITS OF THE ACQUISITION AND ENTERING INTO THE STRATEGIC COOPERATION AGREEMENT

The Board are of the view that the Acquisition and the entering into the Strategic Cooperation Agreement will help the Company to: (i) further deepen the development strategy of "Internet + Vocational Education", take advantage of the full integration of state-owned capital and private capital, and combine the high-quality resources of both parties to further promote Shanghai CIIC business development; (ii) further consolidate the Group's resources and brand advantages in international education, effectively expand the international education cooperation channel network, and lay a solid foundation for the implementation of the Group's strategy of "going out" and "bringing in" of service talents; and (iii) having successfully carried out strategic investment cooperation with large state enterprises directly managed by the State-owned Assets Supervision and Administration Commission, such as Overseas Chinese Town Group and CIIC Group, strengthen cooperation with state-owned capital, thereby integrating educational resources to meet industrial needs, and deepening the integration of education and school-enterprise cooperation, which would serve the needs of the digital development of the industry, and explore and develop the connection with the international talent market to cultivate new industry formats and new momentum.

The terms of the Equity Transaction Contracts (including the transaction price) were arrived at after arm's length negotiations between the parties to the Equity Transaction Contracts. In view of the above, the Board considers that the terms of the Equity Transaction Contracts (including the transaction price) are on normal commercial terms, which are fair, reasonable and in the best interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATION

As all of the applicable percentage ratios in respect of the Acquisition are less than 5%, the Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. This announcement is made by the Company on a voluntary basis.

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

Hong Kong, 28 July 2022

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*