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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)**

### **UPDATE ANNOUNCEMENT**

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the announcements (the “**Announcements**”) dated 21 August 2018, 5 October 2018 and 20 December 2018, and the circular (the “**Circular**”) of Minsheng Education Group Company Limited (the “**Company**”) dated 20 December 2018. Unless otherwise stated, terms defined in the Announcements and the Circular shall have the same meanings when used in this announcement.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that Minsheng Vocational has received a letter (the “**Letter**”) from the Vendors dated 15 October 2021 purporting to exercise the alleged Put Option at an exercise price of RMB2,180,735,567.50. Minsheng Vocational has responded to the Vendors that, among other things:

- the relevant provision under the Share Purchase Agreement provides that during the period commencing from the fourth anniversary of the effective date of the Share Purchase Agreement and ending on the fifth anniversary, Minsheng Vocational shall grant to the Vendors the Put Option, which will, after it is granted, entitle the Vendors to sell the shares of Leed International owned by the Vendors (the “**Remaining Shares**”) to Minsheng Vocational;
- Minsheng Vocational has not granted the Put Option to the Vendors; and
- accordingly, the rights which the Vendors purported to exercise under the Letter do not exist, and Minsheng Vocational is not presently under any obligation to buy the Remaining Shares.

The Vendors have subsequently indicated their disagreement with Minsheng Vocational's view as set out above. The Vendors and Minsheng Vocational are in the process of resolving the dispute in the manner as stipulated under the Share Purchase Agreement.

As disclosed in the Announcements and the Circular, the exercise price of the Put Option, after grant, shall be determined by the following formula at the time of exercise:

85% of the Company's valuation by reference to the average price-to-earnings (P/E) ratio (which shall not exceed 25 times in any event) over the preceding 3 months from the date of exercise	×	net profit after tax (excluding the non-recurring profits/losses) based on the audited accounts of Leed International for the preceding financial year of the date of exercise	×	49%
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provided that, in the event that the exercise price (as determined by the above formula) is less than RMB981.5 million, the exercise price shall be RMB981.5 million.

Since the Put Option has not been granted, it is not possible to determine the exercise price of the Put Option in accordance with the terms of the Share Purchase Agreement.

The Company will make further announcement(s) to update the Shareholders and potential investors as and when appropriate.

**Shareholders and potential investors should exercise caution when dealing in the Shares.**

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

Hong Kong, 21 December 2021

*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.*