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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)

**ENTERED INTO THE LOAN AGREEMENT WITH
DEUTSCHE INVESTITIONS -
UND ENTWICKLUNGSGESELLSCHAFT MBH AND
DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES**

This announcement is made pursuant to Rule 13.18 of the Listing Rules.

THE LOAN AGREEMENT

The Board is pleased to announced that, on 21 December 2021 (after trading hours), Minsheng Education (as borrower) and DEG (as lender), a member of KfW Bankengruppe in Germany, entered into the Loan Agreement, pursuant to which DEG agreed to lend, and Minsheng Education agreed to borrow, a loan in an aggregate principal amount up to USD28,240.000, the last repayment date of the Loan shall be 15 June 2028. The Loan shall be repayable in 11 semi-annual instalments commencing from 15 June 2023. Proceeds from the Loan will be used for, among others, business expansion and daily operation of the Group.

The Directors are of the view that, the Company's success in securing a long term loan from a policy bank, which will benefit the Company to further strengthen its financing channel, optimizes its capital structure, enhances international reputation and provides good financial support for the Company's sustainable and healthy development in the future.

DISCLOSURE PURSUANT TO THE RULE 13.18 OF THE LISTING RULES

Pursuant to a share retention agreement ancillary to the Loan Agreement, each of Mr. Li Xuechun, the chairman of the Board, an executive director and the ultimate controlling shareholder of the Company, and Minsheng Group, being controlling shareholders of the Company, is required to perform certain specific performance obligations. Specifically, Mr. Li Xuechun shall maintain directly

not less than 51% of the legal and beneficial ownership of the shares of Minsheng Group; and Minsheng Group shall maintain directly not less than 51% of the legal and beneficial ownership of the shares of the Company, for so long as any indebtedness under the Loan remains outstanding.

As at the date of this announcement, Mr. Li Xuechun, the chairman of the Board, an executive Director and the ultimate controlling shareholder of the Company, indirectly owns 64.43% shares of the Company, through his ownership of 90% of Minsheng Group Company Limited and Minsheng Group Company Limited's ownership of 71.59% of the Company.

A breach of any of the said specific performance obligations will constitute an event of default under the Loan Agreement, whereupon DEG will have the power to require Minsheng Education to repay all or part of the Loan.

This announcement is made in compliance with the disclosure requirement under Rule 13.18 of the Listing Rules. In accordance with the requirements pursuant to Rule 13.21 of the Listing Rules, disclosure will be included in the subsequent interim and annual reports of the Company for so long as the said specific performance obligations imposed on Mr. Li Xuechun under the Loan Agreement continue to exist.

DEFINITIONS

Unless the context requires otherwise, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Company”	Minsheng Education Group Company Limited (民生教育集团有限公司), 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)
“DEG”	Deutsche Investitions - Und Entwicklungsgesellschaft Mbh, a financial institution headquartered in Germany
“Director(s)”	director(s) of the Company
“Loan”	the loan in an aggregate principal amount up to USD28,240,000 from DEG to Minsheng Education contemplated under the Loan Agreement
“Loan Agreement”	the loan agreement entered in between Minsheng Education and DEG on 21 December 2021

“Minsheng Education”	Minsheng Education Company Limited, a company incorporated in Cayman Islands, a subsidiary of the Company
“Minsheng Group”	Minsheng Group Company Limited, a limited liability company incorporated in the British Virgin Islands, a controlling Shareholder, and ultimately controlled by Mr. Li Xuechun, the chairman of the Board, an executive Director and the ultimate controlling Shareholder of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States dollars, the lawful currency of the United States of America
“%”	percentage

On behalf 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