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## **China Maple Leaf Educational Systems Limited** **中國楓葉教育集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1317)**

### **VOLUNTARY ANNOUNCEMENT – ACQUISITIONS OF EQUITY INTERESTS**

This announcement is made by China Maple Leaf Educational Systems Limited (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”) on a voluntary basis to provide update on the latest business development of the Group to the shareholders (the “**Shareholders**”) and potential investors of the Company.

#### **MEISHE QIANYAN ACQUISITION**

The board (the “**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that, on 25 January 2018, Dalian Maple Leaf Educational Group Co., Ltd\* (大連楓葉教育集團有限公司) (“**Dalian Maple Leaf**”), a wholly owned subsidiary of the Company, entered into a share purchase agreement (the “**Meishe Qianyan Agreement**”) with Haikou Meishe Jiaohui Educational Technology Co., Ltd.\* (海口美舍交慧教育科技有限公司) (“**Meishe Jiaohui**”) and Haikou Meishe Qianyan Educational Management Co., Ltd.\* (海口美舍前沿教育管理有限公司) (“**Meishe Qianyan**”) in relation to the acquisition (the “**Meishe Qianyan Acquisition**”) of 100% equity interest in Meishe Qianyan at a total consideration of RMB90,000,000 (equivalent to approximately HK\$110,415,900) (subject to any adjustment as set out in the Meishe Qianyan Agreement).

Meishe Jiaohui is primarily engaged in the investment in and management of education business. Meishe Qianyan is a company established in the PRC with limited liability and principally engaged in the operation of Haikou Meishe School\* (海口美舍學校) (“**Meishe School**”), a boarding school providing elementary and secondary school service located in Haikou City in Hainan Province, which is a private non-enterprise organization wholly-owned by Meishe Qianyan. Meishe School has an enrolment of approximately 1,550 students.

## MEIWEN QIANYAN MANAGEMENT ACQUISITION

The Board is pleased to announce that, on 25 January 2018, Dalian Maple Leaf entered into a share purchase agreement (the “**Meiwen Qianyan Management Agreement**”) with Haikou Meiwen Qianyan Educational Technology Co., Ltd.\* (海口美文前沿教育科技有限公司) (“**Meiwen Qianyan Technology**”) and Haikou Meiwen Qianyan Educational Management Co., Ltd.\* (海口美文前沿教育管理有限公司) (“**Meiwen Qianyan Management**”) in relation to the acquisition (the “**Meiwen Qianyan Management Acquisition**”) of 100% equity interest in Meiwen Qianyan Management at a total consideration of RMB30,000,000 (equivalent to approximately HK\$36,805,300) (subject to any adjustment as set out in the Meiwen Qianyan Management Agreement).

Meiwen Qianyan Technology is primarily engaged in the investment in and management of education business. Meiwen Qianyan Management is a company established in the PRC with limited liability and principally engaged in the operation of Haikou Meiwen School\* (海口美文學校) (“**Meiwen School**”), a boarding school providing elementary school service located in Haikou City in Hainan Province, which is a private non-enterprise organization wholly-owned by Meiwen Qianyan Management. Meiwen School has an enrolment of approximately 950 students.

## CHANGCHUNTENG QIANYAN ACQUISITION

The Board is pleased to announce that, on 25 January 2018, Dalian Maple Leaf entered into a share purchase agreement (the “**Changchunteng Qianyan Agreement**”) with Haikou Changyu Educational Technology Co., Ltd.\* (海口常育教育科技有限公司) (“**Changyu**”) and Haikou Changchunteng Qianyan Educational Management Co., Ltd.\* (海口常春藤前沿教育管理有限公司) (“**Changchunteng Qianyan**”) in relation to the acquisition (the “**Changchunteng Qianyan Acquisition**”) of 100% equity interest in Changchunteng Qianyan at a total consideration of RMB15,000,000 (equivalent to approximately HK\$18,402,650) (subject to any adjustment as set out in the Changchunteng Qianyan Agreement).

Changyu is primarily engaged in the investment in and management of education business. Changchunteng Qianyan is a company established in the PRC with limited liability and principally engaged in the operation of Haikou Changchunteng Kindergarten\* (海口常春藤幼兒園) (“**Changchunteng Kindergarten**”), a kindergarten located in Haikou City in Hainan Province, which is a private non-enterprise organization wholly-owned by Changchunteng Qianyan. Changchunteng Kindergarten has an enrolment of approximately 250 students.

## MEIHUA QIANYAN ACQUISITION

The Board is pleased to announce that, on 25 January 2018, Dalian Maple Leaf entered into a share purchase agreement (the “**Meihua Qianyan Agreement**”) with Haikou Meizhi Huakong Educational Technology Co., Ltd.\* (海口美智華控教育科技有限公司) (“**Meizhi Huakong**”) and Haikou Meihua Qianyan Educational Management Co., Ltd.\* (海口美華前沿教育管理有限公司) (“**Meihua**”).

**Qianyan**”) in relation to the acquisition (the “**Meihua Qianyan Acquisition**”) of 100% equity interest in Meihua Qianyan at a total consideration of RMB10,000,000 (equivalent to approximately HK\$12,268,433) (subject to any adjustment as set out in the Meihua Qianyan Agreement).

Meizhi Huakong is primarily engaged in the investment in and management of education business. Meihua Qianyan is a company established in the PRC with limited liability and principally engaged in the operation of Haikou Meihua School\* (海口美華學校) (“**Meihua School**”), a boarding school providing elementary school service located in Haikou City in Hainan Province, which is a private non-enterprise organization wholly-owned by Meihua Qianyan. Meihua School has an enrolment of approximately 510 students.

## **MEICHENG QIANYAN ACQUISITION**

The Board is pleased to announce that, on 25 January 2018, Dalian Maple Leaf entered into a share purchase agreement (the “**Meicheng Qianyan Agreement**”) with Haikou Meicheng Zhishu Educational Technology Co., Ltd.\* (海口美成智術教育科技有限公司) (“**Meicheng Zhishu**”) and Haikou Meicheng Qianyan Educational Management Co., Ltd.\* (海口美成前沿教育管理有限公司) (“**Meicheng Qianyan**”) in relation to the acquisition (the “**Meicheng Qianyan Acquisition**”) of 100% equity interest in Meicheng Qianyan at a total consideration of RMB5,000,000 (equivalent to approximately HK\$6,134,217) (subject to any adjustment as set out in the Meicheng Qianyan Agreement).

Meicheng Zhishu is primarily engaged in the investment in and management of education business. Meicheng Qianyan is a company established in the PRC with limited liability and principally engaged in the operation of Haikou Youth Service Center\* (海口市青少年服務中心) (“**Youth Center**”), a youth service center located in Haikou City in Hainan Province, which is a private non-enterprise organization wholly-owned by Meicheng Qianyan. Youth Center has a capacity of providing training courses to students 10,000 times per year.

## **INFORMATION OF THE GROUP**

The Group has over twenty two years’ experience in providing quality bilingual K-12 educational services in China and Canada by combining the merits of both western and Chinese educational philosophies. The Group’s high schools (for students from grade 10 to 12) are certified by the Ministry of Education of British Columbia (“**BC**”), Canada and Chinese educational authorities respectively allowing our graduates to receive both a fully accredited BC diploma and a Chinese diploma. Furthermore, all our high schools have been accredited by AdvancED, the largest school accreditation agency in the United States of America. The Group targets students from middle-class families who aim to pursue higher education abroad and the tuition fees are affordable and competitive.

## **REASONS AND BENEFITS OF THE ACQUISITIONS**

Upon completion of the aforementioned acquisitions, the Group will assume operation of Meishe School, Meiwen School, Changchunteng Kindergarten, Meihua School and Youth Center in Haikou City, Hainan Province. This provides an opportunity for the Group to strengthen its strategic presence and to build brand awareness in Hainan province and lay a solid foundation for the Hainan educational district. The Board is of the view that the addition of the aforementioned schools to the Group's school network will improve the profitability of the Group and strengthen its position in the education industry in China.

## **IMPLICATIONS UNDER THE LISTING RULES**

### **In respect of Meishe Qianyan Acquisition**

To the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, Meishe Jiaohui, Meishe Qianyan and their ultimate beneficial owners are persons who are third parties independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) (the "**Independent Third Parties**").

Since all applicable percentage ratios in respect of the Meishe Qianyan Acquisition are less than 5%, the Meishe Qianyan Acquisition does not constitute as a notifiable transaction under Chapter 14 of the Listing Rules.

There is no prior transaction and relationship between the Group and Meishe Jiaohui, Meishe Qianyan and their ultimate beneficial owners and associates in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

### **In respect of Meiwen Qianyan Management Acquisition**

To the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, Meiwen Qianyan Technology, Meiwen Qianyan Management and their ultimate beneficial owners are the Independent Third Parties.

Since all applicable percentage ratios in respect of the Meiwen Qianyan Management Acquisition are less than 5%, the Meiwen Qianyan Management Acquisition does not constitute as a notifiable transaction under Chapter 14 of the Listing Rules.

There is no prior transaction and relationship between the Group and Meiwen Qianyan Technology, Meiwen Qianyan Management and their ultimate beneficial owners and associates in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

### **In respect of Changchunteng Qianyan Acquisition**

To the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, Changyu, Changchunteng Qianyan and their ultimate beneficial owners are the Independent Third Parties.

Since all applicable percentage ratios in respect of the Changchunteng Qianyan Acquisition are less than 5%, the Changchunteng Qianyan Acquisition does not constitute as a notifiable transaction under Chapter 14 of the Listing Rules.

There is no prior transaction and relationship between the Group and Changyu, Changchunteng Qianyan and their ultimate beneficial owners and associates in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

### **In respect of Meihua Qianyan Acquisition**

To the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, Meizhi Huakong, Meihua Qianyan and their ultimate beneficial owners are the Independent Third Parties.

Since all applicable percentage ratios in respect of the Meihua Qianyan Acquisition are less than 5%, the Meihua Qianyan Acquisition does not constitute as a notifiable transaction under Chapter 14 of the Listing Rules.

There is no prior transaction and relationship between the Group and Meizhi Huakong, Meihua Qianyan and their ultimate beneficial owners and associates in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

### **In respect of Meicheng Qianyan Acquisition**

To the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, Meicheng Zhishu, Meicheng Qianyan and their ultimate beneficial owners are the Independent Third Parties.

Since all applicable percentage ratios in respect of the Meicheng Qianyan Acquisition are less than 5%, the Meicheng Qianyan Acquisition does not constitute as a notifiable transaction under Chapter 14 of the Listing Rules.

There is no prior transaction and relationship between the Group and Meicheng Zhishu, Meicheng Qianyan and their ultimate beneficial owners and associates in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

**Shareholders and potential investors of the Company are advised to exercise caution in dealing in the shares of the Company.**

*The translations between HK\$ and RMB in this announcement were made at the rate of HK\$1.00 to RMB0.8151. No representation is made and none should be construed as being made that the amounts denominated in one currency could actually be converted into the amounts denominated in another currency at the rates indicated or at all on the date hereof or any other date.*

By order of the Board  
**China Maple Leaf Educational Systems Limited**  
**Shu Liang Sherman Jen**  
*Chairman and Chief Executive Officer*

Hong Kong, 25 January 2018

*As at the date of this announcement, the Board comprises Mr. Shu Liang Sherman Jen, Ms. Jingxia Zhang and Mr. James William Beeke as executive Directors; Mr. Howard Robert Balloch as non-executive Director; and Mr. Peter Humphrey Owen, Mr. Xiaodan Mei and Mr. Lap Tat Arthur Wong as independent non-executive Directors.*

\* *For identification purposes only*