

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

POSITIVE PROFIT ALERT
AND
THE GROUP HAD SUCCESSFULLY IMPLEMENTED THE STRATEGIC
TRANSFORMATION OF “INTERNET +” VOCATIONAL EDUCATION

This announcement is made by Minsheng Education Group Company Limited (the “**Company**”), together with its subsidiaries and consolidated entities, collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

POSITIVE PROFIT ALERT

The board of directors of the Company (the “**Board**”) hereby informs the shareholders and potential investors of the Company that, due to the successful implementation of the strategic transformation of “Internet +” vocational education by the Group in 2021 and the remarkable achievements thereof, based on the preliminary assessment of the unaudited consolidated management accounts of the Group (prepared based on International Financial Reporting Standards (IFRS)) for the year ended 31 December 2021, it is expected that the Group would record:

- i) a year-on-year revenue growth of not less than 105%;
- ii) a year-on-year increase in net profit of not less than 365%; and
- iii) a year-on-year increase in core net profit of not less than 75%.

The Company is still in the process of preparing and finalising its annual results for the year ended 31 December 2021. The information contained in this announcement is only based on the preliminary review and assessment by the management of the Group on the unaudited consolidated management accounts of the Group for the year ended 31 December 2021, and such figures or information have not been audited by the Company's auditors or reviewed by the Company's audit committee. The shareholders and potential investors of the Company are advised to read carefully the annual results announcement of the Group for the year ended 31 December 2021 which is expected to be published on 25 March 2022.

SUCCESSFULLY IMPLEMENTED THE STRATEGIC TRANSFORMATION OF “INTERNET +” VOCATIONAL EDUCATION

In recent years, with the transformation and upgrading of China's industries, the demand for skilled talents has become increasingly prominent. The Central Committee and the State Council have launched a series of major measures for the reform and development of vocational education, and issued the “National Vocational Education Reform Implementation Plan”, “Vocational Education Quality Improvement Action Plan (2020-2023)”, “Development Opinions On Promoting the High Quality of Modern Vocational Education” and other important documents. A series of policy documents have provided policy support for the reform and development of vocational education during the "14th Five-Year Plan" period, from deepening reform to improving quality and cultivating excellence, and then to high-quality development. our country's vocational education is ushering in a new stage of great reform and development which is the fast track for quality improvement and value-added empowerment.

The Group continued to increase investment in technology research and development, and continued to strengthen its core competitiveness. A total of more than RMB1 billion has been invested in the construction of technical basic capabilities, forming an industry-leading technical service foundation. Currently, the Group owns 7 state-level high-tech enterprises, which have undertaken more than 200 national, provincial and ministerial scientific research topics and projects from the National Development and Reform Commission, the Ministry of Science and Technology, the Ministry of Education, the Ministry of Industry and Information Technology and other national ministries and commissions, including major national science and technology projects; the core applications of the Group have passed the third-level certification of national information security level protection, and the main enterprises of the group have passed ISO20000, ISO27001, ISO9001 certification, and the Group owns more than 110 patents and more than 400 software copyrights, building an end-to-end, fully closed-loop vocational education service cloud platform.

Through the “original + aggregation” approach, the Group continuously optimizes and integrates internal and external resources, and forms a technology + education + industries, resources + platform + services, academic + non-academic, secondary vocational - higher vocational - applied undergraduate -Full coverage of professional postgraduate degree and an integrated vocational education service system of “enrollment-assessment-teaching-practical training-examination-employment”, which has successfully implemented the strategic transformation of “Internet +” vocational education.

The Group continued to improve its organizational structure, carried out vertical integration and horizontal diversification optimization and integration of business lines and product resources, further enriched the product matrix, and successfully built the “Internet +” vocational education, laying out campus education, online education services, and vocational capabilities. It has seven major business segments: promotion, human resources and employment, education informatization services, examination and evaluation, and international education. It has built more than 1,900 offline learning centers covering 31 provinces across the country, with more than 20 national ministries and institutes, more than 30 Industry-leading companies and more than 400 colleges have cooperated, bringing together more than 1,000 human resources companies, more than 10,000 employers, and a total of more than 50 million students and users.

The Group has deeply integrated information technology and vocational education, developed and integrated more than 20 online vocational education service platforms, about 1,500 TB of digital learning resources, and built nearly 20 national and provincial high-quality online open courses. MOOC and the OPEN2U platform were selected into the Ministry of Human Resources and Social Security’s and the Ministry of Finance’s “Internet + Vocational Skills Training Program” and were approved as national-level high-quality online vocational skills training platforms.

HIGH QUALITY OF EDUCATION

The Group attaches great importance to the quality of school operations and educational services, and has applied the concept of “cultivating people with morality and quality first” throughout the entire process of school operations and services, and has continuously improved the quality, characteristics and effectiveness of education.

The Group’s schools have been well received by the education authorities and widely recognized by the society. They have received various honors including “National Advanced Social Organization”, “National Private Education Advanced Unit”, “Chinese Private Higher Education Excellent College”, “National Advanced Independent College”, “Advanced Grassroots Party Organization”, “National Graduate Employment Typical Experience Universities”, “National Innovation and Entrepreneurship Typical Experience Universities”, “National Deepening Innovation and Entrepreneurship Education Reform Demonstration Universities” and many others. In 2021, the Group’s schools won more than 80 honors at the provincial and ministerial level and above, such as “Top 100 Private Education in China” and “Top 100 Practice Teams in China”; The students and teachers have won more than 400 honors at the municipal level and above, such as the First Prize of the National Undergraduate Mathematical Modeling Contest" and the “First Prize of the National Undergraduate Advertising Design Competition”, involving more than 3,000 people.

The Group is committed to continuously supplying outstanding talents for the country’s economic construction and social development. In recent years, the average employment rate of the Group’s school graduates has remained above 90%. The Group’s schools have cultivated a large number of outstanding graduates, including advanced models such as “National Outstanding Communist Youth League Members” and “National March 8 Red-Banners in Fighting against the New Coronary Pneumonia Epidemic”.

ACTIVELY FULFILL ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

The Group actively participated in social charitable activities. During the period of COVID-19 pandemic, the Group immediately donated hundreds of infrared thermal imaging automatic thermometers to the 71 colleges in Chongqing; initiated and cooperated with relevant units to donate medical care supplies, equipment, and special funds exceeding RMB100 million, to serve the purpose of “classes suspension without stopped learning”, opened nearly 200 various learning platforms for free, with more than 1 million courses, serving more than 10 million learners. In August 2021, the Group set up “People’s Fertility Talent Subsidy Project” with a total amount of RMB40 million in the Chongqing Education Development Foundation to provide tuition assistance to college students in need during the “14th Five-Year Plan” period.

The Group also actively incorporates widely used international environmental, social and governance standards into the Group, in order to achieve the sustainable development goals of the Group and the industry and to help the country achieve the goal of carbon peaking and carbon neutrality. Relevant standards include general guidance contained in “World Bank Group Environment, Health and Safety Guidelines”, “IFC Environmental and Social Policy”, and standards contained in “IFC Performance Standards”.

The shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 17 March 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.