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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)

PROFIT WARNING

This announcement is made by Minsheng Education Group Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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 (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Directors**”) of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 (the “**Period**”) and the information currently obtained by the Company, the Group expects to record a decreased net profit for the Period by approximately 64% as compared to the net profit of approximately RMB306.5 million for the six months ended 30 June 2023. The main reasons for the expected decline in net profit are as follows:

1. During the Period, the Group’s operating schools in China continued to increase investment in school operation, expand the scale of teaching staff, and further improve the high-quality and professional teaching team of the Group’s schools. The related costs substantially increased as compared with those for the six months ended 30 June 2023.
2. Another main reason for the decline in the Group’s net profit is increase in tax expenses during the Period due to the for-profit classification of its operating schools in China, as a result of which the relevant schools ceased or will cease to be entitled to certain preferential tax treatments they previously enjoyed. In particular, one of the Group’s operating schools in China obtained approval for registration as a for-profit school in the second half of 2023 and is undergoing necessary procedures in connection with such registration, while the application for registration as for-profit schools by the other major schools in the Group are also in progress, though at various earlier stages.

3. The online education entity of the Group, namely Beijing Open Distance Education Center Company Ltd. (“**Open Distance Education**”), was affected by the suspension of enrollment in online formal education, resulting in a significant year-on-year decline in Open Distance Education’s net profit compared with the six months ended 30 June 2023.

As at the date of this announcement, the Company is still in the process of finalising the consolidated results of the Group for the Period. The information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the Period and the information currently available to the Board, and is not based on any figures or information which has been audited or reviewed by the independent auditors of the Company nor approved by the audit committee of the Company and therefore the actual results of the Group may be subject to amendments and adjustments where necessary.

Consequently, such financial information should not be relied upon by Shareholders and potential investors to provide with the same quality of information associated with the financial statements that have been subject to an audit or review.

Shareholders and potential investors must exercise caution when using such data to evaluate the Group’s financial conditions and results of operations. The Company will make further announcement(s) in this regard if and when necessary. Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the interim results of the Group for the Period, which will be published in late August 2024.

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

Hong Kong, 26 July 2024

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 Director is Ms. Li Yanping, and the independent non-executive Directors are Mr. Chan Ngai Sang, Kenny, Mr. Yu Huangcheng and Mr. Wang Wei Hung, Andrew.