

Unless otherwise defined in this announcement, terms defined in the Prospectus dated 14 March 2018 (the “**Prospectus**”) issued by China Xinhua Education Group Limited (the “**Company**”) have the same meanings when used in this announcement.

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This announcement is for information purposes only and does not constitute an invitation or offer to sell, acquire, purchase or subscribe for securities or any Shares under the Global Offering.

This announcement is not, and is not intended to be, an offer of securities of the Company for sale in any jurisdiction, including, without limitation, the United Kingdom, Australia, Japan, Canada or the United States. The Shares of the Company have not been, and will not be, registered under the United States Securities Act 1933, as amended (the “**U.S. Securities Act**”) and may not be offered or sold within the United States (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. This announcement and the information contained herein are not for release, publication or distribution, directly or indirectly, in or into the United States.

In connection with the Global Offering, Macquarie Capital Limited, as stabilizing manager (the “**Stabilizing Manager**”), its affiliates or any person acting for it, on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager, its affiliates or any person acting for it, to conduct any such stabilizing action, which, if commenced, will be done at the sole and absolute discretion of the Stabilizing Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end on the 30th day after the last date for lodging applications under the Hong Kong Public Offering. Such stabilization action, if commenced, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules, as amended, made under the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

Potential investors should be aware that stabilizing actions cannot be taken to support the price of the Shares for longer than the stabilization period which will begin on the Listing Date and is expected to expire on the 30th day after the last date for lodging applications under the Hong Kong Public Offering. After this date, no further stabilizing action may be taken and demand for the Shares and the price of the Shares could fall.

Potential investors should read the Prospectus for detailed information about the Company and the Global Offering described below before deciding whether or not to invest in the Shares being offered. Any investment decision in relation to the Offer Shares should be taken solely in reliance on the information provided in the Prospectus.

The Hong Kong Offer Shares will be offered to the public in Hong Kong subject to the terms and conditions set out in the Prospectus and the related application forms. The Hong Kong Offer Shares will not be offered to any person who is outside Hong Kong and/or not resident in Hong Kong.

# China Xinhua Education Group Limited

中國新華教育集團有限公司

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

## GLOBAL OFFERING

<b>Number of Offer Shares under the Global Offering</b>	<b>: 400,000,000 Shares (subject to the Over-allotment Option)</b>
<b>Number of Hong Kong Offer Shares</b>	<b>: 40,000,000 Shares (subject to reallocation and adjustment)</b>
<b>Number of International Offer Shares</b>	<b>: 360,000,000 Shares (subject to the Over-allotment Option and adjustment)</b>
<b>Maximum Offer Price</b>	<b>: HK\$3.69 per Offer Share, plus brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)</b>
<b>Nominal value</b>	<b>: HK\$0.01 per Share</b>
<b>Stock code</b>	<b>: 02779</b>

Sole Sponsor



Joint Global Coordinators



Joint Bookrunners and Joint Lead Managers



Application has been made to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the Shares in issue and to be issued pursuant to, among others, the Global Offering, comprising (a) 400,000,000 Shares to be issued under the Global Offering, (b) 60,000,000 Shares which may be issued upon the exercise of the Over-allotment Option and (c) 160,000,000 Shares which may be issued pursuant to the exercise of options granted under the Share Option Scheme.

Assuming the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. on Monday, March 26, 2018, it is expected that dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Monday, March 26, 2018. In the event the Over-allotment Option is exercised, an announcement will be made by the Company on the Company's website at <http://www.chinaxhedu.com> and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

The Global Offering comprises the Hong Kong Public Offering of 40,000,000 Shares (subject to adjustment), representing 10% of the total number of Offer Shares under the Global Offering, and the International Offering of 360,000,000 Shares (subject to the Over-allotment Option and adjustment), representing 90% of the total number of Offer Shares under the Global Offering. The allocation of the Offer Shares between the Hong Kong Public Offering and the International Offering will be subject to adjustment as described in the section headed "Structure of the Global Offering" in the Prospectus. In particular, the Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Global Coordinators. If such reallocation is done other than pursuant to Practice Note 18 of the Listing Rules, in accordance with Guidance Letter HKEX-GL91-18, the maximum total number of Offer Shares that may be reallocated to the Hong Kong Public Offering will be 80,000,000 Shares, representing double of the initial allocation to the Hong Kong Public Offering, and the final Offer Price shall be fixed at the low-end of the indicative offer price range (that is, HK\$2.83 per Offer Share) stated in the prospectus.

Subject to the granting of the approval for the listing of, and permission to deal in, the Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange or on any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made to enable the Shares to be admitted into CCASS.

Pursuant to the Over-allotment Option, the International Underwriters have the right, exercisable by the Joint Global Coordinators (on behalf of the International Underwriters) within 30 days from the last day for lodging applications under the Hong Kong Public Offering (the last day for the exercise of the Over-allotment Option being Wednesday, April 18, 2018), to require the Company to allot and issue up to 60,000,000 additional Offer Shares representing 15% of the initial Offer Shares, at the same price per Offer Share under the International Offering, to, among other things, cover over-allocations in the International Offering (if any).

The Offer Price will not be more than HK\$3.69 per Offer Share and is currently expected to be not less than HK\$2.83 per Offer Share, unless otherwise announced. Applicants for the Hong Kong Offer Shares are required to pay, on application, the maximum Offer Price of HK\$3.69 per Offer Share together with brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price as finally determined is less than HK\$3.69 per Offer Share.

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum Offer Price of HK\$3.69 per Offer Share (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee thereon), or if the conditions of the Hong Kong Public Offering are not fulfilled in accordance with “Structure of the Global Offering – Conditions of the Hong Kong Public Offering” in the prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and the Stock Exchange trading fee, will be refunded, without interest or the cheque or banker’s cashier order will not be cleared.

**Applications for the Hong Kong Offer Shares will only be considered on the basis of the terms and conditions of the Prospectus and the related Application Forms.**

Applicants who would like to have the Hong Kong Offer Shares allotted and issued in their own names should (i) complete and sign the **WHITE** Application Forms or (ii) submit applications online through the designated website of the **White Form eIPO** Service Provider at [www.eipo.com.hk](http://www.eipo.com.hk) under the **White Form eIPO** service.

Applicants who would like to have the Hong Kong Offer Shares allotted and issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their designated CCASS Participants’ stock accounts or their CCASS Investor Participant stock accounts should either (i) complete and sign the **YELLOW** Application Forms or (ii) give **electronic application instructions** to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Wednesday, March 14, 2018, until 12:00 noon on Monday, March 19, 2018 at:

1. any of the following offices of the Joint Bookrunners:

<b>Name</b>	<b>Address</b>
Macquarie Capital Limited	Level 18 One International Finance Centre 1 Harbour View Street Central Hong Kong
ABCI Capital Limited	11/F Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
CMB International Capital Limited	45/F Champion Tower 3 Garden Road Central Hong Kong
First Capital Securities Limited	Unit 4512, 45/F The Center 99 Queen’s Road Central Central Hong Kong

2. any of the following branches of Bank of China (Hong Kong) Limited:

	<b>Branch Name</b>	<b>Address</b>
<b>Hong Kong Island:</b>	Bank of China Tower Branch	3/F, 1 Garden Road
	King's Road Branch	131-133 King's Road, North Point
	Chai Wan Branch	Block B, Walton Estate, 341-343 Chai Wan Road, Chai Wan
<b>Kowloon:</b>	Kwun Tong Plaza Branch	G1 Kwun Tong Plaza, 68 Hoi Yuen Road, Kwun Tong
	Whampoa Garden Branch	Shop G8B, Site 1, Whampoa Garden, Hung Hom
	Shanghai Street (Mong Kok) Branch	611-617 Shanghai Street, Mong Kok
<b>New Territories:</b>	Tai Po Branch	68-70 Po Heung Street, Tai Po Market
	Metro City Branch	Shop 209, Level 2, Metro City Phase 1, Tseung Kwan O
	Sheung Shui Branch Securities Services Centre	136 San Fung Avenue, Sheung Shui
	Tuen Mun San Hui Branch	G13-G14 Eldo Court, Heung Sze Wui Road, Tuen Mun

Copies of the Prospectus, together with the **YELLOW** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Wednesday, March 14, 2018, until 12:00 noon on Monday, March 19, 2018 at

- the **Depository Counter** of **HKSCC** at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong; or
- your stockbroker, who may have such Application Forms and the Prospectus available.

The **WHITE** or **YELLOW** Application Form completed in accordance with the instructions printed thereon, together with a cheque or banker's cashier order payable to "**BANK OF CHINA (HONG KONG) NOMINEES LIMITED – CHINA XINHUA EDUCATION PUBLIC OFFER**" attached should be deposited in the special collection boxes provided at any of the branches referred to above on such dates and during such time as specified in the Application Forms.

Applicants applying by **White Form eIPO** may submit their applications to the **White Form eIPO** Service Provider, Computershare Hong Kong Investor Services Limited, through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) from 9:00 a.m. on Wednesday, March 14, 2018, until 11:30 a.m. on Monday, March 19, 2018 (24 hours daily, except on the last application day) (or such later time as may apply as described in the section headed "How to Apply for Hong Kong Offer Shares – 10. Effect of Bad Weather on the Opening of the Application Lists" in the Prospectus).

CCASS Participants can input **electronic application instructions** from 9:00 a.m. on Wednesday, March 14, 2018, until 12:00 noon on Monday, March 19, 2018.

Please refer to the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in the Prospectus for details of the conditions and procedures of the Hong Kong Public Offering.

The Company expects to announce the final Offer Price together with the level of indication of interest in the International Offering and the level of applications and the basis of allocations in the Hong Kong Public Offering on Friday, March 23, 2018 on the Company's website at <http://www.chinaxhedu.com> and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

Results of allocations (with successful applicants' identification document numbers, where applicable) will be made available through a variety of channels as described in the section "How to Apply for Hong Kong Offer Shares – 11. Publication of results" in the Prospectus from Friday, March 23, 2018.

Share certificates will only become valid at 8:00 a.m. on Monday, March 26, 2018 provided that the Global Offering has become unconditional and the right of termination described in the "Underwriting" section in the Prospectus has not been exercised. Dealings in the Offer Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Monday, March 26, 2018. The Shares will be traded in board lots of 1,000 Shares. The Company will not issue temporary documents of title. No receipt will be issued for application monies paid. The stock code for the Shares is 02779.

By Order of the Board of Directors  
**China Xinhua Education Group Limited**  
**Wu Junbao**  
Chairman

Hong Kong, 14 March 2018

*As at the date of this announcement, our executive Directors are Mr. Lu Zhen, Mr. Wang Yongkai and Ms. Wang Li, our non-executive Director is Mr. Wu Junbao and our independent non-executive Directors are Ms. Zhang Kejun, Mr. Yang Zhanjun and Mr. Chau Kwok Keung.*