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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)

(Stock Code: 2779)

VOLUNTARY ANNOUNCEMENT INCREASE IN SHAREHOLDING BY CONTROLLING SHAREHOLDER

This announcement is made by China Xinhua Education Group Limited (the “**Company**”) on a voluntary basis.

The board of directors (the “**Board**”) of the Company was informed by Wu Junbao Company Limited (“**WJB Company**”), a controlling shareholder of the Company, that on 4 January 2019, WJB Company has acquired 1,700,000 shares of the Company (the “**Shares**”) on the market for an aggregate consideration of HK\$2,958,000 (representing an average price of HK\$1.74 per Share) (the “**Acquisition**”). Immediately after the Acquisition, WJB Company holds 1,150,191,879 Shares, representing approximately 71.50% (increasing from 71.40%) of the total issued share capital of the Company as at the date of this announcement.

The Board considers that such increase in shareholding by WJB Company in the Company demonstrates the controlling shareholder’s confidence in the prospects and recognition of the value of the Company.

By order of the Board of
China Xinhua Education Group Limited
Wu Junbao
Chairman

Hong Kong, 4 January 2019

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