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China 21st Century Education Group Limited

中國21世紀教育集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1598)

VOLUNTARY ANNOUNCEMENT INTENTION TO CONDUCT ON-MARKET SHARE REPURCHASE

This announcement is made by China 21st Century Education Group Limited (the “**Company**”, together with the subsidiaries of the Company, collectively the “**Group**”) on a voluntary basis.

The board of directors (the “**Board**”) of the Company wishes to announce that it has an intention to exercise its powers under the general mandate to repurchase (the “**Repurchase Mandate**”) shares of the Company (the “**Shares**”) granted to the Board to repurchase up to 120,000,000 Shares, being 10% of the issued share capital of the Company immediately following the completion of the capitalization issue and the global offering but excluding any Shares which were issued pursuant to the exercise of the over-allotment option, (the “**Proposed Share Repurchase**”) pursuant to the written resolutions dated 4 May 2018 passed by the shareholders of the Company (the “**Shareholders**”), details of which were set out in the prospectus of the Company dated 15 May 2018. The Proposed Share Repurchase will be funded by the Company’s internal resources.

The Board believes that the Shares have been trading at a level which significantly undervalues the Company’s performance and underlying value. Since the Board is committed to actively managing the Company’s capital, the Board believes that the Proposed Share Repurchase would create capital management benefits to the Shareholders. The Board also believes that the Company’s strong financial position will enable it to conduct the Proposed Share Repurchase while maintaining sufficient financial resources for the continued growth of the Company’s operations.

Pursuant to Rule 10.06(2)(e) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), an issuer shall not purchase its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of (i) the date of the board meeting for the approval of the issuer’s results for any year, half-year, quarterly or any other interim period; and (ii) the deadline for the issuer to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period, and ending on the date of the results announcement, the issuer shall not purchase its shares on the Stock Exchange, unless the circumstances are exceptional.

Reference is made to the announcement of the Company dated 9 August 2018 in relation to the Board meeting to be held on 21 August 2018 for the approval of, among other things, the interim results of the Group. In this regard, pursuant to the said Rule 10.06(2)(e) of the Listing Rules, no repurchase of Shares could be made by the Company on the Stock Exchange between 22 July 2018 and 21 August 2018 (the “**Black-out Period**”) unless the circumstances are exceptional.

The Company will conduct the Proposed Share Repurchase after the expiry of the Black-out Period in compliance with the memorandum and articles of association of the Company, the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs (the “**Takeovers Code**”), the Companies Law of the Cayman Islands and all applicable laws and regulations to which the Company is subject to. The Board has no present intention to repurchase Shares that will trigger the obligations under the Takeovers Code to make a mandatory offer and will ensure that the Company continues to satisfy the minimum public float requirement under the Listing Rules before and after any repurchase pursuant to the Repurchase Mandate.

Shareholders of the Company and potential investors should note that the exercise of the Repurchase Mandate by the Company will be subject to market conditions and will be at the absolute discretion of the Board. There is no assurance of the timing, quantity or price of any repurchases. Shareholders and potential investors should exercise caution when dealing in the Shares.

By order of the Board
China 21st Century Education Group Limited
Li Yunong
Chairman

Hong Kong, 16 August 2018

As at the date of this announcement, executive directors of the Company are Mr. Li Yunong, Mr. Liu Zhanjie, Ms. Liu Hongwei, Mr. Ren Caiyin and Ms. Yang Li; and independent non-executive directors are Mr. Guo Litian, Mr. Ma Guoqing and Mr. Yao Zhijun.