

For immediate release

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**Modern Education Group Limited**

Stock Code: 1082

**Modern Education and Yiwen Book Formed a Strategic Partnership  
Agreement to Jointly Explore Opportunities in the PRC Education Market**

(Hong Kong, 18 July 2012) Modern Education Group Limited (“Modern Education” or “the Group”; Stock code: 1082) is pleased to announce that the Group has reached a strategic partnership agreement with Shenzhen Yiwen Book IMP & EXP Co. (“Yiwen Book”), which is affiliated to the Shenzhen News and Press Bureau and Shenzhen Foreign Trade and Development Bureau, at the signing ceremony on the first day of the “Hong Kong Book Fair 2012”, to officially announce their co-operation to jointly explore opportunities in the PRC education market.

The Group and Yiwen Book will leverage their respective competitive edge, actively explore co-operation opportunities, and develop the culture and education businesses. The related co-operations include:

**E-book Co-operation Business**

In recent years, with the rapid development of e-books and the implementation of the “Electronic School Bag” policy, Yiwen Book has opened a digital publishing services center, to develop the e-book business. The Group will take “Modern Bachelor Education Center” as the first pilot point, to demonstrate and promote the use of e-book teaching materials, to provide an opportunity for students to familiarize themselves with the e-book learning environment, and be well-prepared for the coming e-book learning in class. When the academic year starts this September, the Group will introduce the e-book teaching materials to the 5,200 parents of the students of Modern Bachelor Education Center, taking the lead to launch the e-book education business in Hong Kong.

**Youngster Training Course Co-operation Business**

People in the PRC currently have a growing concern on high quality education, and there is a huge market demand in the education and training industry in the PRC. Shenzhen, being geographically adjacent to Hong Kong, has an in-depth understanding of the advantages of the high quality and international standard of Hong Kong’s education. The Group will make use of the advantages of Shenzhen Publishing and Distribution Group ( “SPDG” ) through “Yiwen Book”, and co-operate with a subsidiary of SPDG, “Shenzhen Bookcity Training Center”, utilizing the venue, materials, licenses and other resources of “Shenzhen Book City”, to jointly develop the “Youngster Training Course” business. “Youngster Training Course” will include “e-Book Classes”, “IELTS English Courses” and “Courses for Shenzhen Kids in Hong Kong”. Modern Education strives to promote the education business in Hong Kong and the PRC, and will participate in the most influential social reading culture activity for the first time. During November 2012, the Group will be the title sponsor of “Reading Month Activity, Hong Kong – Shenzhen Secondary Students Writing Competition” hosted by Shenzhen Reading Month Committee Office, Education Bureau of Shenzhen Municipality, organized by Shenzhen Yiwen Book IMP & EXP Co., Shenzhen Education Society and

Education Convergence of Hong Kong, with the aim of reinforcing the cultural exchange between Shenzhen and Hong Kong, promoting Chinese reading culture, encouraging students to read and write, so as to enhance secondary school students' interest and skills in reading and writing.

Modern Education and Yiwen will cooperate again and extend their co-operation scope with a plan to launch e-books in "Shenzhen Book City" (深圳書城) and prepare e-books classes, and aim to launch 164 e-books (teaching version) of different levels and series for kindergarten and primary school education and training.

### **Distance Education Course Co-operation Business**

Yiwen Book will cooperate with the Group on "Distance Education Course of Famous PRC Universities", in a bid to provide distance education courses of famous PRC universities for Hong Kong students, and offer courses at the Group's education centers in Hong Kong.

Mr. Ng Kam Lun, Chairman of Modern Education Group Limited said, "This co-operation is an important cooperation between Hong Kong's privately owned education institution and the culture and education unit of the Shenzhen government, and a big leap for Modern Education Group to venture into the PRC market. The two parties will consolidate their resources and leverage each other's advantages, acting as the pioneer and influencer to reinforce the mutual learning between Hong Kong and Shenzhen on the business philosophy and management experience of education, training and publishing aspects, grow and share the achievements together, and provide quality training, education, books and other cultural products and services especially for the residents in Shenzhen and the Pearl River Delta Region. In line with the 12<sup>th</sup> Five-Years Plan of the country, we look forward to giving full play to Hong Kong's soft power and actively developing the education business. In addition, we wish to further strengthen our co-operations, and explore deeper and wider co-operation in the future."

Mr. Luo Ding Dong, General Manager of Shenzhen Yiwen Book IMP & EXP Co. said, "The Shenzhen Government has been actively promoting the education and culture exchange and co-operation between Shenzhen and Hong Kong. The 《"Education Development "11<sup>th</sup> Five-Years Plan and 2020 Long-term Target》(教育發展 "十一五規劃" 暨 2020 年遠景目標) has explicitly proposed goal and direction to reinforce education co-operation between Shenzhen and Hong Kong. Being the national culture business group company, Yiwen Book aims to achieve the goal by co-operating with Modern Education and jointly develop the education market in the PRC. It is believed that by making use of the international education philosophy, mature market operation management, outstanding and professional team of Modern Education, our project will definitely be differentiated from similar projects in the PRC and the prospect is very promising."

### **About Modern Education Group Limited**

Modern Education is one of the major chain education service providers in Hong Kong and it is the only company listed on the Main Board of the Hong Kong Stock Exchange in the industry. The Group offers a wide range of education programmes and services consisting of primary and secondary school tutoring services, English language training and test preparation courses, secondary day school education, overseas studies consultation services and other bridge programmes and services leading to overseas higher education. The Group successfully entered the Chinese education market in 2010 and provides technical consultation, management and software licensing services to Beijing Yasi

School (北京雅思學校). In recent years, leveraging the soft power of Hong Kong, the Group principally develops English education and test preparation courses with English as the medium of instruction and examination language. At the same time, the Group offers international courses for students in the PRC, and has launched international higher secondary education programmes at the top secondary schools of 3 cities in Guangdong Province, and wishes to expand its coverage to 10 cities in the coming 3 years. Additional information on Modern Education can be found at [www.moderneducationgroup.com](http://www.moderneducationgroup.com).

#### **About Shenzhen Yiwen Book IMP & EXP Co**

Shenzhen Yiwen Book IMP & EXP Co. is one of the subsidiaries of Shenzhen Publishing and Distribution Group, affiliated to the Shenzhen News and Press Bureau and Shenzhen Foreign Trade and Development Bureau, and is one of the nationally designated books imported and exported operational units. It has an extensive network in China and overseas, in particular, it has established close relations with the “Book City” (書城), schools and well-known community groups in large and middle cities in the PRC. In addition, it has an in-depth understanding and rich experience on the culture, education and training market in the PRC. At the same time, Yiwen is operating the digital publishing service center and engaged in electronics book related cooperation business project with its view on the development trend of electronics books in the PRC. Yiwen is devoted to promoting cultural exchange between China and foreign countries, and has acted as the bridge and influencer in the cooperation of culture, education and publishing industry across the PRC, overseas countries, Hong Kong, Macau and Taiwan, to reinforce the mutual understanding between Shenzhen and the world. In addition, the “Shenzhen Book City” (深圳書城), which is well-known in Hong Kong is wholly owned by Yiwen.

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Issued by PR ASIA Consultants Limited on behalf of **Modern Education Group Limited**.

For Enquiries, please contact:

**PR ASIA Consultants Limited**

Kate Chan / Kevin Mut

Direct: (852) 3183 0231 / (852) 3183 0274

Email: [kate.chan@prasia.net](mailto:kate.chan@prasia.net) / [kevin.mut@prasia.net](mailto:kevin.mut@prasia.net)