

For immediate release

4 September 2013



Hong Kong Education (Int'l) Investments Limited
香港教育(國際)投資集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1082

**Hong Kong Education acquired 43 % interest in Link Resources at HK\$9.5 million
to expand its educational business horizontally into consultancy and
corporate training in the PRC**

(Hong Kong, 4 September 2013) **Hong Kong Education (Int'l) Investments Limited** ("Hong Kong Education" or the "Company"; Stock code: 1082) together with its subsidiaries ("Group") today announce that Infinity Domain International Limited ("Purchaser"), a wholly-owned subsidiary of the Company, entered into the acquisition agreement with South Right Limited ("Vendor"), under which the Purchaser agreed (i) to purchase the sale shares (representing 15% of the existing issued share capital of Link Resources (Asia) Limited ("Link Resources") and approximately 10.6% of the issued share capital of Link Resources as enlarged by the allotment and issue of the subscription shares); and (ii) to subscribe for the subscription shares allotted and issued by Link Resources (representing 49.12% of the existing issued share capital and approximately 32.94% of the issued share capital of as enlarged by the allotment and issue of the subscription shares), at the aggregate consideration of HK\$9,500,000.

Immediately after completion, the Purchaser and the Vendor will be holding approximately 43% and approximately 57% of the issued share capital of Link Resources respectively.

Pursuant to the acquisition agreement, the consideration for the sale and purchase of the sale shares shall be HK\$2,500,000, and the consideration for the subscription of the subscription shares shall be HK\$7,000,000, which amount to an aggregate consideration of HK\$9,500,000. Of which HK\$1,000,000 was paid by the Company in cash upon the signing of the acquisition agreement; HK\$2,500,000 shall be paid to the Vendor in cash upon completion; the remaining balance of HK\$ 7,000,000 shall be paid to Link Resources in cash within 3 months after completion. The initial deposit of HK\$1,000,000 is funded by the net proceeds from the global offering of the Company and the balance of the consideration is to be funded by the Group's internal resources and/or bank borrowings and/or future fund raising exercise.

Upon Completion, pursuant to the shareholders' agreement, each of the Vendor and the Guarantor unconditionally and irrevocably guarantees and undertakes to the Purchaser that the consolidated net profit after tax but before extraordinary and/or exceptional items ("NPAT") of Link Resources and its subsidiaries ("Target Group") as shown in each of the audited accounts of the Target Group in respect of the periods referred to below shall not be less than the guaranteed amounts as set out below:

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| ■ For the 2 financial years ended on 2014 Accounts Date | HK\$6,039,940 |
| ■ For the financial year ended on 2015 Accounts Date | the average of 2013 NPAT and 2014 NPAT |
| ■ For the financial year ended on 2016 Accounts Date | HK\$1,500,000 |

Each of the Vendor and the Guarantor undertakes to pay an amount of shortfall if the guaranteed amount for the 2 financial years ended on 2014 Accounts Date cannot be reached. Meanwhile, the Vendor also grants the Put

Option to the Purchaser whereby the Purchaser will have the right to sell all or part of its shares of Link Resources to the Vendor if each of the guaranteed amounts for the financial year ended on 2015 and 2016 Accounts Date cannot be reached.

The acquisition will provide the Company with an opportunity and platform for the growth of its education business and enable the Group to expand and diversify its education business horizontally into consultancy and corporate training and education business in the PRC without having to invest heavily or incur substantial costs in adapting to and exploration of the new market. The acquisition is in line with the Group's business strategy to actively explore the opportunity to further expand its range of business services with high growth potential in the Greater China.

About the Target Group

The Target Group is currently offering human capital management consultancy services, providing corporate on-job training and educational programmes, formulating sales and marketing strategy, and rendering related consultancy services to its clients in the PRC to help to improve their business performance and achieve their full potential.

About Hong Kong Education (Int'l) Investments Limited (Stock Code: 1082)

Hong Kong Education is one of the major chain education service providers in Hong Kong and 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. 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. We expect to expand its coverage to 10 cities in the coming 3 years. The Group has co-operated with Shenzhen Yiwen Book IMP & EXP Co., which is affiliated to the Shenzhen News and Press Bureau to jointly explore opportunities in the PRC e-book market and e-learning service market, in which the collaborative "Modern Bachelor Education Center" Shenzhen branch has it grandly opened. The Company has formed a new joint venture company with High Luck Management Limited for the purpose of development of education services in Taiwan market. Also, the Group has announced the acquisition of Full Profit Hong Kong Development Limited to further expand business in Hong Kong child education market as well as the acquisition of Compass College to march into vocational training and higher education market. Additional information on Hong Kong Education can be found at www.hkeduui.com

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Issued by PR ASIA Consultants Limited on behalf of **Hong Kong Education (Int'l) Investments Limited**.

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