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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)

**(I) PROPOSED RIGHTS ISSUE OF
NOT LESS THAN 1,303,756,800 RIGHTS SHARES AND
NOT MORE THAN 1,363,513,600 RIGHTS SHARES
AT HK\$0.295 PER RIGHTS SHARE ON THE BASIS OF
FOUR RIGHTS SHARES FOR EVERY ONE NEW SHARE
HELD ON THE RECORD DATE WITH THE BONUS ISSUE
ON THE BASIS OF ONE BONUS SHARE FOR
EVERY TWO RIGHTS SHARES
TAKEN UP UNDER THE RIGHTS ISSUE;
AND
(II) RESUMPTION OF TRADING**

Financial adviser to the Company

Nuada Limited

Corporate Finance Advisory

Underwriter



Jun Yang Securities Company Limited

PROPOSED RIGHTS ISSUE (WITH THE BONUS ISSUE)

The Board proposes to raise not less than approximately HK\$384.6 million (before expenses) to not more than approximately HK\$402.2 million (before expenses) by issuing not less than 1,303,756,800 Rights Shares and not more than 1,363,513,600 Rights Shares to the Qualifying Shareholders by way of Rights Issue on the basis of four (4) Rights Shares for every one (1) New Share held on the Record Date at the Subscription Price of HK\$0.295 per Rights Share.

Subject to the satisfaction of the conditions of the Rights Issue, the Bonus Shares will be issued to the first registered holders of the Rights Shares on the basis of one (1) Bonus Share for every two (2) Rights Shares taken up under the Rights Issue. On the basis of not less than 1,303,756,800 Rights Shares and not more than 1,363,513,600 Rights Shares to be issued under the Rights Issue, not less than 651,878,400 Bonus Shares and not more than 681,756,800 Bonus Shares will be issued.

As at the date of this announcement, the Company has Outstanding Options which entitle the holders thereof to subscribe for up to 96,400,000 Existing Shares (or, where applicable, 19,280,000 New Shares), among which the Outstanding Options entitling the holders thereof to subscribe for an aggregate of 21,704,000 Existing Shares (or, where applicable, 4,340,800 New Shares) were Director Options. Pursuant to the Director Undertakings, each of Mr. Lee and Ms. Wu has undertaken to the Company not to exercise any of the subscription rights attaching to his/her respective Director Options during the period from the date of the Director Undertakings until the date on which trading of the Rights Shares (in their fully-paid form) commences on the Stock Exchange.

The estimated net proceeds of the Rights Issue (with the Bonus Issue) will be not less than approximately HK\$369.1 million (assuming that the Capital Reorganisation has become effective and there is no change to the issued share capital of the Company other than the Capital Reorganisation on or before the Record Date) and not more than approximately HK\$386.1 million (assuming that the Capital Reorganisation has become effective and there is no change to the issued share capital of the Company other than the Capital Reorganisation and the issue of Shares upon exercise of the Outstanding Options (save for the Director Options) in full on or before the Record Date). Such net proceeds are intended to be utilised in the manner as set out in the section headed “Reasons for the Rights Issue (with the Bonus Issue) and use of proceeds” below.

To qualify for the Rights Issue, any transfer of Shares (together with the relevant share certificate(s)) must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Wednesday, 8 July 2015.

The Latest Time for Acceptance is expected to be at 4:00 p.m. on Thursday, 30 July 2015.

Underwriting Agreement

After trading hours on 24 April 2015, the Company and the Underwriter entered into the Underwriting Agreement, pursuant to which the Underwriter has conditionally agreed to underwrite all the Underwritten Shares subject to the terms and conditions set out in the Underwriting Agreement. Details of the major terms and conditions of the Underwriting are set out in the section headed "Underwriting Agreement" below.

IMPLICATIONS UNDER THE LISTING RULES

In compliance with Rule 7.19(6)(a) of the Listing Rules, the Rights Issue (with Bonus Issue) must be made conditional on approval of the Independent Shareholders by way of poll at the SGM and any controlling Shareholder and their associates or, where there is no controlling Shareholder, the Directors (other than independent non-executive Directors), the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder. As at the date of this announcement, the Company had no controlling Shareholder.

Beautiful Choice, a company wholly owned by Mr. Lee, who is an executive Director, is interested in 133,832,000 Existing Shares (or 26,766,400 New Shares upon the Capital Reorganisation becoming effective) as at the date of this announcement. Accordingly, Beautiful Choice shall abstain from voting in favour of the resolution(s) relating to the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder. Save as disclosed above, none of the Directors (other than independent non-executive Directors) or the chief executive of the Company and their respective associates holds any Shares as at the date of this announcement.

An Independent Board Committee comprising all the independent non-executive Directors has been formed to make recommendations to the Independent Shareholders in respect of the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder. Donvex Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. The appointment of Donvex Capital has been approved by the Independent Board Committee.

GENERAL

The SGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Rights Issue (including, but not limited to, the exclusion of the offer of the Rights Issue (with the Bonus Issue) to the Excluded Shareholders), the Bonus Issue and the transactions contemplated thereunder. The circular containing, among other things, further details of (i) the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders setting out its recommendation in respect of the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder; and (iv) the notice of the SGM, will be despatched to the Shareholders on or before Tuesday, 16 June 2015.

To determine the entitlements to attend the SGM, the register of members of the Company will be closed for transfer of New Shares from Friday, 26 June 2015 to Friday, 3 July 2015 (both days inclusive). No transfer of New Shares of the Company will be registered during this period.

Subject to the approval of the Rights Issue (with the Bonus Issue) by the Independent Shareholders at the SGM, the Prospectus Documents setting out details of the Rights Issue (with the Bonus Issue) will be despatched to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus (without the PAL and EAF) will be despatched to the Excluded Shareholders for information only on the Prospectus Posting Date.

WARNING OF THE RISKS OF DEALINGS IN THE EXISTING SHARES, THE NEW SHARES AND THE NIL-PAID RIGHTS SHARES

The Rights Issue (with the Bonus Issue) is conditional, upon the fulfilment of the conditions set out under the sub-section headed “Proposed Rights Issue (with the Bonus Issue) – Conditions of the Rights Issue (with the Bonus Issue)” below. In particular, it is subject to the Underwriting Agreement not being terminated in accordance with its terms. Accordingly, the Rights Issue (with the Bonus Issue) may or may not proceed. Any Shareholder or other person contemplating selling or purchasing the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue (with the Bonus Issue) are satisfied will bear the risk that the Rights Issue (with the Bonus Issue) may not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company. Any Shareholder or other person contemplating any dealings in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

TRADING HALT AND RESUMPTION

At the request of the Company, trading in the Existing Shares on the Stock Exchange has been halted with effect from 10:34 a.m. on Friday, 24 April 2015 pending the release of this announcement.

Application has been made to the Stock Exchange for the resumption of trading of the Existing Shares on the Stock Exchange with effect from 9:00 a.m. on Monday, 27 April 2015.

PROPOSED RIGHTS ISSUE (WITH THE BONUS ISSUE)

Reference is made to the March Circular and the Poll Results Announcement in relation to, among other matters, the Change of Domicile and the Capital Reorganisation. After the trading hours on 24 April 2015, the Company and the Underwriter entered into the Underwriting Agreement in respect of the proposed Rights Issue (with the Bonus Issue) subject to, among other conditions contained therein, the Change of Domicile and the Capital Reorganisation becoming effective.

Issue statistics

Basis of the Rights Issue	:	Four (4) Rights Shares for every one (1) New Share held on the Record Date
Basis of the Bonus Issue	:	One (1) Bonus Share for every two (2) Rights Shares taken up under the Rights Issue
Number of Existing Shares in issue as at the date of this announcement	:	1,629,696,000 Existing Shares
Number of New Shares expected to be in issue as at the Record Date	:	325,939,200 New Shares ^(Note 1)
Number of Rights Shares	:	not less than 1,303,756,800 Rights Shares ^(Note 1) and not more than 1,363,513,600 Rights Shares ^(Note 2) (the aggregate nominal value of the Rights Shares will be not less than HK\$13,037,568 ^(Note 1) and not more than HK\$13,635,136 ^(Note 2))
Number of Bonus Shares	:	not less than 651,878,400 Bonus Shares ^(Note 1) and not more than 681,756,800 Bonus Shares ^(Note 2)
Enlarged issued share capital of the Company immediately upon completion of the Rights Issue (with the Bonus Issue)	:	not less than 2,281,574,400 New Shares ^(Note 1) and not more than 2,386,148,800 New Shares ^(Note 2)
Subscription Price	:	HK\$0.295 per Rights Share
Underwriter	:	Jun Yang Securities Company Limited
Funds raised before expenses	:	not less than approximately HK\$384.6 million ^(Note 1) and not more than approximately HK\$402.2 million ^(Note 2)

Notes:

- (1) Calculated on the assumptions that the Capital Reorganisation has become effective and there is no change to the issued share capital of the Company other than the Capital Reorganisation on or before the Record Date.
- (2) Calculated on the assumptions that the Capital Reorganisation has become effective and there is no change to the issued share capital of the Company other than the Capital Reorganisation and the issue of Shares upon exercise of the Outstanding Options (save for the Director Options) in full on or before the Record Date.

The number of Rights Shares and the Bonus Shares which may be issued pursuant to the Rights Issue (with the Bonus Issue) will be increased in proportion to any additional Shares which may be allotted and issued pursuant to the exercise of the Outstanding Options (other than the Director Options) on or before the Record Date. As at the date of this announcement, the Company has Outstanding Options which entitle the holders thereof to subscribe for up to 96,400,000 Existing Shares (or, where applicable, 19,280,000 New Shares), among which the Outstanding Options entitling the holders thereof to subscribe for an aggregate of 21,704,000 Existing Shares (or, where applicable, 4,340,800 New Shares) were Director Options.

Save for the Outstanding Options, as at the date of this announcement, the Company does not have any pre-existing obligation to issue shares of the Company and has no other outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Shares.

Director Undertakings

As at the date of this announcement, each of Mr. Lee and Ms. Wu is interested in Director Options which entitle each of them to subscribe for an aggregate of 10,852,000 Existing Shares (or, where applicable, 2,170,400 New Shares). Pursuant to the Director Undertakings, each of Mr. Lee and Ms. Wu has undertaken to the Company not to exercise any of the subscription rights attaching to his/her respective Director Options during the period from the date of the Director Undertakings until the date on which trading of the Rights Shares (in their fully-paid form) commences on the Stock Exchange.

Save for the above, as at the date of this announcement, the Board has not received any information or other undertakings from any Shareholders of their intention to take up or not to take up the securities of the Company to be offered to them under the Rights Issue (with the Bonus Issue).

Basis of provisional allotment of the Rights Shares and fractional entitlements

The basis of the provisional allotment of the Rights Shares will be four (4) Rights Shares (in nil-paid form) for every one New Share held by the Qualifying Shareholders at the close of business on the Record Date. On the basis of such allotment, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong on or before the Latest Time for Acceptance.

Bonus Issue and fractional entitlements

Subject to the Rights Issue (with the Bonus Issue) becoming unconditional, Bonus Shares will be issued, credited as fully paid by way of capitalisation of an amount standing to the credit of the contributed surplus account of the Company then existing, to the first registered holders of the Rights Shares on the basis of one (1) Bonus Share for every two (2) Rights Shares taken up under the Rights Issue.

The Company will not issue any fractions of the Bonus Shares. All fractions of the Bonus Shares will be aggregated and sold by the Company in the market, and if a premium (net of expenses) can be achieved, the Company will retain the proceeds from such sale(s) for its benefit.

Rights Shares and Bonus Shares to the issued share capital of the Company

Assuming that the Capital Reorganisation has become effective and there is no change to the issued share capital of the Company other than the Capital Reorganisation on or before the Record Date, a total number of 1,955,635,200 New Shares will be issued upon completion of the Rights Issue (with the Bonus Issue), comprising 1,303,756,800 Rights Shares and 651,878,400 Bonus Shares representing:

- (i) 600.00% of the existing issued share capital of the Company (assuming the Capital Reorganisation had already been effective) as at the date of this announcement; and
- (ii) 85.71% of the issued share capital of the Company (assuming the Capital Reorganisation had already been effective) as enlarged by the issue of the Rights Shares and the Bonus Shares.

Assuming that the Capital Reorganisation has become effective and there is no change to the issued share capital of the Company other than the Capital Reorganisation and the issue of Shares upon exercise of the Outstanding Options (save for the Director Options) in full on or before the Record Date, not more than 2,045,270,400 New Shares will be issued upon completion of the Rights Issue (with the Bonus Issue), comprising 1,363,513,600 Rights Shares and 681,756,800 Bonus Shares, representing:

- (i) 627.50% of the existing issued share capital of the Company (assuming the Capital Reorganisation had already been effective) as at the date of this announcement; and
- (ii) 85.71% of the issued share capital of the Company (assuming the Capital Reorganisation had already been effective) as enlarged by the issue of the Rights Shares and the Bonus Shares.

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must:

- (i) be registered as a member of the Company at the close of business on the Record Date; and
- (ii) not be an Excluded Shareholder.

In order to be registered as members of the Company at the close of business on the Record Date, Shareholders must lodge any transfer of New Shares (together with the relevant share certificates) with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Wednesday, 8 July 2015. The Company will send the Prospectus Documents to the Qualifying Shareholders only.

Closure of register of members

To determine the entitlements to the Rights Issue, the register of members of the Company will be closed for transfer of New Shares from Thursday, 9 July 2015 to Wednesday, 15 July 2015 (both days inclusive). No transfer of New Shares will be registered during this period.

Rights of Overseas Shareholders

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders on the Record Date, if any, may not be eligible to take part in the Rights Issue (with the Bonus Issue) as explained below.

As at the date of this announcement, there is no Overseas Shareholder as shown in the register of members of the Company.

In compliance with the necessary requirements of the Listing Rules, the Company will make enquiries regarding the feasibility of extending the Rights Issue (with the Bonus Issue) to the Overseas Shareholders (if any). If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Rights Shares (with the Bonus Shares) to the Overseas Shareholders (if any) on account either of the legal restrictions under the laws of the relevant places or the requirements of the relevant regulatory body or stock exchange in those places, the Rights Issue (with the Bonus Issue) will not be available to such Overseas Shareholders and no provisional allotment of nil-paid Rights Shares will be made to them. Further information in this connection will be set out in the Prospectus. The Company will send copies of the Prospectus (without the PAL and EAF) to the Excluded Shareholders (if any) for their information only.

Where applicable, the Company will provisionally allot the Rights Shares which represent the entitlements of the Excluded Shareholders (if any) to a nominee of the Company in nil-paid form and the Company will procure that such nominee will endeavour to sell the rights as soon as practicable after dealings in nil-paid Rights Shares commence and in any event on or before the last day of dealings in nil-paid Rights Shares at a net premium. If and to the extent that such rights can be so sold, the nominee of the Company will account to the Company for the net proceeds of sale (after deducting the expenses of sale, if any), on the basis that the net proceeds after deducting the expenses of sale (if any) attributable to the sale of the Rights Shares that would otherwise have been allotted to the Excluded Shareholders shall be distributed pro rata to their shareholdings as at the Record Date (but rounded down to the nearest cent) to the Excluded Shareholders provided that individual amounts of HK\$100 or less shall be retained by the Company for its own benefit. Any of such nil-paid rights which are not sold as aforesaid will be dealt with as Rights Shares not accepted in accordance with the terms of the Underwriting Agreement.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue (with the Bonus Shares). Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Subscription Price

The Subscription Price for the Rights Shares is HK\$0.295 per Rights Share and represents:

- (i) a discount of approximately 54.96% to the theoretical closing price of HK\$0.6550 per New Share, based on the closing price of HK\$0.1310 per Existing Share as quoted on the Stock Exchange on the Last Trading Day and adjusted taking into account the effect of the Capital Reorganisation;
- (ii) a discount of approximately 55.44% to the average theoretical closing price of HK\$0.6620 per New Share, based on the average closing price of HK\$0.1324 per Existing Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day and adjusted taking into account the effect of the Capital Reorganisation; and
- (iii) a discount of approximately 52.38% to the average theoretical closing price of HK\$0.6195 per New Share, based on the average closing price of HK\$0.1239 per Existing Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day and adjusted taking into account the effect of the Capital Reorganisation.

Since every one (1) Bonus Share will be issued upon the subscription of every two (2) Rights Shares, for illustrative purpose, the average price for each New Share to be allotted and issued under the Rights Issue (with the Bonus Issue) will be approximately HK\$0.1967, which represents:

- (i) a discount of approximately 69.97% to the theoretical closing price of HK\$0.6550 per New Share, based on the closing price of HK\$0.1310 per Existing Share as quoted on the Stock Exchange on the Last Trading Day and adjusted taking into account the effect of the Capital Reorganisation;
- (ii) a discount of approximately 70.29% to the average theoretical closing price of HK\$0.6620 per New Share, based on the average closing price of HK\$0.1324 per Existing Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day and adjusted taking into account the effect of the Capital Reorganisation;

- (iii) a discount of approximately 68.25% to the average theoretical closing price of HK\$0.6195 per New Share, based on the average closing price of HK\$0.1239 per Existing Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day and adjusted taking into account the effect of the Capital Reorganisation; and
- (iv) a discount of approximately 24.98% to the theoretical ex-rights price of HK\$0.2622 per New Share, based on the closing price of HK\$0.1310 per Existing Share as quoted on the Stock Exchange on the Last Trading Day (or equivalent to the theoretical closing price of HK\$0.6550 per New Share) taking into account the effect of the Capital Reorganisation.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the prevailing market price of the Existing Shares (after taking into account the effect of the Capital Reorganisation) and the market conditions. The Directors (excluding the independent non-executive Directors who will give their view on the Rights Issue (with the Bonus Issue) after taking into account the advice of the Independent Financial Adviser) consider that the terms of the Rights Issue (with the Bonus Issue), including the Subscription Price which has been set as a discount to the recent theoretical closing prices (together with the Bonus Issue which will effectively reduce the average price per Rights Share taken up) with an objective to encourage the Qualifying Shareholders to participate in the Rights Issue and accordingly maintain their pro-rata shareholdings in the Company and participate in the future growth of the Group, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The net price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares are expected to be approximately HK\$0.283.

Status of the Rights Shares and the Bonus Shares

Each of the Rights Shares (when allotted and fully paid) and the Bonus Shares (when allotted, issued and credited as fully paid) will rank *pari passu* in all respects among themselves and with the New Shares then in issue on the date of allotment and issue of the Rights Shares and the Bonus Shares. Holders of the fully-paid Rights Shares and the Bonus Shares, credited as fully paid, will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of the allotment of the Rights Shares in their fully-paid form and the Bonus Shares.

Certificates of the Rights Shares and the Bonus Shares and refund cheques

Subject to the Rights Issue (with the Bonus Issue) becoming unconditional and the Underwriting Agreement not having been terminated in accordance with the terms thereof, certificates for all fully-paid Rights Shares and the Bonus Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Friday, 7 August 2015.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are also expected to be posted on or before Friday, 7 August 2015 by ordinary post at such Shareholders' own risk.

Application for excess Rights Shares

The Qualifying Shareholders shall be entitled to apply for, (i) Rights Shares representing the entitlement of the Excluded Shareholders and which cannot be sold at a net premium; and (ii) any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders. Application may be made by completing the EAF for excess Rights Shares and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Board will allocate the excess Rights Shares at its discretion on a pro-rata basis in proportion to the number of excess Rights Shares being applied for under each application. No preference will be given to application for topping up odd-lots to whole board lots holdings. Shareholders who have been offered odd lots of the Rights Shares (with the Bonus Shares) should note that there is no guarantee that such odd lots of the Rights Shares (with the Bonus Shares) will be topped up to create whole board lots pursuant to applications for excess Rights Shares.

Shares registered in the name of nominee companies

Investors with their Shares held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

The Qualifying Shareholders whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company must lodge all necessary documents with the Company's branch share registrars in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for completion of the relevant registration by 4:30 p.m. on Wednesday, 8 July 2015.

Application for listing

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms and the Bonus Shares to be allotted and issued pursuant to the Rights Issue and the Bonus Issue respectively.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms and the Bonus Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms and the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms and the Bonus Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms and the Bonus Shares, which are registered in the register of members of the Company in Hong Kong, will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy and any other applicable fees and charges in Hong Kong. Nil-paid and fully-paid Rights Shares and the Bonus Shares are expected to be traded in board lots of 8,000 (which is the same as the board lot size of the New Shares which will be traded when the Change in Board Lot Size becomes effective).

Conditions of the Rights Issue (with the Bonus Issue)

The Rights Issue and the Bonus Issue is conditional upon the following conditions being satisfied:

- (i) the Change of Domicile and the Capital Reorganisation having become effective on or before the Record Date;
- (ii) the passing of the necessary resolution(s) by the Independent Shareholders at the SGM to approve the Rights Issue (including, but not limited to, the exclusion of the offer of the Rights Issue (with the Bonus Issue) to the Excluded Shareholders), the Bonus Issue and the transactions contemplated under the Underwriting Agreement by no later than the Prospectus Posting Date;
- (iii) the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in all the Rights Shares (in their nil-paid and fully-paid forms) and the Bonus Shares by no later than the Prospectus Posting Date;
- (iv) the filing and registration of the Prospectus Documents (together with any other documents required by applicable law or regulation to be annexed thereto) with the Registrar of Companies in Hong Kong by no later than the Prospectus Posting Date;
- (v) the posting of the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date;
- (vi) the Underwriting Agreement not being terminated by the Underwriter pursuant to the terms thereof on or before the Latest Time for Termination;

(vii) the delivery of the duly signed Director Undertakings to the Company; and

(viii) the compliance with the performance of all the undertakings and obligations of the signatory of each of the Director Undertakings.

None of the conditions set out above is capable of being waived by the Underwriter or the Company.

If the above conditions are not satisfied by the Latest Time for Acceptance (or such later date or dates as the Underwriter may agree with the Company in writing), the Underwriting Agreement shall terminate (save in respect of the provisions in relation to fees and expenses, indemnity, notices, governing law and some miscellaneous matters and any rights or obligations which may accrue under the Underwriting Agreement prior to such termination) and no party will have any claim against the other party for cost, damages, compensation or otherwise, and the Rights Issue (with the Bonus Issue) will not proceed.

UNDERWRITING AGREEMENT

The principal terms of the Underwriting Agreement are as follows:

Date : 24 April 2015

Underwriter : Jun Yang Securities Company Limited

To the best of the Directors' knowledge and information after having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons

Total number of Rights Shares : not less than 1,303,756,800 Rights Shares and not being underwritten by the Underwriter : not more than 1,363,513,600 Rights Shares, being all the Rights Shares under the Rights Issue

Commission : The Underwriter will receive a commission in respect of its underwriting of the Rights Issue at 3.5% of the aggregate Subscription Price in respect of the Underwritten Shares

The Board considers that the terms of the Underwriting Agreement including the commission rate are fair and reasonable as compared to the market practice and commercially reasonable as agreed between the parties of the Underwriting Agreement.

Rescission and Termination of the Underwriting Agreement

The Underwriter may terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination, if:

- (i) in the reasonable opinion of the Underwriter, the success of the Rights Issue (with the Bonus Issue) would be materially and adversely affected by:
 - (a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole or is materially adverse in the context of the Rights Issue after the signing of the Underwriting Agreement; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing of the Underwriting Agreement), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole; or
 - (c) any material adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of the Group as a whole; or

- (d) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement which would, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole; or
 - (e) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which, in the reasonable opinion of the Underwriter, is or might be material to the Group taken as a whole; or
 - (f) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
- (ii) there is any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC or other jurisdictions relevant to the Group or any member of the Group and a change in currency conditions including a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of the Underwriter makes it inexpedient or inadvisable to proceed with the Rights Issue (with the Bonus Issue); or
 - (iii) the Prospectus and all amendments and supplements thereto when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or the Takeovers Code or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the reasonable opinion of the Underwriter be material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue (with the Bonus Issue).

The Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to rescind the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) any material breach of any of the warranties or undertakings of the Company contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (ii) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination, which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties given by the Company contained under the Underwriting Agreement untrue or incorrect in any material respect, comes to the knowledge of the Underwriter.

WARNING OF THE RISKS OF DEALING IN THE EXISTING SHARES, NEW SHARES AND THE NIL-PAID RIGHTS SHARES

The Rights Issue (with the Bonus Issue) is conditional upon the fulfilment of the conditions set out under the sub-section headed “Proposed Rights Issue (with the Bonus Issue) – Conditions of the Rights Issue (with the Bonus Issue)” of this announcement. In particular, it is subject to the Underwriting Agreement not being terminated in accordance with its terms. Accordingly, the Rights Issue (with the Bonus Issue) may or may not proceed. Any Shareholder or other person contemplating selling or purchasing the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue (with the Bonus Issue) are satisfied will bear the risk that the Rights Issue (with the Bonus Issue) may not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company. Any Shareholder or other person contemplating any dealings in the Shares and/or nil-paid Rights Shares are recommended to consult their own professional advisers.

EXPECTED TIMETABLE

Set out below are the expected timetable for the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Capital Reorganisation and the Change in Board Lot Size (*in italics*) and the expected timetable of the Rights Issue (with the Bonus Issue).

The following events are conditional on the fulfilment of the respective conditions for the implementation of the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Capital Reorganisation, the Change in Board Lot Size and the Rights Issue (with the Bonus Issue):

Event	Date and time
<i>Expected effective date of the Change of Domicile and the Adoption of New Memorandum of Continuance and Bye-laws</i>	<i>on or after Thursday, 7 May 2015 (Bermuda time)/ on or after Friday, 8 May 2015 (Hong Kong time)</i>
<i>Expected effective date and time of the Capital Reorganisation</i>	<i>9:00 a.m. on Wednesday, 27 May 2015 (Hong Kong time)</i>
<i>First day of free exchange of certificates of Existing Shares into new certificates for New Shares.</i>	<i>Wednesday, 27 May 2015</i>
<i>Commencement of dealings in New Shares</i>	<i>9:00 a.m. on Wednesday, 27 May 2015</i>
<i>Original counter for trading in Existing Shares in board lots of 2,000 Existing Shares (in the form of existing share certificates) temporarily closes</i>	<i>9:00 a.m. on Wednesday, 27 May 2015</i>
<i>Temporary counter for trading in New Shares in board lots of 400 New Shares (in the form of existing share certificates) opens.</i>	<i>9:00 a.m. on Wednesday, 27 May 2015</i>

Original counter for trading in New Shares in board lots of 8,000 New Shares (only new certificates for the New Shares can be traded at this counter) re-opens 9:00 a.m. on Wednesday, 10 June 2015

Parallel trading in New Shares (in the form of new and existing certificates) commences 9:00 a.m. on Wednesday, 10 June 2015

Designated broker starts to provide matching services for odd lots of New Shares. 9:00 a.m. on Wednesday, 10 June 2015

Expected date of despatch of circular with notice and proxy form of the SGM. Tuesday, 16 June 2015

Latest time for lodging transfer of the New Shares to qualify for attendance and voting at the SGM 4:30 p.m. on Thursday, 25 June 2015

Closure of register of members of the Company for transfer of New Shares to determine the right to attend the SGM Friday, 26 June 2015 to Friday, 3 July 2015 (both days inclusive)

Temporary counter for trading in New Shares in board lots of 400 New Shares (in the form of existing share certificates) closes 4:00 p.m. on Tuesday, 30 June 2015

Parallel trading in the New Shares (in the form of new and existing certificates) ends. 4:00 p.m. on Tuesday, 30 June 2015

Designated broker ceases to stand in the market to provide matching services for odd lots of New Shares 4:00 p.m. on Tuesday, 30 June 2015

Latest time for lodging the form of proxy for the SGM	10:30 a.m. on Wednesday, 1 July 2015
Record date for attendance and voting at the SGM	Friday, 3 July 2015
Expected time and date of the SGM.	10:30 a.m. on Friday, 3 July 2015
Announcement of the result of the SGM	Friday, 3 July 2015
Last day of dealings in the New Shares on cum-rights basis	Monday, 6 July 2015
Commencement of dealings in the New Shares on ex-rights basis	Tuesday, 7 July 2015
Latest time for lodging transfer of the New Shares to qualify for the Rights Issue (with the Bonus Issue)	4:30 p.m. on Wednesday, 8 July 2015
Closure of register of members of the Company for transfer of New Shares to determine entitlements under the Rights Issue (with the Bonus Issue)	Thursday, 9 July 2015 to Wednesday, 15 July 2015 (both days inclusive)
<i>Last day and time for free exchange of certificates of Existing Shares into new certificates for New Shares.</i>	<i>4:00 p.m. on Friday, 10 July 2015</i>
Record Date	Wednesday, 15 July 2015
Despatch of the Prospectus Documents	Thursday, 16 July 2015
First day of dealings in nil-paid Rights Shares.	9:00 a.m. on Monday, 20 July 2015

Latest time for splitting nil-paid Rights Shares 4:30 p.m. on
Wednesday, 22 July 2015

Last day and time of dealings in nil-paid Rights Shares..... 4:00 p.m. on
Monday, 27 July 2015

Latest Time for Acceptance 4:00 p.m. on
Thursday, 30 July 2015

Latest Time for Termination of
the Underwriting Agreement 4:00 p.m. on
Friday, 31 July 2015

Announcement of allotment results of
the Rights IssueThursday, 6 August 2015

Despatch of share certificates for
fully-paid Rights Shares and the Bonus Shares
and refund cheques (if any)Friday, 7 August 2015

Commencement of dealings in fully-paid Rights Shares
and the Bonus Shares 9:00 a.m. on
Monday, 10 August 2015

All times and dates specified in the timetable above refer to Hong Kong times and dates unless otherwise specified.

The timetable is indicative only and may be extended or varied. Any change to the expected timetable above will be announced by the Company as and when appropriate.

SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company from the date of this announcement to immediately after the completion of the Rights Issue (with the Bonus Issue).

- (i) **Assuming that the Capital Reorganisation has become effective and there is no change to the issued share capital of the Company other than the Capital Reorganisation on or before the Record Date:**

Shareholders	As at the date of this announcement		Immediately after the Capital Reorganisation but before completion of the Rights Issue (with the Bonus Issue)		Immediately upon completion of the Rights Issue (with the Bonus Issue)			
					All Shareholders take up all the Rights Shares and the Bonus Shares (assuming there is no Excluded Shareholder)		The Underwriter takes up all the Rights Shares and the Bonus Shares (assuming there is no Excluded Shareholder)	
	<i>Number of Existing Shares</i>	<i>%</i>	<i>Number of New Shares</i>	<i>%</i>	<i>Number of New Shares</i>	<i>%</i>	<i>Number of New Shares</i>	<i>%</i>
Beautiful Choice (Note 1)	133,832,000	8.21	26,766,400	8.21	187,364,800	8.21	26,766,400	1.17
The Underwriter, sub-underwriter(s) and/or subscriber(s) procured by the Underwriter/sub-underwriter(s) (Note 2)	-	-	-	-	-	-	1,955,635,200	85.71
Public Shareholders	<u>1,495,864,000</u>	<u>91.79</u>	<u>299,172,800</u>	<u>91.79</u>	<u>2,094,209,600</u>	<u>91.79</u>	<u>299,172,800</u>	<u>13.11</u>
	<u><u>1,629,696,000</u></u>	<u><u>100.00</u></u>	<u><u>325,939,200</u></u>	<u><u>100.00</u></u>	<u><u>2,281,574,400</u></u>	<u><u>100.00</u></u>	<u><u>2,281,574,400</u></u>	<u><u>100.00</u></u>

(ii) Assuming that the Capital Reorganisation has become effective and there is no change to the issued share capital of the Company other than the Capital Reorganisation and the issue of Shares upon exercise of the Outstanding Options (save for the Director Options) in full on or before the Record Date:

Shareholders	As at the date of this announcement		Immediately after the Capital Reorganisation but before completion of the Rights Issue (with the Bonus Issue)		Immediately upon completion of the Rights Issue (with the Bonus Issue)			
					All Shareholders take up all the Rights Shares and the Bonus Shares (assuming there is no Excluded Shareholder)		The Underwriter takes up all the Rights Shares and the Bonus Shares (assuming there is no Excluded Shareholder)	
	<i>Number of Existing Shares</i>	<i>%</i>	<i>Number of New Shares</i>	<i>%</i>	<i>Number of New Shares</i>	<i>%</i>	<i>Number of New Shares</i>	<i>%</i>
Beautiful Choice (Note 1)	133,832,000	8.21	26,766,400	8.21	187,364,800	7.85	26,766,400	1.12
The Underwriter, sub-underwriter(s) and/or subscriber(s) procured by the Underwriter/sub-underwriter(s) (Note 2)	-	-	-	-	-	-	2,045,270,400	85.71
Public Shareholders	<u>1,495,864,000</u>	<u>91.79</u>	<u>299,172,800</u>	<u>91.79</u>	<u>2,198,784,000</u>	<u>92.15</u>	<u>314,112,000</u>	<u>13.16</u>
	<u><u>1,629,696,000</u></u>	<u><u>100.00</u></u>	<u><u>325,939,200</u></u>	<u><u>100.00</u></u>	<u><u>2,386,148,800</u></u>	<u><u>100.00</u></u>	<u><u>2,386,148,800</u></u>	<u><u>100.00</u></u>

Notes:

- (1) Beautiful Choice is wholly owned by Mr. Lee, an executive Director. Accordingly, Mr. Lee is deemed to be interested in all of the Shares held by Beautiful Choice by virtue of the SFO.
- (2) Pursuant to the Underwriting Agreement, (a) the Underwriter shall use all reasonable endeavours to procure that each of the subscribers (including any direct and indirect sub-underwriters (if any)) shall be third party independent of, not acting in concert with and not connected with the Directors, the chief executive or substantial shareholders of the Company (within the meaning of the Listing Rules) or any of its subsidiaries and their respective associates or close associates; (b) the Underwriter will procure each of the subscribers (including any direct and indirect sub-underwriters (if any)) will not hold 10% or more of the voting rights of the Company immediately upon completion of the Rights Issue and the Bonus Issue; and (c) the Underwriter will not, and will procure each of the subscribers (including any direct and indirect sub-underwriters (if any)) will not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold 29.9% or more of the voting rights of the Company immediately upon completion of the Rights Issue and the Bonus Issue.
- (3) Certain percentage figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

REASONS FOR THE RIGHTS ISSUE (WITH THE BONUS ISSUE) AND USE OF PROCEEDS

The Group is principally engaged in the provision of private educational services, investment in securities, property investments and money lending business.

The estimated gross proceeds of the Rights Issue (with the Bonus Issue) will be not less than approximately HK\$384.6 million and not more than approximately HK\$402.2 million. The estimated net proceeds from the Rights Issue (with the Bonus Issue) (after deducting the related underwriting commission, professional fees and all other related expenses incurred in connection with the Rights Issue and the Bonus Shares which will be borne by the Company) will be not less than approximately HK\$369.1 million and not more than approximately HK\$386.1 million which are intended to be applied in the following manner:

- (i) approximately HK\$120.0 million will be allocated for property investment of the Group, out of which approximately HK\$15.8 million will be allocated for the proposed acquisition of 51% of the issued share capital of the JV Company and approximately HK\$104.2 million will be allocated for the funding of the acquisition of real properties by the JV Company (details of which are disclosed in the announcement of the Company dated 12 December 2014) and other related expenses;
- (ii) approximately HK\$100.0 million will be allocated for the development of the information technology related business, including but not limited to, the development and operation of online education services, infrastructure upgrade and systems revamp and future potential acquisitions or investment in companies engaging in information technology businesses. As at the date of this announcement, the Company has not identified any target for such acquisition or investment;
- (iii) approximately HK\$50.0 million will be allocated for future development of financial analyst centres and related course development;
- (iv) approximately HK\$20.0 million will be allocated for the investment in listed companies by the Group; and

- (v) the remaining balance as general working capital of the Group which will be applied for, including but not limited to, the development of the Group's educational and vocational training business in the PRC, marketing expenses of the Group and for rental expenses and relocation cost of the education centres of the Group.

The Directors consider that it is prudent to finance the Group's long term growth by way of the Rights Issue (with the Bonus Issue) which will not only strengthen the Group's capital base and enhance its financial position without increasing finance costs, but will also allow all Qualifying Shareholders the opportunity to participate in the growth of the Group through the Rights Issue (with the Bonus Issue) at a price lower than the current market price of the Shares. The Board considers that the fund raising through the Rights Issue (with the Bonus Issue) is in the interests of the Company and the Shareholders as a whole.

FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

Apart from the fund raising activities mentioned below, the Company had not raised any other funds by equity issue in the past 12 months immediately preceding the date of this announcement:

Date of Announcement	Fund raising activity	Net Proceeds	Intended use of net proceeds	Actual use of net proceeds as at the date of this announcement
3 December 2014 and 18 December 2014	Placing of 271,616,000 Existing Shares at HK\$0.122 per Existing Share under general mandate	approximately HK\$31.82 million	the entire net proceeds as general working capital of the Group	the entire amount has been fully utilised as intended.
13 May 2014, 30 May 2014, and 31 July 2014	(a) Placing of 115,200,000 Existing Shares at HK\$0.145 per Existing Share under general mandate	approximately HK\$16.11 million	the entire net proceeds as general working capital of the Group	the entire amount has been fully utilised as intended.
	(b) Placing of 394,080,000 Existing Shares at HK\$0.145 per Existing Share under specific mandate	approximately HK\$55.43 million	(i) approximately HK\$8 million would be used for development and/or acquisition of the primary school tutoring services, skill course and test preparation course; (ii) approximately HK\$25 million would be used for brand image building and promotion campaign;	(i) the entire amount has been fully utilised as intended. (ii) approximately HK\$20.5 million has been utilised as intended and approximately HK\$4.5 million has not yet been utilised.

Date of Announcement	Fund raising activity	Net Proceeds	Intended use of net proceeds	Actual use of net proceeds as at the date of this announcement
			(iii) approximately HK\$15 million would be used for the development and operation of online education platform; and	(iii) the allocated amount has not yet been utilised.
			(iv) approximately HK\$7 million would be used for the rental expenses of the Group's education centres.	(iv) the entire amount has been fully utilised as intended.

ADJUSTMENTS TO THE OUTSTANDING OPTIONS

Pursuant to the terms of the share options scheme of the Company, adjustments to the terms of Outstanding Options may be made in the event of any alteration in the capital structure of the Company including by way of capitalisation issue and a rights issue. The Company will engage an independent valuer to certify the relevant adjustments (if any) that ought to be made to the Outstanding Options and will make further announcement(s) as and when appropriate.

IMPLICATIONS UNDER THE LISTING RULES

In compliance with Rule 7.19(6)(a) of the Listing Rules, the Rights Issue (with the Bonus Issue) must be made conditional on approval of the Independent Shareholders by way of poll at the SGM and any controlling Shareholder and their associates or, where there is no controlling Shareholder, the Directors (other than independent non-executive Directors), the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder. As at the date of this announcement, the Company had no controlling Shareholder.

Beautiful Choice, a company wholly owned by Mr. Lee, who is an executive Director, is interested in 133,832,000 Existing Shares (or 26,766,400 New Shares upon the Capital Reorganisation becoming effective) as at the date of this announcement. Accordingly, Beautiful Choice shall abstain from voting in favour of the resolution(s) relating to the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder. Save as disclosed above, none of the Directors (other than independent non-executive Directors) or the chief executive of the Company and their respective associates holds any Shares as at the date of this announcement.

An Independent Board Committee comprising all the independent non-executive Directors has been formed to make recommendations to the Independent Shareholders in respect of the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder. Donvex Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. The appointment of Donvex Capital has been approved by the Independent Board Committee.

GENERAL

The SGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Rights Issue (including, but not limited to, the exclusion of the offer of the Rights Issue (with the Bonus Issue) to the Excluded Shareholders), the Bonus Issue and the transactions contemplated thereunder. The circular containing, among other things, further details of (i) the Rights Issue (with the Bonus Issue) and the transactions contemplated under the Underwriting Agreement; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders setting out its recommendation in respect of the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder; and (iv) the notice of the SGM, will be despatched to the Shareholders on or before Tuesday, 16 June 2015.

To determine the entitlements to attend the SGM, the register of members of the Company will be closed for transfer of New Shares from Friday, 26 June 2015 to Friday, 3 July 2015 (both days inclusive). No transfer of New Shares will be registered during this period.

In order to be registered as members of the Company at the close of business on Friday, 3 July 2015 (being the record date for attendance and voting at the SGM), Shareholders must lodge any transfer of Shares (together with the relevant share certificates) with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Thursday, 25 June 2015.

Subject to the approval of the Rights Issue (with the Bonus Issue) by the Independent Shareholders at the SGM, the Prospectus Documents setting out details of the Rights Issue (with the Bonus Issue) will be despatched to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus (without the PAL and EAF) will be despatched to the Excluded Shareholders for information only on the Prospectus Posting Date.

TRADING HALT AND RESUMPTION

At the request of the Company, trading in the Existing Shares on the Stock Exchange has been halted with effect from 10:34 a.m. on Friday, 24 April 2015 pending the release of this announcement.

Application has been made to the Stock Exchange for the resumption of trading of the Existing Shares on the Stock Exchange with effect from 9:00 a.m. on Monday, 27 April 2015.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Adoption of New Memorandum of Continuance and Bye-laws”	the proposed adoption of the new memorandum of continuance of the Company and a new set of bye-laws, both to take effect upon continuation of the Company in Bermuda, in compliance with the laws of Bermuda to replace, respectively, the existing memorandum of association of the Company and the existing articles of association of the Company
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“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Beautiful Choice”	Beautiful Choice Investments Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly owned by Mr. Lee, an executive Director
“Board”	the board of Directors
“Bonus Issue”	the proposed allotment and issue of the Bonus Shares, credited as fully paid, to the first registered holders of the Rights Shares on the basis of one (1) Bonus Share for every two (2) Rights Shares taken up under the Rights Issue
“Bonus Share(s)”	New Share(s) to be allotted and issued pursuant to the Bonus Issue, being not less than 651,878,400 Bonus Shares and not more than 681,756,800 Bonus Shares
“Business Day”	a day (excluding Saturday and Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“Capital Reduction”	the proposed reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.49 on each of the issued Consolidated Shares such that the nominal value of each issued Consolidated Share will be reduced from HK\$0.50 to HK\$0.01

“Capital Reorganisation”	the proposed reorganisation of the share capital of the Company involving the Share Consolidation, the Capital Reduction and the Share Subdivision, the proposal of which have been approved by the Shareholders at the 2015 EGM subject to other conditions thereof, details of which are disclosed in the March Circular and the Poll Results Announcement
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size for trading of New Shares on the Stock Exchange from 2,000 to 8,000 upon the Capital Reorganisation becoming effective, details of which are disclosed in the March Circular
“Change of Domicile”	the proposed change of domicile of the Company from the Cayman Islands to Bermuda, the proposal of which have been approved by the Shareholders at the 2015 EGM subject to other conditions thereof, details of which are disclosed in the March Circular and the Poll Results Announcement
“close associate”	has the meaning ascribed thereto under the Listing Rules
“Company”	Hong Kong Education (Int’l) Investments Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Consolidated Share(s)”	ordinary share(s) of HK\$0.50 each in the share capital of the Company immediately after the Share Consolidation becoming effective but before the Capital Reduction and the Share Subdivision becoming effective
“controlling Shareholder”	has the meaning ascribed thereto under the Listing Rules

“Director(s)”	the director(s) of the Company
“Director Options”	the Outstanding Options held by the Directors as at the date of this announcement
“Director Undertakings”	the irrevocable undertakings dated 24 April 2015 respectively executed by each of Mr. Lee and Ms. Wu in accordance with the Underwriting Agreement, pursuant to which he/she has undertaken to the Company not to exercise the subscription rights attaching to his/her respective Director Options from the date thereof until the date on which trading of the Rights Shares (in their fully-paid form) commences on the Stock Exchange
“Donvex Capital” or “Independent Financial Adviser”	Donvex Capital Limited, a corporation licensed under the SFO to carry out type 6 (advising on corporation finance) regulated activity and the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder
“EAF(s)”	the form of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, being in such usual form as may be agreed between the Company and the Underwriter
“Excluded Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Shares (and the Bonus Shares) to such Shareholder(s) on account either of legal restrictions under the laws of relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Existing Share(s)”	ordinary share(s) of HK0.10 each in the existing share capital of the Company

“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Board comprising all the independent non-executive Directors, established to advise the Independent Shareholders of the Rights Issue (with the Bonus Issue) and the transactions contemplated thereunder
“Independent Shareholder(s)”	any Shareholder(s) other than the controlling Shareholder(s) and their respective associates or, where there are no controlling Shareholder(s), the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates
“JV Company”	Vision Smart Limited, a company incorporated in Hong Kong with limited liability, which is owned as to 49% by the Group and as to 51% by an independent third party of the Company as at the date of this announcement
“Last Trading Day”	23 April 2015, being the date of the last full trading day prior to the publication of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 30 July 2015 or such other time or date as may be agreed between the Company and the Underwriter, being the latest time for acceptance of, and payment for, the Rights Shares and the application and payment for the excess Rights Shares and if there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on such day (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; and (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be extended to the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

“Latest Time for Termination”	4:00 p.m. on Friday, 31 July 2015, being the first Business Day after the Latest Time for Acceptance, or such other time as may be agreed between the Company and the Underwriter
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“March Circular”	the circular of the Company dated 30 March 2015 in relation to, among other matters, the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Capital Reorganisation and the Change in Board Lot Size
“Mr. Lee”	Mr. Lee Wai Lok, Ignatious, an executive Director, who is also the vice chairman and the chief executive officer of the Company
“Ms. Wu”	Ms. Wu Mei Chu, an executive Director
“New Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company immediately after the Capital Reorganisation becoming effective
“Outstanding Options”	the options granted by the Company under its share option scheme adopted in accordance with the Listing Rules which entitle the holders thereof to subscribe for up to 96,400,000 Existing Shares (or, where applicable, equivalent to 19,280,000 New Shares) as at the date of this announcement
“Overseas Shareholder(s)”	Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the Record Date) which is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be used in connection with the Rights Issue (with the Bonus Issue)

“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Poll Results Announcement”	the poll results announcement of the Company dated 22 April 2015 in relation to, among other matters, the approval by the Shareholders at the 2015 EGM of the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws and the Capital Reorganisation
“Prospectus”	the prospectus to be issued by the Company in connection with the Rights Issue (with the Bonus Issue) in the agreed form expected to be dated the Prospectus Posting Date
“Prospectus Documents”	the Prospectus, the PAL and the EAF
“Prospectus Posting Date”	Thursday, 16 July 2015 or such other date as may be agreed between the Company and the Underwriter, being the date of despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company on the Record Date, other than the Excluded Shareholders
“Record Date”	Wednesday, 15 July 2015 or such other date as may be agreed between the Company and the Underwriter in accordance with the relevant regulations or requirements
“Rights Issue”	the proposed allotment and issue of the Rights Shares by way of rights issue on the basis of four (4) Rights Shares for every one (1) New Share held on the Record Date at the Subscription Price pursuant to the Prospectus Documents and as contemplated under the Underwriting Agreement

“Rights Share(s) ”	New Share(s) to be allotted and issued under the Rights Issue, being not less than 1,303,756,800 Rights Shares and not more than 1,363,513,600 Rights Shares, which on allotment will have Bonus Shares (for no additional payment) being allotted under the Bonus Issue, proposed to be offered to the Qualifying Shareholders pursuant to the Rights Issue for subscription on the terms set out in the Underwriting Agreement and in the Prospectus Documents
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held on Friday, 3 July 2015 (or any adjournment thereof) to consider and, if thought fit, approve the Rights Issue, the Bonus Issue and the transactions contemplated thereunder
“Share(s)”	Existing Share(s), or as the case may be, the New Share(s)
“Share Consolidation”	the proposed consolidation of every five (5) issued and unissued Existing Shares into one (1) Consolidated Share
“Shareholder(s)”	holder(s) of the Share(s)
“Share Subdivision”	the proposed sub-division of each of the authorised but unissued Consolidated Shares of HK\$0.50 each into fifty (50) New Shares of HK\$0.01 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$0.295 per Rights Share at which the Rights Shares are proposed to be offered for subscription
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers, as modified, amended and supplemented from time to time

“Underwriter”	Jun Yang Securities Company Limited, a corporation licensed under the SFO to carry out type 1 (dealing in securities) regulated activity
“Underwriting Agreement”	the underwriting agreement dated 24 April 2015 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue (with the Bonus Issue)
“Underwritten Shares”	such number equal to the actual number of the Rights Shares
“%”	per cent.
“2015 EGM”	the extraordinary general meeting of the Company held on 22 April 2015, at which the Shareholders approved, among other matters, the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws and the Capital Reorganisation, details of which are disclosed in the Poll Results Announcement

By order of the Board
Hong Kong Education (Int’l) Investments Limited
Lee Wai Lok, Ignatious
Executive Director

Hong Kong, 24 April 2015

As of the date of this announcement, the executive Directors are Mr. Wong Yuk Tong, Mr. Lee Wai Lok, Ignatious and Ms. Wu Mei Chu; and the independent non-executive Directors are Mr. Ong Chi King, Mr. Lee Shu Fai and Mr. Pun Kwok Shan.