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EVI Education Asia Limited

EVI 教育亞洲有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8090)

ANNOUNCEMENT

Summerview, the existing controlling shareholder of the Company, has sold an aggregate of 426,900,000 Shares beneficially owned by it to three independent Placees on 14 March 2005. After taking into account the Share Sales, the public float of the Company would be 20% upon completion of the Subscription.

Each of the Placees, and its ultimate beneficial owner in the case of a corporate placee, is not a connected person of the Company (as defined under the GEM Listing Rules) and is independent of and not connected with the Directors, substantial shareholders, management shareholders and chief executives of the Company and Midland and the Subscriber or any of their respective subsidiaries or associates (as defined under the GEM Listing Rules).

All conditions precedent to the completion of the Subscription have been fulfilled and Completion is scheduled to take place on 15 March 2005.

Reference is made to the circular of EVI Education Asia Limited (the “Company”) dated 16 February 2005 (the “Circular”) in relation to, among other things, the subscription of 4,300,000,000 new shares of the Company by Valuwit Assets Limited which is a wholly-owned subsidiary of Midland. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular unless the context herein requires otherwise.

SHARE SALES

It was mentioned in the Circular that upon completion of the Subscription, the public float of the Company would have fallen below 20% if no placing of existing Shares were made prior to Completion. The Company was informed by Summerview, the existing controlling shareholder of the Company, that it

* for identification purpose only

has sold an aggregate of 426,900,000 Shares to three independent parties (the “Placees”) at HK\$0.03 per Share (the “Share Sales”), breakdown is as follows:

	No. of Shares
Placee I	6,900,000
Placee II	195,000,000
Placee III	<u>225,000,000</u>
Total :	<u>426,900,000</u>

The Share Sales were executed through the Stock Exchange on 14 March 2005. Each of the Placees, and its ultimate beneficial owner in the case of a corporate placee, is not a connected person of the Company (as defined under the GEM Listing Rules) and is independent of and not connected with the Directors, substantial shareholders, management shareholders and chief executives of the Company and Midland and the Subscriber or any of their respective subsidiaries or associates (as defined under the GEM Listing Rules). After taking into account the Share Sales, the public float of the Company would be 20% upon completion of the Subscription, as illustrated in the following table:

Shareholders	Shares held as at the date of this announcement	%	Shares held after taking into account the Share Sales and the Subscription	%
Public shareholders of the Company				
Placee I (Note 1)	850,000	0.02	7,750,000	0.09
Placee II	–	–	195,000,000	2.35
Placee III (Note 2)	108,440,000	2.71	333,440,000	4.02
Others	<u>1,123,900,000</u>	<u>28.10</u>	<u>1,123,900,000</u>	<u>13.54</u>
	1,233,190,000	30.83	1,660,090,000	20.00
Mr. Pong	2,762,810,000 (Note 3)	69.07	2,335,910,000	28.14
Mr. Cheung (Note 4)	4,000,000	0.10	4,000,000	0.05
The Subscriber or its nominee	<u>–</u>	<u>–</u>	<u>4,300,000,000</u>	<u>51.81</u>
	<u>4,000,000,000</u>	<u>100.00</u>	<u>8,300,000,000</u>	<u>100.00</u>

Notes:

1. Includes 850,000 Shares held by an associate of Placee I.
2. Includes 108,440,000 Shares already held by Placee II prior to the date of this announcement.
3. As at the date of this announcement, an aggregate of 2,762,810,000 Shares were beneficially owned by Mr. Pong, where a total of 153,610,000 were registered in the name of Mr. Pong and 2,609,200,000 Shares were registered in the name of Summerview. The entire issued share capital of Summerview is registered in the name of and beneficially owned by Mr. Pong.
4. Mr. Cheung is one of the executive directors of the Company.

COMPLETION OF THE SUBSCRIPTION

The Board would like to announce that all conditions precedent to the completion of the Subscription have been fulfilled and Completion is scheduled to take place on 15 March 2005.

GENERAL

The Board has noted the increase in the trading volume of the Shares on the Stock Exchange today and wish to state that save for the Share Sales, it is not aware of any reasons for such increase.

The Board also confirm that save for the Subscription, there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of which collectively and individually accept responsibility for the accuracy of this announcement.

By order of the Board
EVI Education Asia Limited
Pong Wai San, Wilson
Chairman

Hong Kong, 14 March 2005

As at the date of this announcement, the Board comprises seven directors, of which (i) four are executive Directors, namely Mr. Pong Wai San, Wilson, Mr. Cheung Shi Kwan, Wings, Ms. Pong Lo Shuk Yin, Dorothy and Mr. Lau Wai Shu, and (ii) three are independent non-executive Directors, namely Mr. Hung Tak Chow, Charles, Mr. Hung Fan Wai, Wilfred and Mr. Lai Hin Wing, Henry.

This announcement for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all of their opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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