

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your shares in EVI Education Asia Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

CHANGE OF AUDITORS

A notice convening the EGM of the Company to be held at Rooms 2505–08, 25th Floor, World-wide House, 19 Des Voeux Road Central, Hong Kong on 31 May 2007 at 12:30 p.m. (or so soon thereafter as another extraordinary general meeting of the Company convened at the same place and date at 12:00 noon shall have been concluded or adjourned) is set out on page 6 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the meeting in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar, Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least 7 days from the date of its posting.

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate.

Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors. Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Articles”	the articles of association of the Company and “Article” shall mean an article of the Articles
“Board”	the board of Directors from time to time
“Change of Auditors”	the change of auditors of the Company involving the resignation of Grant Thornton as auditors of the Company and subject to the Shareholders’ approval at the EGM, the proposed appointment of PricewaterhouseCoopers as new auditors of the Company to fill the vacancy following the resignation of Grant Thornton
“Company”	EVI Education Asia Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on GEM
“Directors”	the directors of the Company from time to time
“EGM”	the extraordinary general meeting of the Company to be held and convened to consider and approve the Change of Auditors
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Grant Thornton”	Messrs Grant Thornton, Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	11 May 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Midland”	Midland Holdings Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the main board operated by the Stock Exchange

DEFINITIONS

“PricewaterhouseCoopers”	Messrs PricewaterhouseCoopers, Certified Public Accounts, the proposed new auditors of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



EVI Education Asia Limited

EVI 教育亞洲有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8090)

Executive Director:

Ms. Ip Kit Yee, Kitty
Mr. Pong Wai San, Wilson
Mr. Lau Wai Shu

Non-executive Director:

Mr. Tsang Link Carl, Brian

Independent non-executive Directors:

Mr. Koo Fook Sun, Louis
Mr. Sha Pau, Eric
Mr. Ying Wing Cheung

Registered Office:

Cricket Square,
Hutchins Drive,
P.O. Box 2681,
Grand Cayman KY1-1111,
Cayman Islands

*Head Office and Principal Place
of Business:*

9th Floor,
Tai Sang Commercial Building,
24-34 Hennessy Road,
Hong Kong

14 May 2007

To the Shareholders

Dear Sir or Madam,

CHANGE OF AUDITORS

INTRODUCTION

Reference is made to the announcement of the Company dated 10 May 2007 in relation to the Change of Auditors. The purpose of this circular is to provide you with (i) details of the Change of Auditors; and (ii) the notice of EGM.

CHANGE OF AUDITORS

As announced in the announcement of the Company dated 10 May 2007, Grant Thornton have resigned as auditors of the Company with effect from 10 May 2007. The Board proposes to appoint PricewaterhouseCoopers as the new auditors of the Company to fill the vacancy following the resignation of Grant Thornton. Pursuant to the Articles, such appointment has to be approved by the Shareholders at the EGM.

* For identification purpose only

LETTER FROM THE BOARD

Grant Thornton has confirmed that there were no matters that needed to be brought to the attention of the Shareholders. Moreover, the Board was not aware of any matters, including any disagreement or any unresolved issues between the Company and Grant Thornton that should be brought to the attention of the Shareholders and creditors of the Company in relation to the resignation of Grant Thornton.

PricewaterhouseCoopers are also the auditors of Midland, the Company's ultimate holding company. The Board is of the view that the change of auditors can streamline the audit process by appointing the same auditors of Midland and enhance costs savings for benefit of the Company.

EGM

Set out on page 6 of this circular is a notice convening the EGM to consider and, if thought fit, to approve the ordinary resolution in respect of the Change of Auditors. A form of proxy for use at the EGM is enclosed herewith.

Whether or not you intend to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar, Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM in person if you so wish.

PROCEDURES FOR DEMANDING A POLL

Pursuant to the Articles, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded.

Subject to the provisions of the applicable laws and the GEM Listing Rules, a poll may be demanded:

- (i) by the chairman of such meeting; or
- (ii) by at least five members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) by a member or members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or

LETTER FROM THE BOARD

- (iv) by a member or members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorized representative shall be deemed to be the same as a demand by a member.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the Change of Auditors is in the interests of the Company and the Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of the ordinary resolution approving the Change of Auditors at the EGM.

By Order of the Board
EVI Education Asia Limited
IP Kit Yee, Kitty
Executive Director and Managing Director

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

NOTICE OF EGM



EVI Education Asia Limited **EVI 教育亞洲有限公司***

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8090)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “Meeting”) of EVI Education Asia Limited (the “Company”) will be held at Rooms 2505–08, 25th Floor, World-wide House, 19 Des Voeux Road Central, Hong Kong on 31 May 2007 at 12:30 p.m. (or so soon thereafter as another extraordinary general meeting of the Company convened at the same place and date at 12:00 noon shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution with or without amendments as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** the resignation of Messrs. Grant Thornton as auditors of the Company be and is hereby approved and Messrs. PricewaterhouseCoopers be and is hereby appointed as auditors of the Company to fill the casual vacancy following the resignation of Messrs. Grant Thornton and to hold office until the conclusion of the next annual general meeting of the Company and the board of directors of the Company be authorised to fix their remuneration.”

By Order of the Board
EVI Education Asia Limited
IP Kit Yee, Kitty
Executive Director and Managing Director

Hong Kong, 14 May 2007

* For identification purpose only

NOTICE OF EGM

Notes:

- (1) A shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint one or two proxies (if holding two or more shares) to attend and, in the event of a poll, vote in his/her stead. A proxy need not be a shareholder of the Company.
- (2) A form of proxy for use at the meeting is enclosed. Whether or not you intend to attend the meeting in person, you are urged to complete and return the form of proxy in accordance with the instructions printed thereon.
- (3) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's branch share registrars in Hong Kong, Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting, and in default, the instrument of proxy shall not be treated as valid.
- (4) Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (5) Where there are joint holders of any share of the Company, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the meeting personally or by proxy, that one of such holders whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased shareholder in whose name any share stands shall for this purpose be deemed joint holders thereof.