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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 and continued in Bermuda with limited liability)
(Stock Code: 1082)

UPDATES ON BUSINESS AND FINANCIAL PERFORMANCE OF THE GROUP

This announcement is made by Hong Kong Education (Int'l) Investments Limited ("**Company**" together with its subsidiaries, "**Group**") pursuant to Rule 13.09 of the Rules ("**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board ("**Board**") of directors ("**Directors**") of the Company wishes to provide some updates on the business and financial performance of the Group.

PROVISION OF PRIVATE EDUCATIONAL SERVICES

Year 2020 is a difficult time to the private education industry. The situation of the coronavirus disease 2019 (COVID-19) epidemic has been fluctuating and the Education Bureau has directed schools to suspend face-to-face classes on a number of occasions since late January 2020. As a result, the Group's business operations in provision of private educational services have been adversely affected. During year 2020, the Group has strict cost control measures and closed down some of the learning centres. At present, there are 1 learning centre operated by the Group under the brand of "Modern Education (現代教育)", 7 directly-owned education centres and 34 franchised centres operated under the brand of "Modern Bachelor Education (現代小學士)" and 1 dance college operated by the Group under the brand of Shelly Lo Jazz and Ballet School. Based on preliminary review of the unaudited consolidated management accounts of the Group for the five months ended 30 November 2020, the Group is expected to record a substantial decrease in revenue from provision of private educational services of around 70% for the six months ended 31 December 2020, as compared to that for the six months ended 31 December 2019 of approximately HK$44.5 million. Such substantial decrease was mainly attributable to the suspension of face-to-face class as directed by the Education Bureau, decrease in number of learning centres and number of enrolments.

With the strict cost control measures and the subsidy from the Anti-epidemic Fund of the Hong Kong Government, it is expected that the Group will record a segmental loss of around HK$2 million for the six months ended 31 December 2020, as compared to a segmental loss of approximately HK$21.6 million for the six months ended 31 December 2019.

PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group is expected to record profit attributable to owners of the Company of around HK$3 million to HK$4 million as compared to a loss attributable to owners of the Company of approximately HK$35.3 million for the six months ended 31 December 2019. Such turnaround was mainly attributable to (a) the reversal of impairment loss on other loan receivables of approximately HK$11 million; (b) the decrease in loss arising on change in fair value of financial assets at fair value through profit or loss to approximately HK$2.6 million (for the six months ended 31 December 2019: loss of approximately HK$9.4 million) and (c) the decrease in segmental loss from provision of private educational services as discussed above.

GENERAL

The information contained in this announcement is only based on the preliminary assessment by the Company's management on the information currently available, which has not been confirmed nor reviewed by the Company's auditors and the audit committee of the Board. The information contained herein and the financial results of the Group for the six months ended 31 December 2020 will be subject to further adjustment after further review by the Company's management.

The Company is in the process of finalising the consolidated interim results of the Group for the six months ended 31 December 2020. The interim results of the Group for the six months ended 31 December 2020 is expected to be released by the end of February 2021.

By order of the Board
Hong Kong Education (Int'l) Investments Limited
Tsang Ka Wai
Executive Director

Hong Kong, 20 January 2021

As of the date of this announcement, the executive Directors are Mr. Tsang Ka Wai and Mr. Wong King Hoi; and the independent non-executive Directors are Ms. Jor Stephanie Wing Yee, Mr. Leung Ki Chi James and Mr. Fenn David.