

September 22 1999

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## HENG FUNG HOLDINGS COMPANY LIMITED

(incorporated in Hong Kong with limited liability)

### SUBSCRIPTION OF CONVERTIBLE NOTE IN ONLINE EDUCATION LIMITED

The Company has agreed to subscribe for the Note of OLE with a face value of US\$1 million with interest payable at 12% p.a. and a maturity of 18 months. The Note is convertible upon maturity into a maximum of 60% of the enlarged issued share capital of OLE.

OLE is engaged in the provision of internet educational services involving the applying of internet technology in the provision of distance learning programmes.

**AGREEMENT DATED 21ST SEPTEMBER, 1999 TO SUBSCRIBE FOR A US\$1 MILLION CONVERTIBLE NOTE (THE "AGREEMENT")**

#### 1. PARTIES

**Issuer:** OnLine Education Limited ("OLE"), a private limited company incorporated in Hong Kong.

**Subscriber:** Heng Fung Finance Company Limited, a subsidiary of Heng Fung Holdings Company Limited (the "Company"), a company incorporated in Hong Kong with limited liability with securities listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

#### 2. SECURITIES SUBSCRIBED

A convertible note in the aggregate amount of US\$1 million (the "Note"). Interest is payable at 12% p.a.. The Note has a maturity of 18 months. The Note is convertible (between the date of issue and prior to its maturity) into a maximum of 30% of the enlarged issued share capital of OLE. Upon maturity of the Note, unless previously converted or cancelled, or the shares of OLE have been listed on any authorised stock exchange, the shares of OLE issued from conversion of the Note will be adjusted so as to represent 60% of the enlarged issued share capital of OLE. In the event that the Note is repaid in full, the Company will be granted a post-repayment option to subscribe for a maximum of 30% interest in OLE at US\$1 million exercisable within 5 years from the date of issue of the Note. Completion of the Subscription is subject to satisfactory due diligence review by the Company on or before 23rd September, 1999.

#### 3. PRINCIPLE BUSINESS OF OLE

OLE is incorporated and its main offices are located in Hong Kong. OLE is engaged in the provision of internet educational services involving the applying of internet technology in the provision of distance learning programmes. OLE launched the OnLine Campus service where students can study dynamic course materials, discuss issues with online tutors and chat with fellow students in the chat rooms provided through netmeetings or by email. OLE currently works in conjunction with the Oxford Brookes University in the United Kingdom and Charles Sturt University in Australia to provide degree courses in areas of hospitality, real estate, applied finance, health services management and business studies.

#### 4. RESPONSE TO CERTAIN PRESS REPORTS

The Board has also noted certain press reports that eVision USA.Com. Inc. ("eVision") is planning for obtaining separate listings of eBanker USA.Com. Inc. and eBroker USA.Com. Inc. on the NASDAQ Stock Market in the US. The Directors wish to state that eBanker USA.Com. Inc. is a 28% owned associated company of eVision and eBroker USA.Com. Inc. is a wholly owned subsidiary of eVision, which in turn is a 38.1% owned associated company of the Company. The Directors have been informed by eVision that the proposed separate listing of eBanker USA.Com. Inc. and eBroker USA.Com. Inc. are in their preliminary stages and no definite plans had been decided by the board of eVision, and the terms had not been decided. The Company will keep shareholders and the public informed of material developments in the above proposals.

#### 5. PRICE FLUCTUATIONS OF THE SHARES OF THE COMPANY

The Board has noted the increases in the trading volume and price of the shares of the Company today. The Directors wish to state that save for the Subscription and the proposed separate listings mentioned above, there are no other negotiations or agreements in relation to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement, nor are the Directors aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Shareholders are advised to exercise caution in their dealings in the shares of the Company.

By order of the board  
Heng Fung Holdings Company Limited  
Chan Heng Fai  
Chairman and Managing Director