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31 January 2019

Starcrest Education The Belt & Road Limited

(“Starcrest” or the “Company” or the “Group”)

Admission to Trading and First Day of Dealings

Starcrest Education The Belt & Road Limited (LSE: OBOR), the international developer and operator of education services in Europe, is pleased to announce the admission today of its Ordinary Shares to trading on the standard segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities (together, "Admission"). Dealings in the Ordinary Shares commence at 8.00 am today, 31 January 2019 under the ticker "OBOR" and ISIN number of KYG843791099.

Highlights

- Starcrest has raised gross proceeds of approximately £4.152 million (Net Proceeds of approximately £3.590 million) via a Subscription.
- Through acquisitions, the Company intends to capture opportunities arising from the “One Belt, One Road” (“OBOR”) initiative, a foreign policy and economic strategy of the Chinese Government, to provide top quality education services and products to countries in Europe.
- There is a significant market opportunity arising from the OBOR initiative in the international education industry.
- The Silk Route Fund, a Chinese Government owned investment fund, has pledged approximately US\$40 billion worth of initial funds to support projects under the OBOR initiative since 2014.
- The Board has extensive experience of the both the education industry in Europe and expertise in corporate acquisitions and capital markets.

Subscription and Admission Statistics

Issue Price per Ordinary Share	20 pence
Gross proceeds of the Subscription	£4.152 million
Net proceeds of the Subscription receivable by the Company	£3.590 million
Number of Ordinary Shares in issue immediately following Admission	21,560,000
Market capitalisation of the Company at the Issue Price at Admission	£4.312 million

John McLean OBE, Non-Executive Chairman of Starcrest Education commented: “I am delighted that Starcrest has joined the London Stock Exchange. The Admission will enable the newly formed company to capture opportunities arising from the “One Belt, One Road” (“OBOR”) initiative in China and provide high quality education services to countries in Europe.

“The Board has extensive experience and contacts within the education sector, as well as acquisition and capital markets expertise. We are therefore well placed to capitalise on the enormous potential and fast changing nature of the international education industry and the opportunities arising from the OBOR initiative.

“Starcrest is excited by the prospects that now present themselves to us as a listed company which we believe will enhance our profile and provide access to the UK equity markets to support future growth. We now look forward to expanding our portfolio across Europe and I personally look forward to updating our new shareholders and other investors with our progress as a public company in due course.”

- Ends -

Copies of the Prospectus, published by the Company on 29 January 2019 in connection with Admission are available from the office of the Company's Financial Adviser and Broker, Allenby Capital Limited, located at 5 St. Helen's Place, London EC3A 6AB, the Company's website at <https://www.starcresteducation.com> and at the National Storage Mechanism at www.morningstar.co.uk/uk/NSM.

Enquires:

Starcrest Education

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Notes to editors:

Starcrest Education The Belt & Road Limited (“Starcrest”) is an international developer and operator of education services in Europe. The newly formed entity has been established to seek acquisition opportunities in the international education sector. The Company intends to capture opportunities arising from the “One Belt, One Road” (“OBOR”) initiative, a foreign policy and economic strategy of the Chinese Government.

Background

Starcrest is a newly formed entity established to seek acquisition opportunities in the international education sector. The Company was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on 23 May 2018. The Company has never traded and, save as set out in the Prospectus, has not entered into any significant transactions or financial commitments.

The Company intends to capture opportunities arising from the “One Belt, One Road” (“OBOR”) initiative to provide high quality education services and products to countries in Europe. The Board has extensive experience in the education industry, particularly in the higher education sector in Europe, and has established a network of contacts internationally within the education industry. In addition, several of the Directors also have extensive experience in corporate acquisitions and capital markets.

The Company is seeking admission of its Ordinary Shares to the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and is applying to the London Stock Exchange for the Ordinary Shares to be admitted to trading on its Main Market. In conjunction with this, the Company has raised gross proceeds of approximately £4.152 million (Net Proceeds of approximately £3.590 million) through a Subscription.

On Admission, the Company will have no assets other than cash on bank deposit. The Company does not have any secured, unsecured or unguaranteed indebtedness, including direct and contingent indebtedness.

The OBOR initiative

The OBOR initiative is a foreign policy and economic strategy of the Chinese Government. The term derives from the Silk Road, the ancient trade route, and encompasses the overland ‘Silk Road Economic Belt’ and the ‘21st-Century Maritime Silk Road,’ concepts introduced by Chinese President Mr Xi Jinping in 2013. These are the two major axes along which China proposes to economically link Europe to China through countries across Eurasia and the Indian Ocean. The OBOR initiative also links to Africa and Oceania.

The Silk Route Fund, a Chinese Government owned investment fund, has pledged approximately US\$40 billion worth of initial funds to support projects under the OBOR initiative since 2014. In March 2017, private investors in China set up the Green Silk Road fund with an initial capital of approximately Renminbi (“RMB”) 30 billion or \$4.4 billion. Total infrastructure investment as part of the OBOR initiative is estimated to exceed \$1 trillion, and if its objectives are achieved, the initiative would involve 65 countries (which account for approximately 40 per cent. of the world’s gross domestic product), with the OBOR initiative impacting about to 4.4 billion persons across the world.

Opportunities within the education industry

The Directors are fully aware of the enormous potential and fast changing nature of the international education industry and the opportunities arising from the OBOR initiative.

By the end of 2016, Chinese universities had established four joint venture institutes approved by the Chinese Ministry of Education and 98 education projects in 14 countries, most of which are situated along the OBOR countries. Around 60 per cent. of Chinese government scholarships in 2016 were awarded to students from OBOR countries.

By November 2017, the Chinese Ministry of Education had signed OBOR education agreements with 13 Chinese provinces, covering almost all Chinese regions participating in OBOR. In 2015, Xi’an Jiaotong University in Shanxi province established the “University Alliance of the Silk Road” to serve as a platform for higher education cooperation among the OBOR countries. By November 2017 this alliance’s members included 135 universities from 36 countries and regions.

Domestically within China, the education market is also growing sharply, especially in the higher education sector. According to a report prepared by Frost & Sullivan, the higher education industry in China has experienced steady growth over the past few years. Data collected by National Bureau of Statistics of China and the Chinese Ministry of Education shows that the total revenues generated by China's higher education industry increased from approximately RMB780.2 billion (US\$114.5 billion) in 2012 to approximately RMB1,010.9 billion (US\$148.4 billion) in 2016 and are expected to further increase to approximately RMB1,395.2 billion (US\$204.8 billion) in 2021. The number of student's enrolling in higher education in China steadily increased from approximately 25.6 million in 2012 to approximately 28.9 million in 2016 and is expected to further increase to 33.0 million in 2021.

The Company's strategy

The Directors will devise and adopt a business model in the education sector that will:

- Fully utilise the strength, scope and expertise of their education network and resources;
- Take advantage of the policy and funding support under the OBOR initiative;
- Provide high quality Chinese education and training to foreign employees of Chinese companies operating outside of China; and
- Introduce mature and advanced education resources into the Chinese market.

The Company is inspired by the vision of the Chinese Government shown in its OBOR initiative and would like to provide high quality services in the education sector through the businesses acquired by the Company along the OBOR routes. The extensive contacts of the Directors in Asia and Europe are expected to enable the Company to search for and acquire suitable businesses for the provision of these education services. Once a target has been acquired, the Company's strategy will focus on the provision of intellectual support as well as skills and/or workforce training for companies operating within the OBOR sphere. It will also consider other opportunities within the education industry in their widest sense. It will work with the best in-class education services providers to provide pre-school, K-12, post-secondary education as well as with teaching material developers to provide digital content and instructional solutions, distance learning and other technology-enhanced modes of delivery.

The Company will also provide professional advice to allied education service support providers in areas including, but not limited to, student travel, enrolment management and continuing professional development. The Company's overall strategic objective is to provide innovative solutions that add value to students, employers and the wider society in OBOR countries and beyond.

Company objective

Business strategy – acquisitions

The Company was established to undertake the acquisition of one or more European based schools (by the purchase of either shares or assets) that implements the International Baccalaureate (IB) program.

The Company has not identified a specific target for its first Acquisition at this stage. While there is no restriction as to the geographical location of the targets, it will primarily search for acquisition opportunities of companies and/or businesses in Europe which, in the opinion of the Directors have potential for long-term growth. A tailor-made acquisition strategy will be formulated by the Company based on the characteristics of different targets.

The Company will seek to acquire entities which:

- fit the geography and ethos of the OBOR initiative;
- enjoy local market demand;
- have the capacity to satisfy market demand anticipated from demographic projections; and
- are committed to working ethically in pursuit of the Company's wider strategic aims of promoting and delivering high quality education and skills development.

The criteria set out above are those which the Directors believe to be important in evaluating a prospective target company or business. The list is not intended to be exhaustive. Any evaluation relating to the merits of a particular acquisition will be based on, to the extent relevant, the above factors as well as other considerations deemed relevant to the Company's business objectives and strategy. The Company's focus will initially concentrate on obtaining a controlling interest in one or more target entities.

Operationally, the Company will first conduct a due diligence assessment of the acquisition targets. A more in-depth investigation will be carried out in accordance with best practices employed in the UK and/or elsewhere. The Company will budget for and set aside funds for due diligence investigations once suitable targets have been identified.

The Directors consider that as acquisitions are made and new acquisition opportunities arise, further funding of the Company is likely to be required. The Directors also consider that the potential vendors of target companies and/or businesses will be attracted by the opportunity to hold shares in a London-listed company. As stated above, consideration for an acquisition will be determined on a case-by-case basis following completion of the appropriate due diligence and within the Company's financial capabilities. Such consideration may be in the form of cash or equity (that is, the issue of new Ordinary Shares to sellers of a target or business) or a combination of both. If a vendor requires all or part of the sale consideration to be settled in cash, the Company may, if the Directors deem it appropriate and if required, issue additional Ordinary Shares (to fund working capital or as transaction consideration) or seek debt financing (in the form of bank loans secured on the assets of the target company and/or Company) in order to finance the Acquisition. In structuring an Acquisition, after taking into account the form and manner in which the consideration is paid, the Company and the Board will ensure that the Company will continue to have sufficient working capital for the 12 month period after the Acquisition and that at least 25 per cent. of the Ordinary Shares are held in public hands.

Until such time as an Acquisition is made, it is not possible to determine in which currencies the Company's business may be conducted and denominated, other than pounds sterling.

Acquisition opportunities

Given the Board's network in the education industry in Asia and Europe as well as its extensive experience in corporate acquisitions and capital markets, the Board will be able search for appropriate acquisition opportunities in the education sphere. The Board will start investigating a number of acquisition targets following Admission. Whilst it is not possible to state when the first Acquisition will be completed, the Directors hope to conclude a transaction as soon as possible after Admission.

Business strategy – post-Acquisition

Following the completion of an Acquisition, the Company intends to participate in the management of the acquired business and adopt an operational strategy with the aim of generating value for its Shareholders. The acquired businesses will benefit from the Company's experience and advice, with the intention that Shareholders will enjoy higher returns from the expansion of the Company's business after a series of Acquisitions. In the event that any Acquisition constitutes a "reverse takeover" under the Listing Rules, the Company's Listing on the Official List may be cancelled. However, it is expected that the Company will seek re-admission to the Official List and the Main Market once the Acquisition has completed.

Board of Directors

John McLean OBE - Independent Non-Executive Chairman

Mr McLean OBE has extensive experience in corporate governance and business operations. Mr McLean OBE is currently a board member of the China Britain Business Council and the vice chairman of the Institute of Directors for the City of London. He was the chair of VSO China, and a member of the VSO Federation Council. He has been active in the development of corporate governance initiatives between China and the UK. In 2017, he chaired a report on corporate governance improvements between China and the UK for the British Embassy in Beijing and The Foreign and Commonwealth Office.

In 2007, he joined the board of Humberts Group Plc, an estate agent, and became its executive chairman to lead its rescue and ultimate disposal. Prior to this, he carried out a strategic review for Gamma Holdings NV of their UK interests, including Sanderson, a textile and wallpaper company, and as its UK group managing director successfully implemented the turnaround and disposal plan. In the 1990s, he was the finance director and subsequently promoted to general manager of Insurance Courier Services, an UK logistics and overnight courier business and co-led a management buy-out of the company with 3i Group Plc, prior to its successful disposal to Hays Plc. In addition, Mr McLean OBE is a non-practising chartered accountant and was previously with Coopers & Lybrand in both London and New York. Mr McLean OBE is the chairman of China Food Company Plc, a manufacturer and seller of cooking and dipping sauces in China. He is also the chairman of Sorbic International Plc, a Chinese sorbate producer and distributor. Additionally, he is chairman of Carers Trust. He resides in the UK.

Zhu Xingchen - Executive Director

Mr Zhu has broad experience of operating businesses and making investments in the following sectors: manufacture of electrical equipment, education, culture and tourism. Mr Zhu is the founder of Starcrest Education which has invested in education projects both within and outside China. Starcrest Education was established in 2015 in Guizhou China for the purpose of education consulting, investment in the education industry and management of education businesses following international standards. It is dedicated to providing an education ecosystem that combines and connects advanced education management concepts and business models and introducing high-quality education products and services as well as international education resources to the Chinese market. Mr Zhu is also the executive chairman of Yu Die Holdings Group Company Limited, which participated in the “Colourful Guizhou Street—Out of Mountain Project”, a cultural and tourism project in Guiyang City Hua Xi, China. He resides in China.

Zhang Xiaojun - Executive Director

Mr Zhang has led and was responsible for management of funds, investment and financing services and government liaison for investment into industry specific targets. He is the chief executive officer of Starcrest Education which has invested in education projects both within and outside China. During 2016 and 2017 he was the chief executive officer of First Capital Fund Management Limited, which is a private equity fund focusing on investment in the education industry and a subsidiary of the China First Capital Group Limited (Hong Kong Stock Code: 1269). In 2017, he accomplished a private investment in public equity (PIPE) deal of approximately AUD 95.6 million in G8 Education Limited, the largest kindergarten chain in Australia. He worked at CITIC International Assets Management and CITIC YBN Capital during the period between 2006 and 2016. He later worked for Henan Management Henan Agricultural Development Investment Fund, one of the early industry specific funds established in China, as the general manager. He was also deeply involved in the establishment of seed funds under the Chongqing Industry Investment Fund. Two seed funds focusing on cultural and agricultural industries were successfully established.

Mr. Zhang graduated from Shenzhen University in 1996 and completed a bachelor degree of business (banking and finance) from Monash University in 2002. He also obtained a masters degree of commerce in funds management from the University of New South Wales in 2002. He resides in Australia.

Professor Nicholas Petford DSc - Independent Non-Executive Director

Professor Petford is Vice Chancellor and Chief Executive Officer of the University of Northampton, UK. He is a former Royal Society University Research Fellow and Fellow of Churchill College, Cambridge. A geologist by training, with a Doctor of Science (DSc) from the University of Liverpool, Professor Petford has worked in industry and on academic and commercial research projects throughout the world. He is currently a visiting professor at Macquarie University, Sydney and Communications University China in Beijing. He has an Honorary DSc from Amity University, India, and is a graduate of Harvard Business School.

Professor Petford is currently championing social enterprises and social entrepreneurship across the UK university sector and beyond. During his time as Vice Chancellor, the University of Northampton worked with partners such as Social Enterprise UK, Big Society Capital, Berenberg, Social Economy Alliance and UnLtd, an organisation that finds, funds and supports social enterprise and enterprises people with solutions that change society for the better. Professor Petford is a trustee of UnLtd. He has worked recently with the UK Cabinet Office to promote social value in procurement. The University of Northampton's overseas activities in this area include university partnership activities and collaborations with the British Council in South Korea, China, India, Egypt and Iraq. In 2017, under the leadership of Professor Petford, the University of Northampton was awarded the Social Enterprise Gold Mark in recognition of its excellence in a number of areas, including governance, business ethics, good business practice, social impact and financial transparency, and achieved a gold standard in the UK National Teaching Excellence Framework in recognition of its embedded approach to the involvement of students in research, scholarship and professional practice with strengths in community-based research and scholarship and sector-leading work on social enterprise.

Professor Petford has extensive experience serving on professional bodies at board level. He is chair of the Northamptonshire Health and Wellbeing Board and board member of the Universities and Colleges Employers' Association. He is a Fellow of the Geological Society and Royal Society of the Arts. He is also director of Fluvial Innovations Limited a university spin-out company that manufactures and sells flood defence barriers. He currently resides in the UK.

Norman Cumming - Independent Non-Executive Director

Mr. Cumming is an experienced debt and equity market specialist advising global funds as well as serving on the investment committee of various organisations. He is a founding member of CR Global LLP, a global macro hedge fund investing across the world's bond and currency markets authorised by the FCA. He has been a member of the investment committee of Clare College, Cambridge and a member of the investment advisory board of Stairway Partners LLC.

Over the past 30 years he has worked in various funds and was responsible for managing assets across different markets, maturities and credit quality, for institutional clients and mutual funds. He was a trustee and chairman of the investment committee of UnLtd and was responsible for overseeing all aspects of the investment of UnLtd's endowments across global equities, bonds, property and alternative assets. He was also a director of the Foundation for Social Entrepreneurs. Prior to this Mr. Cumming acted as a non-executive director of MetLife Assurance Ltd.

He was a partner at Makinson Cowell advising blue chip companies on their relationships with bond investors, and all capital markets. He was a founding partner of Brinson Partners which was acquired by Swiss Bank Corporation ("SBC") in 1995 before SBC merged with Union Bank of Switzerland in 1998. He also worked at Shell International Petroleum Co. for six years and H.M. Treasury for four years. Mr. Cumming graduated with a degree of 1st class honour in Economics from Clare College, Cambridge in 1977. He currently resides in the UK.