

**OTHERS K-ONE TECHNOLOGY BERHAD - Business Co-operation Agreement on Joint Development of Business Opportunities for Electronic Learning Services signed with Asia E Learning Sdn Bhd (Asia e University)**

K-ONE TECHNOLOGY BERHAD

Type	Announcement
Subject	OTHERS
Description	K-ONE TECHNOLOGY BERHAD - Business Co-operation Agreement on Joint Development of Business Opportunities for Electronic Learning Services signed with Asia E Learning Sdn Bhd (Asia e University)

The Board of Directors of K-One Technology Bhd. ("K-One Tech") wishes to announce that its wholly-owned subsidiary company, "K-One eLearning Sdn. Bhd ("K-One eLearning") (formerly known as K-One Systems Sdn. Bhd), has entered into a Business Co-operation Agreement ("BCA") on 22 October 2013 with Asia E Learning Sdn. Bhd ("Asia e Learning"), the owner and licence holder of Asia e University ("AeU"), to explore and enhance business opportunities and links in providing electronic learning services for AeU's education training programs. The agreement is for a period of 3 years initially and is renewable with mutual consent.

AeU, licensed by the Ministry of Higher Education, Malaysia is a dual-mode international university set in Asia by Asians for Asia under the Asia Co-operation Dialogue (ACD). Its establishment is an initiative of Malaysia as the prime mover for dual-mode learning with the support of 32 ACD member countries as confirmed at the Islamabad 2005 and Doha 2006 Ministerial Meetings. AeU comprises of 8 Schools (Management, Education, ICT, Humanities & Arts, Graduate Studies, Foundation Studies, Professional & Executive Education and Technical & Engineering Education) with over 20 learning centres around the world.

K-One Tech will leverage on the benefits of innovative technology to blend traditional classroom learning with on-line learning via web-based educational delivery platforms and tools to expand the range, access and flexibility of AeU courses available to students abroad. K-One Tech will initially focus on China, Indonesia and Myanmar where it has an extensive network of supply chain partners and other business contacts. Besides marketing and promotion activities, K-One will be the program partner and co-ordinator for courses offered by AeU to mature students who meet the admission requirements of AeU. K-One Tech will also collaborate with AeU to develop industry-specific technical/vocational and business skills education and training programs to meet the needs of niche markets in which K-One Tech has identified as potential business opportunities for e-learning programs.

The collaboration to pursue electronic learning opportunities with AeU is consistent with K-One Tech's strategic plans to broaden its electronic and technology driven business to other sectors. The Directors are of the view that by expanding electronic learning services to a few countries in the region, the market or operational risks associated with the venture into education services will be diversified. The Directors are of the opinion that the BCA is not expected to have any material effect on the earnings, net assets, share capital, gearing and substantial shareholders' shareholdings of the Group for the financial year ending 31 December 2013, and barring any unforeseen circumstances, the BCA is expected to contribute positively to the earnings and earnings per share of the Group in the future. None of the Directors or major shareholders of the Group or any person connected to them has any direct or indirect interest in the Agreement signed. The Directors of K-One Tech is of the opinion that the BCA entered into is in the best interest of K-One Tech and its shareholders.

This Announcement is dated 22 October 2013.