FRONTIER SERVICES GROUP

FRONTIER SERVICES GROUP LIMITED
(先豐服務集團有限公司*)

(incorporated in Bermuda with limited liability)

(Stock Code: 00500)

LETTER OF INTENT
REGARDING PROPOSED
ACQUISITION OF A LOGISTICS SERVICES COMPANY AND CERTAIN TRUCKING VEHICLES

On 5 February 2015, Frontier Services Group Limited (the "**Company**", together with its subsidiaries referred to as the "**Group**") has entered into a non-legally binding letter of intent with a connected party in relation to the proposed acquisition of a logistics services company and a fleet of vehicles (comprised of trucks, trailers and forklifts) in the Democratic Republic of the Congo ("**DRC**"). Such acquisition, if consummated, will constitute a connected transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") but will be exempt from the circular and shareholders' approval requirements.

PROPOSED ACQUISITION

On 5 February 2015, the Company has entered into a non-legally binding letter of intent with a connected party in relation to the proposed acquisition of a logistics services company and a fleet of vehicles (comprised of trucks, trailers and forklifts) in the DRC. Such acquisition, if consummated, will constitute a connected transaction of the Company under the Listing Rules but will be exempt from the circular and shareholders' approval requirements.

The letter of intent is non-legally binding. The signing of the definitive sale and purchase agreements is subject to further discussions and negotiation of the final commercial terms, all of which are expected to be finalised before the end of March 2015.

The directors of the Company consider the proposed acquisition to be a strategically important opportunity for the Group to establish a commercial presence in the DRC, a large and attractive market, and to expand its existing logistics business throughout Africa.

* *For identification purposes only*

The abovementioned acquisition is subject to the execution of definitive agreements that may or may not be entered into and, therefore, the transaction may or may not be completed. The Company will make further announcement(s) in respect of the transaction as and when appropriate pursuant to the requirements of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Frontier Services Group Limited
Gregg H. Smith
Chief Executive Officer and Executive Director

Hong Kong, 5 February 2015

As at the date of this announcement, the executive Directors are Mr. Erik D. Prince (Chairman), Mr. Ko Chun Shun, Johnson (Deputy Chairman), Mr. Luo Ning (Deputy Chairman), Mr. Gregg H. Smith (Chief Executive Officer), and Mr. Hu Qinggang; and the independent non-executive Directors are Mr. Yap Fat Suan, Henry, Professor Lee Hau Leung, Mr. William J. Fallon and Dr. Harold O. Demuren.