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## **ZHIDAO INTERNATIONAL (HOLDINGS) LIMITED**

**志道國際(控股)有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code : 01220)**

### **(1) TERMINATION OF MEMORANDUM OF UNDERSTANDING IN RELATION TO A POSSIBLE ACQUISITION**

**AND**

### **(2) RESUMPTION OF TRADING**

This announcement is made by Zhidao International (Holdings) Limited (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

#### **TERMINATION OF MEMORANDUM OF UNDERSTANDING IN RELATION TO A POSSIBLE ACQUISITION**

Reference is made to the announcement of the Company dated 19 July 2015 (the "**Announcement**") relating to a memorandum of understanding dated 18 July 2015 (the "**MOU**") relating to the proposed sale and purchase of up to an aggregate of 70% shareholding in Glory Sky Global Markets Limited and Glory Sky Wealth Management Limited for an aggregate consideration of not more than HK\$600 million between the Company as purchaser, Glory Sky Group Limited and Glory Sky Investment Limited as sellers (the "**Potential Transaction**"). As disclosed in the Announcement, the MOU is non-legally binding (save for provisions relating to such as, among others, exclusivity and due diligence, confidentiality and announcement). Unless otherwise stated, capitalized terms used herein shall have the same meaning as those defined in the Announcement.

The Directors wish to inform the shareholders of the Company and investors that the Company received a notice on 1 September 2015 after trading hours from the Sellers informing the Company of their decision not to proceed with the Potential Transaction due to reasons other than any breach of the provisions of the MOU

by the Company. However, having considered information regarding the Target Companies presently available for the purpose of evaluating the Potential Transaction, the Directors have decided not to proceed with the Potential Transaction. The Company has communicated such intention to the Sellers. Accordingly, the Company considers that MOU has been terminated with effect from 1 September 2015.

Given the non-legally binding in nature of the MOU (i.e. none of the parties to the MOU are obliged to proceed with the Potential Transaction), the Directors are of the view that the termination of MOU would not have any adverse effect on the operation and financial position of the Company and its subsidiaries (the "Group") and would not have any material impact on the long term development of the Group.

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

### **RESUMPTION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted from 9:00 a.m. on 2 September 2015 pending the release of this announcement. An application has been made to the Stock Exchange for resumption of trading in the shares of the Company on the Stock Exchange with effect from 1:00 p.m. on 2 September 2015.

By order of the Board of  
**Zhidao International (Holdings) Limited**

**Tung Yee Shing**  
*Chairman*

Hong Kong, 2 September 2015

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Tung Yee Shing (Chairman) and Ms. Cheung Oi Chun, and three independent non-executive Directors, namely Mr. Chan Yin Tsung, Mr. Li Kam Chung and Mr. Kwok Lap Fung, Beeson.*

\* *For identification purposes only*