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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)

CHANGE OF AUDITOR

RESIGNATION OF AUDITOR

The announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Zhidao International (Holdings) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) that Ascenda Cachet CPA Limited (“**Ascenda Cachet**”) had resigned as auditor of the Company with effect from 17 May 2021.

Ascenda Cachet stated in its letter of resignation to the Company (the “**Resignation Letter**”) that having taken into account factors including the level of audit fees, their available internal resources in light of their current work flows and the professional risks associated with the audit of the Group for the year ended 31 March 2021 (the “**2021 Audit**”), they decided to tender their resignation as the auditor of the Company. Ascenda Cachet, in the Resignation Letter, confirmed that there are no circumstances surrounding the resignation of auditor of which Ascenda Cachet believes the Company should be aware of and there are no matters that need to be brought to the attention of the holders of securities or creditors of the Company.

The audit committee of the Board (the “**Audit Committee**”) noticed that Ascenda Cachet had informed their decision to resign due to the reason as stated in the Resignation Letter. Based on the enquiry with Ascenda Cachet, the Audit Committee and the Board confirmed that there is no disagreement or outstanding matter between Ascenda Cachet and the Company, and there is no other matter in respect of the resignation of Ascenda Cachet as the auditor of the Company that needs to be brought to the attention of the shareholders of the Company.

Ascenda Cachet further confirmed that they have not yet commenced any audit work of the Group for the 2021 Audit. It is expected that the proposed change of auditor will not have any significant impact on the 2021 Audit and the release of the annual results of the Company for the year ended 31 March 2021.

* *For identification purposes only*

The Board would like to take this opportunity to express its sincere appreciation to Ascenda Cachet for the professional services rendered to the Company during the past years.

APPOINTMENT OF AUDITOR

The Audit Committee has considered the background and suitability of Crowe (HK) CPA Limited (“**Crowe**”), including their qualifications, industry experience, manpower and service capabilities, in the selection of Crowe as the proposed new auditor of the Company. The Audit Committee also took into other consideration factors such as the fee proposal as well as the size and complexity of the Group in making its recommendation to the Board on the proposed appointment. Based on the aforesaid factors, the Audit Committee is of the opinion that Crowe is suited to meeting the existing needs and audit requirements of the Group and the appointment of Crowe as new auditor will not compromise the standard and effectiveness of the audit of the Group.

The Board proposes, with the recommendation of the Audit Committee, to appoint Crowe as new auditor of the Company to fill the casual vacancy following the resignation of Ascenda Cachet and hold office until the conclusion of next annual general meeting of the Company. Pursuant to the articles of association of the Company, the Board shall convene a special general meeting (the “**SGM**”) for approving Crowe’s appointment.

A circular containing details of the change of auditor of the Company and the notice of the SGM will be despatched to the shareholders of the Company as soon as practicable.

By order of the Board
Zhidao International (Holdings) Limited
Fung Kwok Kit
Chairman

Hong Kong, 17 May 2021

As at the date of this announcement, the Board comprises seven Directors. The executive Directors are Mr. Fung Kwok Kit (Chairman), Mr. Zhong Can, Mr. Kwong Kin Fai, Eric and Mr. Lam Chun Bun. The independent non-executive Directors are Mr. Li Kam Chung, Mr. Kwok Lap Fung, Beeson and Mr. Wong Wing Cheung.