ZHIDAO INTERNATIONAL (HOLDINGS) LIMITED
志道國際（控股）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code : 01220)

PROFIT WARNING

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

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors of the Company that, based on the preliminary review of the latest unaudited consolidated management accounts of the Group for the year ended 31 March 2016 and information currently available to the Board, mainly because of a non-cash expense as a result of the recognition of share-based payment in which share options were granted as announced on 2 March 2016, it is anticipated that the Group will record a significant increase in loss attributable to equity holders of the Company for the year ended 31 March 2016 as compared with that for the year ended 31 March 2015.

The Company has yet to finalise the audited consolidated annual results of the Group for the year ended 31 March 2016. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to financial information currently available, which have not been reviewed or audited by the Company's auditors or the audit committee of the Company and subject to adjustment. The actual annual results of the Group for the year ended 31 March 2016 may be different from what is disclosed in this announcement. Further details of the Group's performance will be disclosed in the annual results announcement of the Company for the year ended 31 March 2016 which is expected to be published by the end of June

2016.

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

By order of the Board
Zhidao International (Holdings) Limited

Tung Yee Shing
Chairman

Hong Kong, 12 May 2016

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*