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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)

VOLUNTARY ANNOUNCEMENT FRAMEWORK AGREEMENT IN RELATION TO POTENTIAL INVESTMENT

This announcement is made by Zhidao International (Holdings) Limited (the “**Company**”) on a voluntary basis.

FRAMEWORK AGREEMENT IN RELATION TO POTENTIAL INVESTMENT

The board (the “**Board**”) of directors of the Company is pleased to announce that on 27 November 2024, the Company and ASIAFAME HOLDINGS LIMITED (“**AHL**”) entered into a framework agreement (as amended and supplemented by the addendum dated 3 December 2024, and collectively the “**Framework Agreement**”) in relation to a possible investment in Sun Ocean Logistics Pte. Ltd. by the Company.

SALIENT TERMS OF THE FRAMEWORK AGREEMENT

Under the Framework Agreement, subject to the terms and conditions of a formal sale and purchase agreement (the “**Formal Agreement**”), the Company will invest in the coal transportation truck rental business conducted by AHL through its indirect subsidiary in Indonesia, by acquiring equity interests of Sun Ocean Logistics Pte. Ltd., of which AHL is the sole shareholder, the percentage of interest and terms of which shall be further negotiated by the parties. Upon completion of the potential sale and purchase of shares in Sun Ocean Logistics Pte. Ltd., it is expected that the Company will become the substantial shareholder of Sun Ocean Logistics Pte. Ltd. and its subsidiary in Indonesia.

Subject to the terms and conditions of the Formal Agreement, the responsibilities of AHL in the cooperation include (i) continuing the procurement and purchase of trucks to fulfill the requirement of the current transportation projects on an exclusive basis from the Company which shall be legally binding and enforceable; (ii) arranging for all legal opinions and studies and corporate licenses for the application work, if necessary, for the operations; (iii) preparing all detailed business plans, financing plans, models, desk reviews of feasibility studies, desk reviews of environment studies, technical specifications, equipment lists required for production, commercial proposals for the costs and all other required materials

for due diligence to be conducted by the Company and its associates; and (iv) assisting in preparing all legal documents, financial models, full business plan and evaluations to meet the requirements of the regulatory authorities. Meanwhile, the Company is responsible for (i) conducting due diligence on the potential transaction including but not limited to acquisition of shares in AHL; (ii) assisting in preparing all filing and reporting documents to meet the requirements of the regulatory authorities.

The Board hereby emphasises that the Framework Agreement serves as a guiding document for the parties to establish the terms of the potential investment subject to the entering into of the Formal Agreement. Except for the binding terms (such as confidentiality, and legal cost), the Framework Agreement shall have no legal effect and does not constitute any binding obligations on the parties to proceed with any transaction under the Framework Agreement including the entering into of the Formal Agreement.

BACKGROUND OF AHL

AHL is a limited liability company incorporated under the laws of Hong Kong. It is an investment holding company in which its wholly-owned subsidiary, Sun Ocean Logistics Pte. Ltd., is an investment company incorporated in Singapore, and its indirect subsidiary is principally engaged in, *inter alia*, coal transportation truck rental business in Indonesia. As the date of this announcement, AHL's indirect subsidiary located in Indonesia had entered into an agreement with Indonesian subsidiary of a Chinese state-owned enterprise on 1 July 2024 regarding rental of 200 trucks (40–45 tonnes) for transportation of coal in Sumatera Selatan, Indonesia.

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

By order of the Board
Zhidao International (Holdings) Limited
Tung Yee Shing
Chairman

Hong Kong, 3 December 2024

As at the date of this announcement, the Board comprises 6 Directors. The executive Directors are Mr. Tung Yee Shing (Chairman), Mr. Zhong Can 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.

** For identification purposes only*