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**MEMORANDUM OF UNDERSTANDING  
IN RELATION TO  
THE POSSIBLE ACQUISITION**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board announces that on 19 January 2017 (after trading hours), the Company entered into the MOU with the Vendors in relation to the Possible Acquisition of the entire issued share capital of the Target Company.

**The Board wishes to emphasise that no definitive agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it is expected to constitute a major transaction for the Company. Shareholders, holders of share options and potential investors are urged to exercise caution when dealing in the securities of the Company. Further announcement(s) in respect of the Possible Acquisition will be made by the Company as and when appropriate in accordance with the Listing Rules.**

This announcement is made by Daohe Global Group Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) 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).

## MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announce that on 19 January 2017 (after trading hours), the Company as purchaser (the “**Purchaser**”) entered into a memorandum of understanding (the “**MOU**”) with Leqian Investment Limited, Letu Investment Limited, Leguang Investment Limited, Leming Investment Limited, Lemei Investment Limited, Lehao Investment Limited, SA1 Investments Inc. and Mike Cai Investment Limited as vendors (the “**Vendors**”) in relation to the possible acquisition (the “**Possible Acquisition**”) of the entire issued share capital of Loozee Holdings Inc. (the “**Target Company**” and together with its subsidiaries, the “**Target Group**”).

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Vendors are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

### Major terms of the MOU

#### *Subject matter*

Under the MOU, it is proposed that the Purchaser or its direct or indirect subsidiary will acquire the entire issued share capital of the Target Company from the Vendors.

#### *Consideration*

The consideration for the Possible Acquisition is estimated to be approximately HK\$800 million, subject to further negotiation between the Purchaser and the Vendors and to be finalised in the formal agreement (the “**Formal Agreement**”) to be entered into by the parties, which shall be satisfied by a combination of cash and issuance of new shares of the Company.

#### *Due diligence review and right of exclusive negotiation*

After the execution of the MOU, the Purchaser is given an exclusivity (the “**Exclusivity**”) in the negotiation on the Possible Acquisition and has the right to conduct a due diligence review on the Target Group during the two-month period (the “**Period**”) (or such later date as the Vendors and the Purchaser may mutually agree) from the date of signing the MOU. The Vendors have undertaken to assist in ensuring the smooth proceeding of the due diligence conducted by the Purchaser. During the Period, the Vendors shall not engage in any sale, discussion, negotiation or solicitation of other potential purchasers or enter into any legally binding or non-legally binding agreement for the purpose of selling the Target Company to any third party (other than the Purchaser). The Vendors have undertaken that (i) as at the date of the MOU, there was no agreement between the Vendors and any third party in relation to the Possible Acquisition which had not been terminated; and (ii) if any third party (other than the Purchaser) approaches the Vendors for the Possible Acquisition, the Vendors shall immediately inform the Purchaser.

### *Deposit*

Pursuant to the MOU, the Purchaser has agreed to pay a deposit of HK\$20 million (the “**Deposit**”) to the bank account or the escrow agent agreed by the Purchaser and the Vendors on or before 27 January 2017.

In the event that the Formal Agreement is entered into between the Vendors and the Purchaser (or its designated subsidiary), the Deposit will be applied to settle the consideration payable by the Purchaser (or its designated subsidiary) upon completion of the Possible Acquisition.

In the event that (i) the Formal Agreement is not entered into between the Vendors and the Purchaser (or its designated subsidiary) during the Period (or such later date as the Vendors and the Purchaser may mutually agree); or (ii) the Vendors and the Purchaser have, at any time, mutually agreed to terminate the discussion on the Possible Acquisition, the Vendors shall refund the Deposit to the Purchaser in full within two days after the end of the Period (or such later date as the Vendors and the Purchaser may mutually agree) or the termination of the discussion on the Possible Acquisition.

### *The Formal Agreement*

The Purchaser and the Vendors shall negotiate in good faith towards one another in procuring that the Formal Agreement in respect of the Possible Acquisition be entered into on or before 31 March 2017. The Formal Agreement shall be approved by the Board.

### *Fees and expenses*

The Purchaser and the Vendors shall bear their respective fees and expenses arising from the Possible Acquisition, including but not limited to the costs of financial and legal advisers.

### *Termination*

Unless otherwise agreed in writing between the Vendors and the Purchaser, if the Vendors and the Purchaser are unable to enter into the Formal Agreement on or before 31 March 2017, the MOU shall be automatically terminated with immediate effect on 1 April 2017. If, for any reason, the Deposit has not been returned to the Purchaser at the time of the aforesaid termination, the Deposit shall be returned to the Purchaser within two days after such termination.

### *Conditions precedent*

Completion of the Possible Acquisition shall be conditional upon the fulfilment of the following conditions precedent, including but not limited to:

- (i) the Formal Agreement having been approved by the Board;
- (ii) the Possible Acquisition having been approved by the shareholders of the Company and all necessary regulatory approvals and any other consents and approvals required to be obtained under other applicable laws and regulations (including but not limited to the Listing Rules) in respect of the Possible Acquisition having been obtained;

- (iii) the Purchaser having completed the due diligence review on the Target Group and being satisfied with the review results; and
- (iv) the obtaining of a legal opinion by the Purchaser on the Target Group or other matters as requested by the Purchaser from time to time.

*Binding effect*

Save for the provisions in relation to the Exclusivity, the Deposit, the governing law and the termination, the provisions of the MOU does not have any legally binding effect.

**REASONS FOR AND THE BENEFITS OF THE POSSIBLE ACQUISITION**

The Company is a company incorporated in Bermuda and listed on the Main Board of the Stock Exchange. The principal businesses of the Group include (i) sales of merchandise including garments, fashion accessories, hardgoods and labels; (ii) provision of services including procurement and value-added services relating to the procurement agency business; and (iii) money lending business.

The Target Company is a company incorporated in the Cayman Islands with limited liability. The Target Group has started its operation since July 2011 and is principally engaged in the development and operation of a mobile social networking platform named “Duimian” (“對面”), one of the largest gamified mobile social networking platform and stranger-to-stranger mobile social networking platform in the People’s Republic of China.

As disclosed in the interim report of the Company for the six months ended 31 October 2016, the Company will continue to explore potential investment opportunities aiming to bring a greater return to the shareholders of the Company. The Board considers that the Possible Acquisition will enable the Group to diversify its businesses and broaden its revenue source.

**The Board wishes to emphasise that no definitive agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it is expected to constitute a major transaction for the Company. Shareholders, holders of share options and potential investors are urged to exercise caution when dealing in the securities of the Company. Further announcement(s) in respect of the Possible Acquisition will be made by the Company as and when appropriate in accordance with the Listing Rules.**

By Order of the Board  
**Daohe Global Group Limited**  
**ZHOU Xijian**  
*Chairman and non-executive Director*

Hong Kong, 19 January 2017

*As at the date of this announcement, the Board comprises one non-executive Director, being Mr. ZHOU Xijian (Chairman); three executive Directors, being Mr. ZHANG Qi (Chief Executive Officer), Mr. WONG Hing Lin, Dennis (President) and Mr. ZHANG Jifeng; and three independent non-executive Directors, being Mr. WANG Arthur Minshiang, Mr. LAU Shu Yan and Mr. ZHANG Huijun.*