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DADI INTERNATIONAL GROUP LIMITED

大地國際集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8130)

VOLUNTARY ANNOUNCEMENT ENTERING INTO THE COOPERATION AGREEMENT

This announcement is made by Dadi International Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis for the purpose of providing an update to the shareholders (the “**Shareholders**”) and potential investors of the Company on the business development of the Group as follows.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that Dadi Technology (Guangzhou) Company Limited (大地技術(廣州)有限公司) (“**Dadi Guangzhou**”), a wholly-owned subsidiary of the Company, and China Shipbuilding Industry Corporation (Shanghai) New Energy Company Limited (中船重工(上海)新能源有限公司) (“**CSNE**”) have recently entered into a cooperation agreement (the “**Cooperation Agreement**”) in relation to, among others, a framework understanding whereby CSNE agrees to authorize Dadi Guangzhou to carry out the production cooperation, market development, sales and project implementation of the complete equipment system of biomass direct-fired power generation and the complete equipment system of gasified power generation (collectively, the “**Complete Equipment Systems of Power Generation**”) developed by CSNE in overseas regions (namely, the regions outside the People’s Republic of China (the “**PRC**”)).

MAJOR TERMS OF THE COOPERATION AGREEMENT

According to the Cooperation Agreement, during the process of project implementation, Dadi Guangzhou will be mainly responsible for (i) engaging in communications with potential customers on technical plans, product price, delivery conditions, consultancy services and other matters and their implementation; (ii) carrying out project marketing, cooperation in project construction, sales implementation and construction of product channels for overseas market; and (iii) assisting in liaising with overseas governments on approval documents for importing the Complete Equipment Systems of Power Generation to facilitate the execution of project contracts and their implementation, whereas CSNE will provide the relevant technical support and guidance on the Complete Equipment Systems of Power Generation. CSNE authorises Dadi Guangzhou to carry out market development, sales and professional cooperation on the Complete Equipment Systems of Power Generation in overseas regions in the name of Dadi Guangzhou and use the plans, technical materials, drawings and installment instructions of CSNE to carry out the above works. In view of the differentiated demands given the distinctive technical arrangements and customer’s conditions for each project, the parties to the Cooperation Agreement agree that they shall enter into a separate contract setting out the detailed terms and conditions of the relevant cooperation arrangements and fees based on the specific circumstances of the project prior to the actual commencement of such project.

REASONS FOR AND BENEFITS OF ENTERING INTO THE COOPERATION AGREEMENT

The Group has been actively developing its environmental protection business in the current financial year and has witnessed continuous growth in this business segment since the acquisition of Shanxi Jinxin Keyuan Environmental Protection Science and Technology Company Limited (山西晉新科源環保科技有限公司) in March 2021. The biomass direct-fired and gasified power generation technology adopted by the Complete Equipment Systems of Power Generation is an environmental-friendly power generation technology under rapid development and scalable application both at home and abroad. Utilizing surplus biomass in agriculture and forestry as fuels and equipped with complete combination of professional biomass gasifiers and gas-fired boilers, it can achieve high efficient combustion of biomass energy and power generation. Leveraging on the environmental friendliness, low cost, carbon neutrality and other characteristics of biomass energy and supported by national and overseas policies on advocating the development of green and recyclable energy and encouraging the clean and high-efficient use of biomass, it can achieve the long-term target on reducing pollution and carbon emissions and facilitate in maintaining environmental sustainability.

The Board is of the view that, through entering into the Cooperation Agreement, the Group and CSNE can fully utilise the resources, network and professional expertise of each other to engage in integrated cooperation, provide different overseas customers with suitable technology and equipment solutions and enable them to align with local policies and initiatives on green and environmental protection. This will in turn foster the development of a mutually beneficial customer-end market. In particular, with the implementation of projects under this business cooperation model, it will consolidate the Group's strength in and create synergy effect with its environmental protection business and boost the business and revenue growth in the Group's environmental protection segment in the long run. The Board is of the view that the terms of the Cooperation Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF CSNE

CSNE is a limited liability company incorporated in the PRC and a comprehensive service company with the integration of new energy development, investment and operation. It owns the proprietary and full range of core technologies and equipment, professional talents team and rich project experience in a number of fields including distributed energy supply with natural gas, comprehensive utilization of biomass energy, utilization of surplus industrial heat and pressure, photovoltaic, hydrogen energy and energy storage and has developed a prominent brand and reputation in the industry.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, each of CSNE and its ultimate beneficial owner(s) is a third party independent of the Company and its connected persons.

GENERAL

The Cooperation Agreement merely sets out the strategic cooperation framework arrangement between the Group and CSNE. As at the date of this announcement, the Group and CSNE have not entered into any project contract or carried out any transaction in respect of the matters under the Cooperation Agreement. If any substantive transaction implemented under the Cooperation Agreement constitutes a notifiable transaction of the Company under the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited, the Company will make timely disclosure and fulfill the necessary compliance requirements.

By Order of the Board of
Dadi International Group Limited
Fu Yuanhong
Chairman

Hong Kong, 24 March 2022

As at the date of this announcement, the Board comprises of three executive Directors, namely Mr. Qu Zhongrang, Mr. Fu Yuanhong and Mr. Wu Xiaoming, two non-executive Directors, namely Mr. Ju Mengjun and Mr. Zhang Xiongfeng, and three independent non-executive Directors, namely Dr. Zhang Wei, Mr. Law Yui Lun and Dr. Jin Lizuo.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Listed Company Information” page for at least 7 days from the day of its posting and the Company’s website at <http://www.dadi-international.com.hk>.