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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 FRAMEWORK 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 the Company entered into a cooperation framework agreement (the “**Framework Agreement**”) with the People’s Government of Laizhou, Yantai City, Shandong Province of the People’s Republic of China (the “**Laizhou Government**”) as at the date of this announcement in relation to, among other things, the joint development of a centralised and unified green stone material industry trading service platform in Laizhou by way of government guidance and market-oriented operation.

MAJOR TERMS OF THE FRAMEWORK AGREEMENT

Pursuant to the Framework Agreement, the parties will set up the Laizhou green stone material industry trading service platform (the “**Service Platform**”) and jointly establish a subordinated professional enterprise under the Company through the designated entities of the parties to be responsible for the establishment and daily operations of the Service Platform in the future. After the entering into of the Framework Agreement, the Group will further communicate and explore with the Laizhou Government and its designated entities on the substantive implementation of the cooperation contemplated under the Framework Agreement, and shall enter into independent project contracts and partnership agreements to implement the relevant cooperation arrangements taking into account of the specific circumstances.

REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENT

The Group has recently been actively developing its environmental protection business, and has witnessed continued development 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. Granite trading has been adopted as an entry point under the present cooperation framework; and leveraging on the Service Platform, integrated utilisation of stone material solid waste, green mine restoration and other environmental protection techniques can be adopted simultaneously to facilitate ecological protection and restoration which will act as the key to the transformation and upgrading of the stone material industry in Laizhou. This, in turn, helps maintain the environmental sustainability and promotes the ecological, economic and social efficiency at the same time.

Laizhou is rich in stone reserves and varieties with, predominantly, granite. Laizhou has a long history of stone material industry development and application. Meanwhile, the local industry has experienced rapid growth in recent years and developed into a renowned industry cluster focusing on resource exploration and development, and has been recognised as the “stone material processing and export base in northern China”. The stone material industry in Laizhou enjoys strong infrastructural support from the comprehensive exploration, transportation, processing and sales industry systems and has gradually become one of the principal economic pillar industries in Laizhou, while benefiting from its geographical advantage and convenient transportation facilities such as ports, highways and railroads including the Laizhou Port, which connects to the Rongwu Expressway (榮烏高速), the Provincial Highway 206 and the Hailai Highway (海萊公路), with twelve berths capable of accommodating vessels of over 10,000 tons and offering an annual throughput reaching 23 million tons; and the Dalailong Railway (大萊龍鐵路) which runs through the north-south bound to connect to the four ports of Yangjiaogou, Weifang, Laizhou and Longkou on the Shandong Peninsula. Laizhou is located in the blue economic zone of the Shandong Peninsula and the high-efficiency and ecological economic zone of the Yellow River Delta (黃河三角洲高效生態經濟區). It is integrated into the one-hour economic circle of Qingdao, Yantai and Weifang and links up to the Qingdao Port which is convenient for stone material transportation by sea. Laizhou is also named the “China Stone Capital” by the China Stone Material Association (中國石材協會), and has become one of the three representative stone material industry clusters in China.

The Board is of the view that, through entering into the Framework Agreement, the Group and the relevant subordinate entities of the Laizhou Government can fully utilise their respective resources, networks and professional expertise to promote the cooperation effort. The integration of the stone material industry chain in Laizhou through the Service Platform will assist the Laizhou Government to consolidate all revenues along the industry chain to be comprehensively managed under its taxation system and facilitate the unified management and supervision of the stone material enterprises by the Laizhou Government. Leveraging on their respective efforts, the parties will be able to gather the stone material information and trading resources obtained from various channels in order to offer comprehensive services including stone material trading, warehousing, port transshipment, bulk trading, consignment, import and export trade and financing and green mine restoration and, in turn, promote the scale of stone material trading; meanwhile, taking advantage of the competitive edge in terms of the local stone material resources, regional transportation, policy and market support to develop Laizhou to be a granite

exploration, processing and trading centre. In particular, upon the implementation of the projects under the cooperation framework, it is expected that the corresponding increase in the demand for environmental protection services including the integrated treatment of stone material waste and green mine restoration will also strengthen the Group's environmental protection business offerings and create synergistic effects on them, thereby promoting the business and revenue growth of the Group's environmental protection business segment in the long run. The Board is of the view that the terms of the Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

The Framework Agreement merely sets out the cooperation framework arrangement between the Group and the Laizhou Government. As at the date of this announcement, the Group and the Laizhou Government have not entered into any project contract or carried out any transaction in respect of the matters under the Framework Agreement, and to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Laizhou Government is a third party independent of the Company and its connected persons. If any substantive transaction implemented under the Framework 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, 3 June 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 website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk 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>.