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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)**

### **PROFIT WARNING**

This announcement is made by Dadi International Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities (the “**GEM Listing Rules**”) on GEM of The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on a preliminary review and assessment of the unaudited management accounts of the Group by the management for the three months ended 30 June 2022 (the “**First Quarter of 2022**”) and information currently available, it is expected that the Group will record a loss for the period of approximately HK\$11.0 million and a loss for the period attributable to owners of the Company of approximately HK\$7.7 million, as compared to that of HK\$22.4 million and HK\$15.2 million for the corresponding period in 2021.

The improvement of the loss position of the Group in the First Quarter of 2022 was mainly attributable to the combined effect of (i) the increase in the revenue generated from the environmental protection services segment of the Group as a result of the expansion of its operational scale, as well as the recognition of revenue in respect of its healthcare product sales, the business segment of which has commenced since the last quarter of the year ended 31 March 2022; and (ii) the decrease in the finance costs and administrative expenses incurred by the Group due to its cost saving efforts including, among others, the replacement of its then existing loans with new loans at lower interest rates, reduction in the office rental of the Group as a result of the more prevalent work-from-home arrangement for its employees and reduced travelling and entertainment expenses incurred as a result of the restrictions imposed by the prevention and control measures to combat the COVID-19 pandemic, partially offset by the increase in the costs of sales of the Group, particularly in respect of the procurement of outsourced technology services for the purpose of rendering certain environmental protection services for the Group’s customers, as well as the direct labour and staff costs and the procurement costs of healthcare products from various markets for sale in mainland China. Nevertheless, owing to the overall less favourable market conditions whilst incurring certain level of costs to sustain the day-to-day operations of the Group, the net effect of the above remained to be an overall loss position of the Group for the three months ended 30 June 2022.

The Group remained to be suffering from the resultant impact from the COVID-19 pandemic in respect of its book publication, purchase and distribution business segment, in particular, the Group observed a nearly stalled settlement of payments and receivables along the industry chain due to the tightened cash flow of the industry players. The Group is in the course of taking active initiatives in light of the circumstances including to conduct consultations with the authorities and resort to legal measures to recover the outstanding fees and seek compensations as appropriate.

As the Company is still in the process of preparing and finalising the first quarterly results of the Group for the three months ended 30 June 2022 (the “**First Quarterly Results**”), the information contained in this announcement is based on the information currently available to the Group and after preliminary review and assessment of the unaudited management accounts of the Group by the management, and the same has not been reviewed nor audited by the Company’s independent auditors, and has not been reviewed nor confirmed by the audit committee of the Company. Details of the financial information of the Group will be disclosed in the First Quarterly Results announcement which is to be published on 12 August 2022.

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

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

Hong Kong, 11 August 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 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 “Latest Listed Company Information” page of the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its publication and the Company’s website at <http://www.dadi-international.com.hk>.*