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dadi Since 1990®
Overseas Studies Service Centre
大地 海外升學服務中心

DADI EDUCATION HOLDINGS LIMITED
大地教育控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8417)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2019

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Dadi Education Holdings Limited (the "Company"), together with its subsidiaries, (the "Group") 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 (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, 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.

FINANCIAL HIGHLIGHTS

— The Group's revenue for the year ended 31 March 2019 was approximately HK$24.5 million, representing a increase of approximately 7.9% from approximately HK$22.7 million for the year ended 31 March 2018. The increase was mainly contributed by the increase in number of successful placements of students in the higher education sector as well as the revenue reported from the new segment of education information technology service during the year ended 31 March 2019;

— Loss/Profit before income tax for the year ended 31 March 2019 decreased approximately by 118% from a profit of approximately HK$1.7 million for the year ended 31 March 2018 to a loss of approximately HK$0.3 million for the year ended 31 March 2019;

— Loss/Profit attributable to the equity holders of the Company for the year ended 31 March 2019 decreased by approximately 225% from a profit of approximately HK$0.4 million for the year ended 31 March 2018 to a loss of approximately HK$0.5 million;

— Basic loss per share for the year ended 31 March 2019 was HK0.03 cents (2018: Basic earnings per share HK0.03 cents); and

— The Directors do not recommend the payment of a final dividend for the year ended 31 March 2019 (2018: Nil).

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2019

The board of directors (the "Board") is pleased to announce the consolidated results of the Group for the year ended 31 March 2019 together with the consolidated statement of financial position of the Group as at 31 March 2019, and the notes with comparative audited figures for the year ended 31 March 2018 as follows.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 March 2019

	Notes	**2019** **HK$'000**	2018 *HK$'000*
Revenue	*4*	**24,534**	22,706
Other income	*5*	**2,780**	3,482
Marketing costs		**(5,371)**	(7,426)
Employee benefits expenses	*6*	**(11,578)**	(9,327)
Operating lease charges		**(2,791)**	(2,409)
Other expenses		**(7,851)**	(5,266)
Finance costs	*7*	**–**	(29)
(Loss)/Profit before income tax	*8*	**(277)**	1,731
Income tax expense	*9*	**(736)**	(532)
(Loss)/Profit for the year		**(1,013)**	1,199
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences		**(43)**	–
Total comprehensive (loss)/income for the year		**(1,056)**	1,199
(Loss)/Profit for the year attributable to:			
Equity holders of the Company		**(522)**	445
Non-controlling interest		**(491)**	754
		(1,013)	1,199
Total comprehensive (loss)/income for the year attributable to:			
Equity holders of the Company		**(544)**	445
Non-controlling interest		**(512)**	754
		(1,056)	1,199
(Loss)/Earnings per share for (loss)/profit attributable to equity holders of the Company			
Basic and diluted	*11*	**(HK0.03 cents)**	HK0.03 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

	Notes	2019 HK$'000	2018 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**1,029**	1,009
Current assets			
Trade and other receivables	*12*	**9,839**	6,626
Tax recoverable		**–**	1,043
Cash and bank balances		**71,113**	71,354
		80,952	79,023
Current liabilities			
Accrued charges and other payables	*13*	**4,536**	3,165
Amount due to a non-controlling shareholder of a subsidiary		**1,816**	–
Tax payable		**218**	–
		6,570	3,165
Net current assets		**74,382**	75,858
Net assets/Total assets less current liabilities		**75,411**	76,867
CAPITAL AND RESERVES			
Share capital		**17,504**	17,504
Reserves		**58,472**	59,035
Equity attributable to equity holders of the Company		**75,976**	76,539
Non-controlling interest		**(565)**	328
Total equity		**75,411**	76,867

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 March 2019
(Amounts expressed in thousands of Hong Kong dollars, unless otherwise stated)

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company on 19 October 2015 with limited liability. The address of its registered office is PO box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business of the Company is Unit 1911, 19/F., Office Tower One, Grand Plaza, 639 Nathan Road, Kowloon, Hong Kong.

The Company's shares are listed on GEM of The Stock Exchange on 16 February 2017 (the "Listing").

The Company is an investment holding company and its subsidiaries are principally engaged in provision of overseas studies consultancy services in Hong Kong which involves the consultancy of local students and their placement with study programmes provided by overseas education providers and education information technology services.

As at 31 March 2019, the directors consider the immediate parent of the Company to be Grand Courage Investments Limited ("Grand Courage"), which is incorporated in the British Virgin Islands (the "BVI"). Grand Courage is controlled by Mr. Chung Wang Lung.

2. BASIS OF PRESENTATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the accounting principles generally accepted in Hong Kong.

The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the GEM Listing Rules.

3. ADOPTION OF NEW AND AMENDED HKFRSs

Amended HKFRSs that are effective for annual periods beginning or after 1 April 2018

In the current year, the Group has applied for the first time the following amended HKFRSs issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements and effective for the annual period beginning on 1 April 2018:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
Amendments to HKFRS1	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

Other than as noted below, the adoption of the amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

HKFRS 9 "Financial Instruments"

HKFRS 9 replaces HKAS 39 "Financial Instruments: Recognition and Measurement". It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an expected credit loss ("ECL") model for the impairment of financial assets.

When adopting HKFRS 9, the Group has applied the standard retrospectively to items that existed at 1 April 2018 in accordance with the transition requirement and also applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of HKFRS 9 in relation to classification, measurement, and impairment are recognised in retained profits.

For trade and other receivables and cash and bank balances are previously classified as loans and receivables under HKAS 39, now classified as financial assets measured at amortised cost under HKFRS 9.

Impairment of financial assets

HKFRS 9 replaces the "incurred loss" model in HKAS 39 with the ECL model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECL earlier than under the "incurred loss" accounting model in HKAS 39.

The Group applies the new ECL model to financial assets measured at amortised cost (including trade and other receivables and cash and bank balances).

The Group applies a simplified approach of recognising lifetime ECL for trade receivables as these items do not have a significant financing component. For other financial assets measured at amortised cost, the Group applies a three-stage model of recognising ECL.

Upon the adoption HKFRS 9, the Group recognised additional ECL on the Group's trade receivables of HK$19,000, which resulted in a decrease in retained profits of HK$19,000 as at 1 April 2018.

The provision for impairment of trade receivables as at 31 March 2018 reconcile to the opening ECL allowance of trade receivables on 1 April 2018 as follows:

	HK$'000
At 31 March 2018 — HKAS 39	–
Additional provision recognised through opening retained profits	19
Opening balance as at 1 April 2018 — HKFRS 9	19

HKFRS 15 "Revenue from Contracts with Customers" and the related amendments

HKFRS 15 "Revenue from Contracts with Customers" and the related "Clarifications to HKFRS 15 Revenue from Contracts with Customers" (hereinafter referred to as "HKFRS 15") replace HKAS 18 "Revenue", HKAS 11 "Construction contracts" and several revenue-related interpretations.

Summary of nature and effect of the changes on previous accounting policies are set out below:

(i) Timing of revenue recognition

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

(a) When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;

(b) When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced; or

(c) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15, the Group recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue.

(ii) Presentation of contract liabilities

Under HKFRS 15, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. At the date of initial application of HKFRS 15, the "receipts in advance" was reclassified to contract liabilities for HK$765,000 and recognised under "accrued charges and other payables" in the consolidated statement of financial position at the date of initial application (1 April 2018).

The Group has elected to use the cumulative effect transition method, with the cumulative effect of initial application recognised as an adjustment to the opening balance of retained profits at 1 April 2018. Therefore, comparative information has not been restated and continued to be reported under HKASs 11 and 18. The Group concluded that there is no significant impact on the initial application, therefore no adjustments has been made to the opening balance of retained profits as at 1 April 2018.

Issued but not yet effective HKFRSs

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 16	Leases[1]
HKFRS 17	Insurance Contracts[3]
Amendments to HKFRS 9	Repayment Features with Negative Compensation[1]
Amendments to HKAS 1 and HKAS 8	Definition of Material[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement[1]
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures[1]
Amendments to HKFRS 3	Definition of a Business[5]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle[1]
HK(IFRIC)-Inter 23	Uncertainty over Income Tax Treatment[1]

1 Effective for annual periods beginning on or after 1 January 2019
2 Effective for annual periods beginning on or after 1 January 2020
3 Effective for annual periods beginning on or after 1 January 2021
4 Effective date to be determined
5 Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new and amended HKFRSs that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRSs are not expected to have a material impact on the Group's consolidated financial statements.

HKFRS 16 "Leases" ("HKFRS 16")

HKFRS 16 replaced HKAS 17 and three related Interpretations.

Currently the Group classifies leases into operating leases. The Group enters into leases as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease, the lessee will recognise and measured a "lease liability" at the present value of the minimum future lease payments and will recognised a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee would recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases of buildings and office equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of profit or loss and other comprehensive income over the period of the lease.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. As allowed by HKFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application.

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 on 1 April 2019 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2019. Comparative information will not be restated. In addition, the Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets and not to perform a full review of existing leases and apply HKFRS 16 only to new contracts. Furthermore, the Group plans to use the practical expedient to account for leases for which the lease term ends within 12 months from the date of initial application as short-term lease.

As at 31 March 2019, the Group's future minimum lease payments under non-cancellable operating leases amount to HK$2,060,000 for buildings and office equipment.

Other than the recognition of lease liabilities and right-of-use assets, the Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's financial statement from 2019 onwards.

4. REVENUE AND SEGMENT INFORMATION

The Group has determined the operating segments based on the information reported to the Group's most senior executive management, the chief operating decision-maker. For the year ended 31 March 2018, the most senior executive management regards the Group's business of provision of overseas studies consultancy services as a single operating segment and assesses the operating performance and allocates the resources of the Group as a whole. Accordingly, no segment analysis information is presented in that year.

During the year ended 31 March 2019, the Group has acquired subsidiaries, which result to have a new segment in 2019. The Group has identified the following reportable segments:

Overseas studies consultancy service

Providing overseas studies consultancy service in Hong Kong.

Education information technology service

Providing education information technology service in the PRC.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments. Certain interest income, corporate income and expenses are not directly attributable to the business activities of any operating segment are not included in arriving at the operating results of the operating segment.

Segment assets exclude certain cash and bank balances, certain prepayment and other receivables as these assets are managed on a group basis.

Segment liabilities exclude certain other payables and accruals as these liabilities are managed on a group basis.

The following is an analysis of the Group's revenue, results and other material items by reportable and operating segments:

	Overseas studies consultancy service HK$'000	Education information technology service HK$'000	Total HK$'000
Year ended 31 March 2019			
Revenue from external customers	**22,899**	**1,635**	**24,534**
Reportable segment profit/(loss) before income tax	**5,275**	**(2,742)**	**2,533**
Other segment information:			
Interest income	**128**	**–**	**128**
Depreciation	**526**	**34**	**560**
Bad debts written off	**40**	**–**	**40**
ECL allowance recognised for trade receivable	**72**	**12**	**84**
Impairment loss on goodwill	**–**	**804**	**804**
Segment assets	**33,081**	**697**	**33,778**
Additions to non-current segment assets during the year	**482**	**14**	**496**
Segment liabilities	**2,253**	**2,525**	**4,778**

Reconciliation of reportable segment profit or loss, assets and liabilities:

	2019 HK$'000
Reportable segment profit before income tax	**2,533**
Unallocated interest income	**744**
Corporate income and expenses	**(3,554)**
Consolidated loss before income tax	**(277)**
Reportable segment assets	**33,778**
Unallocated corporate assets	**48,203**
Total consolidated assets	**81,981**
Reportable segment liabilities	**4,778**
Unallocated corporate liabilities	**1,792**
Total consolidated liabilities	**6,570**

Geographical information

The following table sets out information about the geographical location of the Group's revenue from external customers, which is based on the location of customers.

	2019 *HK$'000*	2018 *HK$'000*
Australia	**7,256**	8,151
Canada	**1,641**	1,339
New Zealand	**590**	459
PRC	**1,635**	–
United Kingdom	**11,938**	11,333
United States	**1,295**	1,197
Others	**179**	227
	24,534	22,706

An analysis of the non-current assets of the Group by geographical segments is as follows:

	2019 *HK$'000*	2018 *HK$'000*
Non-current assets:		
Hong Kong	**963**	1,009
PRC	**66**	–
	1,029	1,009

Information about major customers

Revenue from each of the major customers, which amounted to 10% or more of the total revenue, is set out as below:

	2019 *HK$'000*	2018 *HK$'000*
Customer A	**3,301**	3,315
Customer B	**N/A***	2,378

* Customer B did not contribute over 10% of the Group's total revenue for the relevant year.

5. OTHER INCOME

	2019 *HK$'000*	2018 *HK$'000*
Bank interest income	**872**	437
Commission income from guardianship	**198**	126
Marketing income	**1,511**	2,098
Net foreign exchange gain	**–**	734
Sponsorship income	**75**	87
Other	**124**	–
	2,780	3,482

6. EMPLOYEE BENEFITS EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2019	2018
	HK$'000	*HK$'000*
Salaries, commission and other benefits	**11,082**	8,939
Contributions to defined contribution retirement plans	**496**	388
	11,578	9,327

7. FINANCE COSTS

	2019	2018
	HK$'000	*HK$'000*
Interests on bank borrowings wholly repayable within five years	**–**	29

8. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/profit before income tax is arrived at after charging/(crediting):

	2019	2018
	HK$'000	*HK$'000*
Auditor's remuneration	**580**	540
Depreciation	**560**	395
Operating lease charges in respect of:		
— land and buildings	**2,769**	2,386
— office equipment	**22**	23
	2,791	2,409
Bad debts written off	**40**	185
ECL allowance recognised for trade receivables	**84**	–
Impairment loss on goodwill	**804**	–
Net foreign exchange loss/(gain)	**1,054**	(734)

9. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in the Cayman Islands and BVI.

The income tax provision of the Group in respect of its operation in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the year based on the existing legislation, interpretations and practises in respect thereof. The PRC enterprise income tax rate is 25%. No PRC enterprise income tax has been provided for in the consolidated financial statements as the Group has no assessable profits for the year.

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2019	2018
	HK$'000	*HK$'000*
Current tax — Hong Kong Profits Tax		
Current year	**826**	684
Over provision in respect of prior years	**(90)**	(152)
	736	532

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rate regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

Under the two-tiered profits tax rates regime, the first HK$2 million of profits of qualifying entities will be taxed at 8.25%, and the profits above HK$2 million will be taxed at 16.5%. The profits of entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at 16.5%. For the year ended 31 March 2019, Hong Kong profits tax of Dadi Education Group Limited, a subsidiary of the Group, is calculated in accordance with the two-tiered profits tax rates regime.

For the year ended 31 March 2018, Hong Kong Profits Tax was calculated at a flat rate of 16.5% of the estimated assessable profit for the year.

Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Reconciliation between income tax expense and accounting profit at applicable tax rates is as follows:

	2019	2018
	HK$'000	*HK$'000*
(Loss)/Profit before income tax	**(277)**	1,731
Tax on (loss)/profit before income tax, calculated at the rates of Hong Kong Profits Tax rate of 16.5% (2018: 16.5%)	**(46)**	286
Tax effects of:		
— non-deductible expenses	**1,387**	561
— non-taxable income	**(144)**	(140)
— differences in overseas tax rates	**(184)**	–
— unrecognised temporary differences	**(22)**	(23)
— two-tiered profits tax rates regime	**(165)**	–
Over provision in respect of prior years	**(90)**	(152)
Income tax expense for the year	**736**	532

As at 31 March 2019 and 2018, the Group did not have any significant unrecognised deferred tax assets or liabilities.

10. DIVIDENDS

The directors of the Company do not recommend the payment of a final dividend for the years ended 31 March 2019 and 2018.

11. (LOSS)/EARNINGS PER SHARE

The calculation of basic loss/earnings per share is based on the loss for the year attributable to equity holders of the Company of HK$522,000 (2018: profit for the year attributable to equity holders of the Company of HK$445,000) and the weighted average 1,750,400,000 ordinary shares in issue during the year ended 31 March 2019 (2018: 1,750,400,000 ordinary shares).

No adjustment has been made to the basic loss/earnings per share amounts presented for the years ended 31 March 2019 and 2018 as the Group had no potentially dilutive ordinary shares in issue for the years ended 31 March 2019 and 2018. The diluted loss/earnings per share equals to the basic loss/earnings per share.

12. TRADE AND OTHER RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Trade receivables	**8,326**	4,748
Less: ECL allowance	**(103)**	–
	8,223	4,748
Other deposits	**744**	745
Other receivables	**167**	–
Prepayment	**705**	1,133
	9,839	6,626

Sales are generally made without prescribed credit terms but the customers usually take 35 to 90 days to settle the receivables. The ageing analysis based on the recognition date of trade receivables is as follows:

	2019	2018
	HK$'000	*HK$'000*
0–30 days	**961**	835
31–60 days	**2,959**	2,346
61–90 days	**2,095**	890
91–365 days	**2,208**	675
Over 365 days	**–**	2
	8,223	4,748

The movement in the ECL allowance of trade receivables is as follows:

	2019	2018
	HK$'000	*HK$'000*
Balance at 1 April calculated under HKAS 39	**–**	–
Amounts restated through opening retained profits *(Note 3)*	**19**	–
Adjusted balance at 1 April calculated under HKFRS 9	**19**	–
ECL allowance recognised during the year	**84**	–
Balance at 31 March	**103**	–

The Group has established a provision matrix that is based on its historical credit loss experience and external indicators, adjusted for forward-looking factors specific to the debtors and the economic environment.

The directors consider that the fair values of trade and other receivables are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

13. ACCRUED CHARGES AND OTHER PAYABLES

	2019	2018
	HK$'000	*HK$'000*
Accrued staff costs	**1,039**	1,038
Accrued marketing costs	**536**	113
Accrued expenses and other payable	**1,491**	1,249
Payables for acquisition of subsidiaries	**922**	–
Deposits received	**346**	–
Receipts in advance	**–**	765
Contract liabilities	**202**	–
	4,536	3,165

The Group has initially applied HKFRS 15 using the cumulative effect transition method and adjusted the opening balances as at 1 April 2018. Upon the adoption of HKFRS 15, amounts previously included as "receipts in advance" were reclassified to contract liabilities, which is arising from receipts in advance from overseas studies consultancy service. All the outstanding contract liabilities at beginning of the year have been recognised as revenue during the year. The entire contract liabilities balance at the year end would be recognised into revenue in the next year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts which have an original expected duration of one year or less is not disclosed.

As at 31 March 2019 and 2018, the accrued charges and other payables of approximately HK$2,905,000 (2018: HK$3,165,000) and HK$1,631,000 (2018: HK$Nil) were denominated in HK$ and Renminbi ("RMB").

All amounts are short-term and hence the carrying values of accrued charges and other payables are considered to be a reasonable approximation of their fair values.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

The Group is one of the leading overseas studies consultancy services providers in Hong Kong. Our network consists of overseas education providers from all over the world. Nevertheless, the Group mainly serves local students who are generally seeking secondary education and higher education studies in the United Kingdom ("UK"), Australia, Canada and the United States of America (the "USA"). During the year ended 31 March 2019, the Group's principal business remained as the provision of overseas studies consultancy services in Hong Kong. Commission income generated from the placements of students from the UK and Australia remained as the main driver of the Group's revenue.

Further, during the year ended 31 March 2019, the Group tried to develop its overseas studies consultancy services in the People's Republic of China (the "PRC") by acquiring 51% equity interests of Khorgos Do-Mega Education Tech Co., Ltd* (霍爾果斯達美嘉教育科技有限公司) ("Khorgos Do-Mega") which holds the entire interests Beijing Do-Mega Education Tech Co., Ltd* (北京達美嘉教育科技有限公司) ("Beijing Do-Mega") (Khorgos Do-Mega and Beijing Do-Mega are collectively referred to as the "PRC subsidiaries"). The financial results of the PRC subsidiaries have been consolidated into the Group since May 2018. The PRC subsidiaries are mainly operating education information technology service.

As a result of consolidating the financial results of the PRC subsidiaries, it is disappointed that the Group reported a loss during the year ended 31 March 2019 when compared with the year ended 31 March 2018. The loss was mainly attributable to an increase in employee benefits expenses, net exchange losses and impairment loss on goodwill for the year ended 31 March 2019, in particular, the unsatisfactory financial performance of the PRC subsidiaries was the main source leading to the Group's loss. Notwithstanding the above, it is encouraging that, with reference to the segment analysis, the reportable segment profit from our traditionally business of overseas studies consultancy services is better than last year.

Prospects and Strategies

The Group expects the growth of the demand in overseas education will slow down in the coming year, because of the highly competitive environment among other overseas study consultancies, but the management of the Group believes the extensive marketing campaigns that were launched by the Group during the year ended 31 March 2019 have strengthened our brand and recognition in the industry. Hence, the Group will continue to allocate resources in marketing campaigns to strengthen the awareness of our brand and arranging large-scale exhibitions to maintain our leading position and expand further market shares. On the above basis, the Directors are confident that the Group will be able to keep growing in the foreseeable future. Simultaneously, the Directors will consider taking various other appropriate actions, such as, locating suitable working partners or developing new segment of business with an aim to improve the Group's financial performance.

FINANCIAL REVIEW

Revenue

Revenue of the Group for the year ended 31 March 2019 was approximately HK$24.5 million, representing an increase of approximately 7.9% from approximately HK$22.7 million for the year ended 31 March 2018. All revenue was derived from the overseas study consultancy services. The increase in revenue was mainly attributable to the increase in successful placements in the higher education sector as well as revenue of approximately HK$1.6 million has been reported from our new segment of education information technology service during the year ended 31 March 2019.

UK

Commission income generated from the placements of students in the UK maintained to be the main source of the Group's revenue which accounted for approximately 48.7% for the year ended 31 March 2019 (2018: approximately 49.9%). Commission income generated from the placements of students in the UK amounted to approximately HK$11.9 million (2018: approximately HK$11.3 million) or increased by approximately 5.3%. The increase in commission from the placements of students in the UK was mainly contributed by the appreciation of GBP to HK$ between the two years ended 31 March 2019 and 2018 respectively.

Australia

Commission income generated from the placements of students in Australia decreased by approximately HK$0.9 million or approximately 11% from approximately HK$8.2 million for the year ended 31 March 2018 to approximately HK$7.3 million for the year ended 31 March 2019, which represented approximately 29.6% of the Group's total revenue for the year ended 31 March 2019 (2018: approximately 35.9%). The decrease in the commission income generated from the placements of students in Australia was mainly contributed by the decline in successful placements of students in the higher education sector of Australia due to limited availability of popular course, such as life science and health science during the year ended 31 March 2019.

Canada and the USA

Commission income generated from the placements of students in Canada and the USA in aggregate increased by approximately 15.8% which amounted to approximately HK$2.9 million (2018: approximately HK$2.5 million) and represented approximately 12% (2018: approximately 11.2%) of total revenue for the year ended 31 March 2019. The increase in amount was mainly attributable to the increment in successful placements of students in Canada during the year ended 31 March 2019.

OTHER INCOME

The Group's other income decreased from approximately HK$3.5 million for the year ended 31 March 2018 to approximately HK$2.8 million for the year ended 31 March 2019, representing a decrease of approximately HK$0.7 million or approximately 20.2%. The decrease was mainly due to the decrease in marketing income and bank interest income during the year ended 31 March 2019.

MARKETING COSTS

The Group's marketing costs decreased from approximately HK$7.4 million for the year ended 31 March 2018 to approximately HK$5.4 million for the year ended 31 March 2019. The decrease was mainly attributable to the reduction in the cost for advertisements during the year ended 31 March 2019.

EMPLOYEE BENEFITS EXPENSES

Staff cost of the Group increased by approximately HK$2.3 million from approximately HK$9.3 million for the year ended 31 March 2018 to approximately HK$11.6 million for the year ended 31 March 2019. The increase was mainly contributed by staff cost incurred from the PRC subsidiaries during the year ended 31 March 2019.

OTHER EXPENSES

Other expenses of the Group increased from approximately HK$5.3 million for the year ended 31 March 2018 to approximately HK$7.9 million for the year ended 31 March 2019. The increase in amount was mainly because of the recognition of impairment loss on goodwill, exchange loss and the operation expenses derived from the PRC subsidiaries.

INCOME TAX EXPENSES

Income tax expenses increased by approximately 38.3% from approximately HK$0.5 million for the year ended 31 March 2018 to approximately HK$0.7 million for the year ended 31 March 2019. Such increase was driven by the decrease in deductible expenditure during the year ended 31 March 2019.

(LOSS)/PROFIT FOR THE YEAR

Net profit for the Group decreased from approximately HK$1.2 million for the year ended 31 March 2018 to a net loss of approximately HK$1.0 million for the year ended 31 March 2019. The decline was mainly contributed by the significant increase in employee benefits expenses of the PRC subsidiaries, exchange loss and the impairment loss on goodwill for the year ended 31 March 2019.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has funded the liquidity for the year ended 31 March 2019 and capital requirements primarily through capital contributions from shareholders and cash inflows from operating activities.

As at 31 March 2019, the Group has total cash and bank balances of approximately HK$71.1 million (2018: approximately HK$71.4 million).

As at 31 March 2019, the share capital and total equity attributable to equity holders of the Company amounted to approximately HK$17.5 million and approximately HK$76.0 million, respectively (2018: approximately HK$17.5 million and approximately HK$76.5 million, respectively).

Gearing ratio is calculated based on the total loans and borrowings divided by total equity as at the period-end date and expressed as a percentage. The gearing ratio of the Group is not presented as the Group has no net debt as at 31 March 2019 and 2018.

CHARGES ON THE GROUP'S ASSETS

The Group did not have any charges of assets as at 31 March 2019 (2018: Nil).

CAPITAL COMMITMENT

The Group had no material capital commitments as at 31 March 2019 and 2018.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 March 2019 (2018: Nil). The Group is currently not involved in any material legal proceedings, nor is the Group aware of any pending or potential material legal proceedings.

FOREIGN EXCHANGE RISK

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposures to currency risk arise from its business transactions which are primarily denominated in Australian dollars ("AUD"), Canadian dollars ("CAD"), Great British Pounds ("GBP"), RMB and the United States dollars ("US$"). The Group is mainly exposed to the effects of fluctuation in AUD, CAD, GBP and RMB as the rate of exchange between HK$ and US$ is controlled within a tight range. The Group however did not engage in any derivatives agreements and did not commit to any financial instrument to hedge its foreign exchange exposure during the year ended 31 March 2019.

EMPLOYEES AND REMUNERATION POLICIES

Total employee benefit expenses for the year ended 31 March 2019 and the year ended 31 March 2018 were approximately HK$11.6 million and approximately HK$9.3 million respectively. The increase is mainly due to the increment of headcount from the PRC subsidiaries. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. In addition to a basic salary, discretionary bonuses were offered to staff members based on the assessment of individual performance.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES AND PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

References are made to the announcements of the Company dated 9 January 2018, 10 April 2018, 14 November 2018 and 14 February 2019 (collectively, the "Announcements") in relation to the acquisition of 51% equity interests in Khorgos Do-Mega which hold the entire equity interests of and in Beijing Do-Mega (the "Acquisition").

As discussed in the Announcements and as discussed above, the Group has consolidated the financial results of the PRC subsidiaries into the Group as from 1 May 2018. Notwithstanding the consolidation of the financial results of the PRC subsidiaries, the Vendors as defined in the announcement of the Company dated 9 January 2018 should need to perform various post-Completion Obligations under the Sale and Purchase Agreement entered into between the Company's indirect wholly foreign-owned enterprise, Xinjiang Dadi Education Consultancy Limited* (新疆大地教育諮詢有限公司) ("Xinjiang Dadi Education") and the Vendors for the Acquisition, which include, among other obligations, transfer the 51% equity interests and the management rights of Khorgos Do-Mega to Xinjiang Dadi Education or its nominee(s), and the parties shall jointly attend the procedures for registration in the Sate Administration for Industry and Commerce of the PRC and/or the relevant authorities or institutions of the transfer of the 51% equity interests to Xinjiang Dadi Education as well as the appointment of the management personnel as designated by Xinjiang Dadi Education.

The performance of the post-Completion Obligations could not be processed within the ten business days as stated in the Sale and Purchase Agreement due to a change in the requirement(s) for registration of Khorgos City Market Supervision Administration Bureau* (霍爾果斯市市場監督管理局) of Xinjiang. In view thereof, Xinjiang Dadi Education has agreed to vary the terms of the Sale and Purchase Agreement by extending the date for the performance of the post-Completion Obligations to 180 business days upon Completion.

The extension of time for performing the post-Completion Obligations has been lapsed on 28 December 2018 but the post-Completion Obligations, inter alia, the registration of the transfer of the 51% equity interest to Xinjiang Dadi Education and the appointment of management personnel as designated by Xinjiang Dadi Education have still failed to be completed. As at the date of this announcement, Xinjiang Dadi Education and the Vendors of the Sale and Purchase Agreement are discussing to resolve the position. Further announcement will be made by the Group when there is any result of the discussion.

Save as disclosed above, there was no significant investment held, material acquisition or disposal of subsidiaries and affiliated companies during the year ended 31 March 2019, and there was no plan for material investment or capital assets as at the date of this announcement.

EVENTS AFTER THE YEAR ENDED 31 MARCH 2019

There is no important event affecting the Group which has occurred after the year ended 31 March 2019 and up to the date of this announcement.

USE OF NET PROCEEDS FROM THE LISTING

The net proceeds from the listing of the Company in February 2017 (the "Listing") amounted to approximately HK$55.1 million, after deducting the underwriting fees, the Stock Exchange trading fee, SFC transaction levy for the new shares of the Company (the "Shares") and the Listing expense in connection with the Share Offer. During the year ended 31 March 2019, approximately HK$16.3 million has been utilized (2018: approximately HK$11.3 million). The Group will strive to achieve the milestone events as stated in the Prospectus and it provides an analysis comparing the business objectives set out in the prospectus of the Company dated on 26 January 2017 (the "Prospectus") with the Group's actual business progress from the Listing Date to the date of this announcement as set out below:

Use of net proceeds	**Amount of net proceeds allocated upon Listing**	**Amount of net proceeds utilised for the year ended 31 March 2019**	**Balance as at 31 March 2019**	**Actual business progress up to the date of this announcement**
	HK$'000	*HK$'000*	*HK$'000*	
Expand and renovate existing branches	5,198	2,229	2,969	Renovation of Mongkok office has been completed in July 2017.
Employ additional counsellors and supporting staff	15,373	1,011	14,362	The Group hired five additional staffs as of the date of this announcement.

Use of net proceeds	Amount of net proceeds allocated upon Listing *HK$'000*	Amount of net proceeds utilised for the year ended 31 March 2019 *HK$'000*	Balance as at 31 March 2019 *HK$'000*	Actual business progress up to the date of this announcement
Strengthen our brand awareness	25,505	10,923	14,582	As of the date of this announcement, the Group has engaged with a celebrity to act as the Group's spokesperson and aired various advertisements in media.
Expand our network of overseas education providers	700	21	679	The Group was still seeking potential partners as of the date of this announcement.
Enhance our IT system	2,975	338	2,637	Staff record system, telephone system and conferencing system were upgraded during the year ended 31 March 2018.
Hold large scale exhibitions	3,960	1,783	2,177	The Group held three major exhibitions in July 2017, October 2017 and March 2018 respectively.
General working capital	1,428	–	1,428	N/A
Total	55,139	16,305	38,834	

Any net proceeds that were not applied immediately have been placed in short-term deposits with authorized financial institutions or licensed banks in Hong Kong as at date of this announcement.

DIVIDENDS

The Directors do not recommend the payment of a final dividend for the year ended 31 March 2019 (2018: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during from the Listing Date up to the date of this announcement.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group's corporate governance practices are based on the principles and the code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix 15 to the GEM Listing Rules.

During the year ended 31 March 2019, the Company has complied with all the applicable code provisions of the CG Code contained in Appendix 15 to the GEM Listing Rules.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors in respect of the shares of the Company (the "Code of Conduct"). The Company has made specific enquiry to all the Directors, and all Directors have confirmed that, they have fully complied with the required standard of dealings set out in the Code of Conduct for the year ended 31 March 2019 and up to the date of this announcement.

INTEREST OF COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, the Group has appointed TC Capital International Limited as our compliance adviser, which will provide advice and guidance to the Group in respect of compliance with the applicable laws and the GEM Listing Rules including various requirements relating to directors' duties and internal control. Except for the compliance adviser also acted as the sponsor of the Listing and the compliance adviser agreement entered into between the Company and our compliance adviser dated 19 January 2016, neither our compliance adviser nor its Directors, employees or close associates had any interests in relation to the Company which is required to be notified to the Group pursuant to Rule 6A.32 of the GEM Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirm that the Company complies with the minimum of public float of 25%.

COMPETING INTERESTS

The Directors confirm that none of the Controlling Shareholders or the Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the Group's business during the year ended 31 March 2019 and up to the date of this announcement.

DEED OF NON-COMPETITION

Mr. Chung Wang Lung and Grand Courage Investments Limited (each the "Covenantor" and collectively the "Covenantors") entered into a Deed of Non-competition on 17 January 2017 in favour of the Company and its subsidiaries (the "Deed of Non-Competition").

Pursuant to the Deed of Non-Competition, each of the Covenantors has irrevocably and unconditionally undertaken to our Company (for ourselves and for the benefit of its subsidiaries) that, save and except the interest in the Group, during the period that the Deed of Non-Competition remains effective, he/it shall not, and shall procure that his/its close associates (other than any member of the Group) not to carry on or be engaged, concerned or interested, or otherwise be involved, directly or indirectly, in any business in competition with or likely to be in competition with the existing business of any member of the Group in Hong Kong and such other part of the world where any member of the Group may engage from time to time, save for the holding of not more than 5% shareholding interests (individually or with his/its associates) in any company listed on a recognised stock exchange and at any time the relevant listed company shall have at least one shareholder (individually or with his/its close associates, if applicable) whose shareholding interests in the relevant listed company is higher than that of the relevant Covenantor (individually or with his/its close associates). Each of the Covenantors further undertakes that if he/it or his/its close associates other than any member of the Group is offered or become aware of any business opportunity in Hong Kong or such other parts of the world where any member of the Group may operate from time to time which compete with the business of the Group, he/it shall procure that his/its close associates to promptly notify our Company in writing and the Group shall have a right of first refusal to take up such opportunity. The Group shall, within six months after receipt of the written notice (or such longer period if the Group is required to complete any approval procedures as set out under the GEM Listing Rules from time to time), notify the Covenantor(s) whether the Group will exercise the right of first refusal. The independent non-executive Directors will review, on an annual basis, the compliance with the Deed of Non-Competition by the Covenantors, and be responsible for deciding whether or not to allow any of the Covenantors and/or his/its close associates to involve or participate in any business in competition with or likely to be in competition with the existing business activity of any member of the Group within Hong Kong or such other parts of the world where any member of the Group may operate from time to time and if so, any condition to be imposed. The Company will disclose decisions or matters reviewed by the independent non-executive Directors relating to compliance and enforcement of the Deed of Non-Competition of the Covenantors in the annual reports of the Company.

A summary of the major terms of the Deed of Non-Competition was disclosed in the section headed "Relationship with our Controlling Shareholders" of the Prospectus.

The Company confirms that each of the Covenantors has complied with the Deed of Non-Competition for the year ended 31 March 2019 and up to the date of this announcement.

In order to ensure that the Covenantors have complied with the Deed of Non-Competition, each of the Covenantors has provided to the Company written confirmations that (i) he/it has provided information as may be necessary for the annual review by the independent non-executive Directors in respect of the Deed of Non-Competition; and (ii) he/it has complied with the non-competition undertaking under the Deed of Non-Competition for the year ended 31 March 2019 and up to date of this announcement.

The independent non-executive Directors have reviewed the status of the compliance by each of the Covenantors with the undertakings in the Deed of Non-Competition and evaluated the effectiveness of the implementation of the Deed of Non-Competition and were satisfied that, as far as they can ascertain, there is no breach by any of the Covenantors of the undertakings in the Deed of Non-Competition given by them.

As of the date of this announcement, the Company is not aware of any other matters regarding the compliance of the undertakings in the Deed of Non-Competition and there have not been any changes in terms of the Deed of Non-Competition since the Listing of the Company.

ANNUAL GENERAL MEETING

The annual general meeting will be held on Wednesday, 31 July 2019. A notice convening the meeting will be issued and sent to the shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining entitlement to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from Friday, 26 July 2019 to Wednesday, 31 July 2019, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting, all transfer of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, no later than 4:30 p.m. on Thursday, 25 July 2019.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

An audit committee has been established with its terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, and paragraphs C.3.3 and C.3.7 of the CG Code. The audit committee consists of three members, namely, Mr. Wong Tak Chun, Ms. Chung Wai Nar and Mr. Tsang Chi Fung, all being independent non-executive Directors. Mr. Wong Tak Chun currently serves as the chairman of the audit committee.

The audit committee is to assist the Board in fulfilling its responsibilities by providing an independent review and supervision of financial reporting, by satisfying themselves as to the effectiveness of the internal controls of the Group, and as to the adequacy of the external and internal audits.

The audit committee of the Board and the management of the Company have reviewed the accounting principles and practices adopted by the Group and the financial statements for the year ended 31 March 2019. The audit committee is of the opinion that the consolidated financial statements of the Group for the year ended 31 March 2019 comply with applicable accounting standards, GEM Listing Rules and that adequate disclosures have been made.

SCOPE OF WORK OF GRANT THORNTON HONG KONG LIMITED

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 March 2019 as set out in this announcement have been agreed by the Group's auditor, Grant Thornton Hong Kong Limited, to the amounts set out in the Group's draft audited consolidated financial statements for the year. The work performed by Grant Thornton Hong Kong Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standard on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently, no assurance has been expressed by Grant Thornton Hong Kong Limited on this announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement will be published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.dadi.com.hk. The Company's annual report for the year ended 31 March 2019 will be dispatched to the Shareholders of the Company and will also be published on the aforesaid websites of the Stock Exchange and the Company in due course.

By order of the Board
Dadi Education Holdings Limited
Chung Wang Lung
Chairman and Executive Director

Hong Kong, 21 June 2019

As at the date of this announcement, the executive Directors are Mr. Chung Wang Lung, Mr. Mok Patrick and Ms. So Pik Sau, the non-executive Director is Mr. Liu Chenyu and the independent non-executive Directors are Mr. Wong Tak Chun, Ms. Chung Wai Nar and Mr. Tsang Chi Fung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, 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 on the "Latest Company Announcements" page for at least 7 days from the date of its posting and the Company's website at www.dadi.com.hk.

* *The English translation of Chinese names or words in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*