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## **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)**

### **DISCLOSEABLE TRANSACTIONS SUBSCRIPTION OF UNITS IN A FUND**

The Board announces that Time Pace Development, an indirect wholly-owned subsidiary of the Company, entered into the Contract Note on 21 November 2019, pursuant to which Time Pace Development subscribed 84,076.43 units in the Fund issued by the Fund House at a unit price of approximately AUD9.52. One further subscription in the Fund of 74,482.75 units at a unit price of approximately AUD9.67 was made by Time Pace Development on 6 January 2020. Up to the date of this announcement, the Group invests approximately AUD1.52 million (equivalent to approximately HK\$8.1 million) and holds 158,559.18 units in aggregate in the Fund.

As one or more applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Subscriptions on a stand-alone basis or after aggregation exceed 5% but are less than 25%, the Subscriptions constitutes discloseable transactions of the Company and are therefore subject to notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

### **SUBSCRIPTIONS OF UNITS IN A FUND**

The Board announces that Time Pace Development, an indirect wholly-owned subsidiary of the Company, entered into the Contract Note on 21 November 2019, pursuant to which Time Pace Development subscribed 84,076.43 units in the Fund issued by the Fund House at a unit price of approximately AUD9.52. One further subscription in the Fund of 74,482.75 units at a unit price of approximately AUD9.67 was made by Time Pace Development on 6 January 2020. The Subscriptions were made by Time Pace Development through one of the bankers of the Group, the Bank of China (Hong Kong) Limited. Up to the date of this announcement, the Group invests approximately AUD1.52 million (equivalent to approximately HK\$8.1 million) and holds 158,559.18 units in aggregate in the Fund.

## **The Fund**

The Fund was issued by the Fund House and was launched in February 2018. The Fund is a sub-fund of BlackRock Global Funds which is an umbrella type open-ended variable capital investment company, with segregated liabilities between sub-funds, incorporated with limited liability under the laws of Luxembourg. The Fund have been approved as recognized scheme under the Securities and Futures Act, Chapter 289 of Singapore. The BlackRock Global Funds appointed BlackRock (Luxembourg) S.A. to act as its management company which has delegated its investment management functions to various investment advisers to provide advice and management in the areas of stock and sector selection and strategic allocation. The Fund House is one of the sub-advisers of the investment advisers, which is an indirect operating subsidiary of BlackRock, Inc., a global investment management corporation based in the US.

## **Investment objective, policy and strategy of the Fund**

The Fund follows a flexible asset allocation policy that seeks to provide a high level of income. In order to generate high level of income, it has a diversified investment portfolio across a variety of asset classes, investing in income producing assets, such as, fixed income transferrable securities, including corporate and government issues which may be fixed and floating and may be investment grade, sub-investment grade or unrated, covered call options and preference shares. The Fund may also invest globally in the full spectrum of permitted investments including equities, equity-related securities, fixed income transferable securities, units of undertakings for collective investment, cash, deposits and money market instruments.

The Fund is a stock connect fund and may invest directly in the PRC by investing via the stock connects. The Fund is also a China's interbank bond market fund and may gain direct exposure to onshore bonds distributed in the PRC in the China's interbank bond market via foreign access regime and/or bond connect and/or other means as may be permitted by the relevant regulations from time to time. The Fund may invest up to 20% in aggregate of its total assets in the PRC via the stock connects, the foreign access regime and/or bond connect.

Further, as part of its investment objectives, the Fund may invest up to 50% of its total assets in asset-backed securities and mortgage-backed securities, whether investment grade or not. The Fund's exposure to distressed securities is limited to 10% of its total assets, its exposure to contingent convertible bonds is limited to 20% of total assets and its exposure to structured notes qualifying as transferrable securities is limited to 30% of total assets.

The expected level of leverage of the Fund is 100% of its net asset value.

## **Asset Type breakdown**

As of 31 December 2018, the size of the Fund was USD2,570.35 million. It held assets as to 39.51% in the US fixed income, as to 23.65% in the US equity, as to 22.88% in the non-US fixed income, as to 7.63% in the non-US equity and as to 4.86% in cash and/or derivative and as to the remaining 1.47% on other assets.

As of 31 May 2020, the size of the Fund was USD3,043.89 million. It held assets as to 36.29% in the US fixed income, as to 26.43% in the US equity, as to 21.86% in the non-US fixed income, as to 11.26% in the non-US equity and as to the remaining 0.01% on other assets.

### **Management fee and expenses**

An initial charge of 5% was required to be paid by the subscribers to the units of the Fund. The BlackRock Global Funds would pay the management company a management fee of 1.5% per month out of the net asset value of the Fund.

### **Distribution Policy**

The declaration of dividend is the discretion of the directors of the BlackRock Global Funds. The Fund distributes income gross of expenses across all distributing share classes and the distribution is declared on monthly basis. As of 31 December 2018, the Fund distributed dividend in the amount of AUD0.0555 per unit and as of 29 May 2020, it distributed AUD0.0455 per unit.

### **Risks**

The Fund is not a guaranteed fund, in that there is no guarantee as to the amount of capital invested or return received. It was classified as a medium risk fund when the Subscriptions were made.

### **Redemption**

The Fund is an open-ended fund without a maturity date. The Subscriptions may be redeemed at the option of Time Pace Development.

### **REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS**

The principal purpose of the Company for the Subscriptions is that AUD is one of the Group's main currencies that the Group received in its ordinary course of business. Due to the low exchange rate from converting AUD to HK\$ during the year ended 31 March 2020, the Group considered it appropriate not to convert the AUD to HK\$ during the year ended 31 March 2020. By the Subscriptions, the Group may diversify its investment portfolio with an aim to enhancing profitability in both the exchange rate and dividends from the Fund. The Subscriptions provide an opportunity to the Company to enhance return by utilizing the idle cash of the Company. The redemption mechanism of the Fund also provides flexibility to the Company to recover its funds if there are any future investment opportunities that are appropriate to the Group.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Subscriptions are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **INFORMATION OF THE GROUP AND THE FUND HOUSE**

The Company is an investment holding company and the Group is principally engaged in the provision of overseas studies consultancy services business.

The Fund House is incorporated in Hong Kong with limited liability and is a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to engage in type 1 (dealing in securities), type 2 (dealing in future contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management). It has been managing collective investment scheme or discretionary funds since 2003.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiry, the Fund House, the BlackRock Global Funds, the management company of the BlackRock Global Funds and its respective ultimate beneficial owner(s) are Independent Third Parties, and are not connected with the Company and its connected persons.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Subscriptions on a stand-alone basis or after aggregation exceed 5% but are less than 25%, the Subscriptions constitutes discloseable transactions of the Company and are therefore subject to notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“AUD”	Australia dollars, the lawful currency of Australia
“Board”	the board of Directors
“Company”	Dadi Education Holdings Limited (大地教育控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on GEM of the Stock Exchange (Stock code: 8417)
“connected person(s)”	has the meaning ascribed under the GEM Listing Rules
“Contract Note”	the Fund Subscription Contract Note entered into by Time Pace Development on 21 November 2019 in respect of the subscription of units in the Fund
“Director(s)”	the director(s) of the Company
“Fund”	BGF Dynamic High Income Fund A8 AUD-Hedged with category A, which is an open-ended fund established as a sub-fund of BlackRock Global Funds

“Fund House”	BlackRock Asset Management North Asia Limited (貝萊德資產管理北亞有限公司), a company incorporated in Hong Kong with limited liability on 10 August 1998 and is a licensed corporation under the Securities and Futures Ordinance to engage in type 1 (dealing in securities), type 2 (dealing in future contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management)
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	Any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, are third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and Directors, chief executives, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Shareholder(s)”	holder(s) of the Shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriptions”	the subscription of 84,076.43 units at the subscription costs of AUD9.52 per unit and 74,482.75 units at the subscription costs of AUD9.67 per unit in the Fund made by Time Pace Development on 21 November 2019 and 6 January 2020, respectively
“Time Pace Development”	Time Pace Development Limited (時進實業有限公司) trading as Da Di Overseas Studies Service Centre, a company incorporated under the laws of Hong Kong with limited liability, and an indirect wholly-owned subsidiary of the Company
“US”	the United States of America

“USD” United States dollars, the lawful currency of the US

“%” per cent

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

Hong Kong, 21 July 2020

*As at the date of this announcement, the executive Directors are Mr. Chung Wang Lung, Mr. Mok Patrick and Ms. So Pik Sau 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.*

*For illustration purpose, reference of AUD to HK\$ in this announcement is based on mid-market exchange rates on the respective dates of the Subscriptions.*