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Duiba Group

兑吧集团

DUIBA GROUP LIMITED

兑吧集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1753)

POSITIVE PROFIT ALERT

This announcement is issued by Duiba Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders (“**Shareholders**”) and potential investors of the Company that, based on the Company’s preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended 31 December 2021 (the “**Management Accounts**”) and latest information currently available to the Board, the Group is expected to record (i) an increase of no less than 22% in revenue for the year ended 31 December 2021 (the “**Year**”) as compared with the same period of 2020; (ii) an increase of no less than 128% in adjusted profit¹ for the year ended 31 December 2021 as compared with the same period of 2020; and (iii) a decrease of no less than 74% in loss attributable to owners of the parent company for the year ended 31 December 2021 as compared with the same period of 2020. The above changes were mainly due to a full recovery in the interactive advertising business of the Company arising out of the improved confidence of advertisers in budget spending as a whole, driven by effective control on domestic epidemic on one hand. In addition, increase in revenue from user management SaaS business, which is the strategic focus of the Company, remained significant during the Year, due to robust matrix development of paid products for the Year and the Group’s enhanced cooperation with financial customers (including banks), record high in unit price per transaction was achieved by the Group during the Year, resulting in a significant improvement in the financial results for the Year as compared to 2020. However, the Company’s operating performance of the second half of 2021 was weaker than the first half of that year, which was mainly due to certain prime customers who contributed significantly to the Group’s revenue in advertising had decreased their budgets in the second half of 2021 as a result of the change in market environment which they operate, while the Company did not have such customers in similar size to compensate the loss of business in a short term, which impaired the overall recovery of our interactive advertising business.

¹ *The Company defines “adjusted profit for the Year” as profit for the Year adding back share-based payment. Adjusted profit for the Year is not a measure required by or presented in accordance with HKFRSs. The use of adjusted profit for the Year has limitations as an analytical tool, and Shareholders and potential investors should not consider it in isolation from, or as a substitute for analysis of, the results of operations or financial condition of the Company as reported under HKFRSs.*

As at the date of this announcement, the Company is still in the process of finalising the audited consolidated financial results of the Group for the year ended 31 December 2021. The information contained in this announcement is based solely on the preliminary review on the Group's Management Accounts and other relevant information currently available to the Board, which is subject to finalization and other potential adjustments, if any, and has neither been reviewed or audited by the Company's independent auditor, nor reviewed by the audit committee of the Company. Shareholders and potential investors are therefore advised to read carefully the annual results announcement of the Company for the year ended 31 December 2021, which is expected to be published on or before 31 March 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
DUIBA GROUP LIMITED
Chen Xiaoliang
Chairman

Hangzhou, China, 27 March 2022

As at the date of this announcement, the Board comprises Mr. Chen Xiaoliang, Mr. Zhu Jiangbo, Mr. Cheng Peng and Ms. Li Chunting as executive Directors, and Mr. Kam Wai Man, Dr. Ou-Yang Hui and Dr. Gao Fuping as independent non-executive Directors.