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DIT GROUP LIMITED

築友智造科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 726)

ANNOUNCEMENT

**(A) FRAMEWORK AGREEMENTS IN RELATION TO
(1) CONNECTED TRANSACTIONS —
EPC SERVICE ARRANGEMENT AND
PARK DESIGN SERVICE ARRANGEMENT; AND
(2) CONTINUING CONNECTED TRANSACTIONS —
SUPPLY ARRANGEMENT AND
PC DESIGN SERVICE ARRANGEMENT
AND
(B) PROPERTY LEASING AGREEMENT IN RELATION TO
CONTINUING CONNECTED TRANSACTION**

INTRODUCTION

The Board is pleased to announce that on 11 May 2020 (after trading hours), (i) the Company and Drawin Construction Technology entered into the Framework Agreement I in relation to (a) the provision of EPC general contracting services by the Drawin Construction Technology Group to the Group, namely the EPC Service Arrangement and (b) the supply of prefabricated construction components and products by the Group to the Drawin Construction Technology Group, namely the Supply Arrangement; (ii) the Company and Drawin Construction Design entered into the Framework Agreement II in relation to the provision of design services by the Drawin Construction Design Group to the Group in respect of (a) the Group's technology parks in the PRC, namely the Park Design Service Arrangement and (b) the prefabricated construction components and products sold by the Group, namely the PC Design Service Arrangement; and (iii) Drawin Changsha, an indirect non-wholly owned subsidiary of the Company, and Drawin Manufacture entered into the Property Leasing Agreement, pursuant to which Drawin Changsha shall lease to Drawin Manufacture Group the properties within the Changsha technology park.

LISTING RULES IMPLICATIONS

Drawin Construction Technology and Drawin Construction Design are both wholly-owned subsidiaries of Drawin Manufacture. As at the date of this announcement, Drawin Manufacture indirectly held approximately 63.5% of the issued Shares; hence, a controlling shareholder of the Company. Drawin Manufacture is also indirectly wholly-owned by Mr. Wu Po Sum, who is an executive Director. Therefore, each of Drawin Manufacture, Drawin Construction Technology and Drawin Construction Design is a connected person of the Company under the Listing Rules.

Framework Agreements

As the EPC Service Arrangement and the Park Design Service Arrangement are both capital in nature which involve different aspects in the construction of a technology park and Drawin Construction Technology and Drawin Construction Design are either direct or indirect wholly-owned subsidiaries of Drawin Manufacture, the EPC Service Arrangement and the Park Design Service Arrangement require aggregation under Rule 14A.81 of the Listing Rules. As the applicable percentage ratios in respect of the estimated maximum values of the EPC Service Arrangement and the Park Design Service Arrangement under the relevant Framework Agreements exceed 5%, the EPC Service Arrangement and the Park Design Service Arrangement constitute connected transactions of the Company which are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the Supply Arrangement is of revenue nature in the ordinary and usual course of business of the Group and one or more of the applicable percentage ratios in respect of the Proposed Supply Arrangement Annual Cap exceed 5%, the contemplated transaction under the Supply Arrangement constitutes a continuing connected transaction which is subject to the annual review, reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Further, as all applicable percentage ratios in respect of the Proposed PC Design Service Arrangement Annual Cap are less than 5% and the Proposed PC Design Service Arrangement Annual Cap is less than HK\$3 million, the contemplated transaction under the PC Design Service Arrangement constitutes a continuing connected transaction which is fully exempt from the annual review, reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Property Leasing Agreement

As the highest applicable percentage ratio in respect of the continuing connected transactions under the Property Leasing Agreement is more than 0.1% but less than 5%, the contemplated transaction under the Property Leasing Agreement constitutes a continuing connected transaction which is only subject to the annual review, reporting and announcement requirements and is exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

SGM

The Company will convene the SGM for the purpose of considering and approving the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement). A circular containing, among others, (i) further information on the terms of the Framework Agreements; (ii) the letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in connection with the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement); (iii) the letter of advice from the Independent Financial Adviser containing its advice in connection with the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement); and (iv) a notice convening the SGM and the related proxy form, is currently expected to be despatched to the Shareholders on or before 1 June 2020.

If the Independent Shareholders' approval for the Framework Agreements are not obtained at the SGM, the transactions as contemplated under the Framework Agreements will not proceed. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the Shares or any other securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 11 May 2020 (after trading hours):

- (i) the Company and Drawin Construction Technology entered into the Framework Agreement I in relation to (a) the EPC Service Arrangement and (b) the Supply Arrangement;
- (ii) the Company and Drawin Construction Design entered into the Framework Agreement II in relation to (a) the Park Design Service Arrangement and (b) the PC Design Service Arrangement; and
- (iii) Drawin Changsha, an indirect non-wholly owned subsidiary of the Company, and Drawin Manufacture entered into the Property Leasing Agreement pursuant to which Drawin Changsha shall lease to the Drawin Manufacture Group the properties within the Changsha technology park for the purpose of usage as office premises, staff dormitories, finished production warehouses, test plants and prefabricated components manufacturing plants and provide to the Drawin Manufacture Group certain ancillary services.

PRINCIPAL TERMS OF THE FRAMEWORK AGREEMENT I

Date: 11 May 2020 (after trading hours)

Parties: (1) the Company; and
(2) Drawin Construction Technology

Term: For a term commencing from the approval date of the Framework Agreement I by the Independent Shareholders and ending on 31 December 2020. The Framework Agreement I may, subject to compliance with relevant laws and regulations and the Listing Rules as well as the agreement of the parties, be extended or renewed.

Subject matters:

(1) EPC Service Arrangement

Pursuant to the EPC Service Arrangement, the Drawin Construction Technology Group may participate in the selection or bidding process arranged by the Group for the construction of technology park(s) of the Group. Upon selection of the Drawin Construction Technology Group as the contractor through the selection or bidding process, Drawin Construction Technology will provide, or procure its subsidiaries to provide, EPC general contracting services to the Group for the development of the Group's technology parks in the PRC in accordance with the terms of the tender and relevant service contract.

EPC general contracting services is a form of arrangement where the EPC contractor is made responsible for all activities from procurement, construction, commission and handover of the technology parks to the Company.

The Group will, from time to time, select contractors for the construction of its technology parks through the selection or bidding process. The Group will consider the tender proposals and compare the quotations from all bidders, including that from the Drawin Construction Technology Group. Where the Drawin Construction Technology Group is the only bidder, the Group will compare the quotation with the market price expected to be charged or offered by other construction contractors in the city or district in which the relevant technology park being constructed is located, and where the construction timetable of the relevant technology park permits, invite price quotations from at least two other independent construction contractors for review and comparison purposes. The Group believes that the pricing of the EPC general contracting services is, in general, transparent and can be obtained through making enquiries with market participants. The tender price for provision of EPC general contracting services is also available on the government websites of the public resources trading centers. The Group will contract with the Drawin Construction Technology Group pursuant to the Framework Agreement I if the price quoted by the Drawin Construction Technology Group is lower than, or within the range of, that from other bidders or market price.

(2) *Supply Arrangement*

Pursuant to the Supply Arrangement, the Group may participate in the bidding process arranged by the Drawin Construction Technology Group for the supply of prefabricated construction components and products. Upon selection of the Group as the contractor by the Drawin Construction Technology Group, the Company will supply, or procure its subsidiaries to supply, prefabricated construction components and products to the Drawin Construction Technology Group for its construction projects in accordance with the terms of the tender and relevant supply contract.

Pricing:

- (1) Under the EPC Service Arrangement, the contract price for EPC general contracting services to be provided by the Drawin Construction Technology Group to the Group should be determined with reference to the estimated costs of a construction project plus a profit margin and management fee of not more than 5% of the construction costs and should not exceed RMB2,600 per square metre (inclusive of tax) in principle. Pursuant to the Framework Agreement I, the Drawin Construction Technology Group shall not quote a contract price for EPC general contracting services higher than the market rate within the industry.

The proposed profit margin and the contract price for EPC general contracting services per square metre are set with reference to the average construction price quoted from the other market participants in 2019 and the projected level of demand for EPC general contracting services of the Group in 2020.

- (2) Pursuant to the Supply Arrangement, the integrated unit price of the prefabricated construction components and products to be supplied by the Group to the Drawin Construction Technology Group should be the prevailing market price of each unit. In principle, the provisional unit price should not exceed RMB3,200 per cubic metre (inclusive of tax). Subject to the actual volume of the unit supplied, the final unit price may be adjusted.

The integrated unit price of the prefabricated construction components and products are set with reference to the average unit price per cubic metre of the prefabricated construction components and products quoted from the other market participants in 2019, the projected level of demand for prefabricated units from the Drawin Construction Technology Group and other market participants in 2020, and the estimated costs of each unit manufactured by the Group in 2020.

The marketing department of the Group will assess and determine the proposed sale price of the prefabricated construction components and products with reference to (i) the market price range of such units as charged by the largest supplier in the relevant locality, (ii) a comparison of the quality and standard of those prefabricated construction components and products, and (iii) the demand for such components and products in the market at the relevant time. The Group's marketing department will also review and assess whether the proposed sale price is no less favorable to the Group than those offered to other independent customers, taking into account the difference in the quality and standard of the prefabricated construction units and the development of long term business relationships with the Group's customers. The general manager responsible for the business segment of supplying the prefabricated construction components and products will make the final decision in setting the sale price.

Payment arrangement:

The Framework Agreement I provides that details of the payment mechanism for all fees and payments due to the Drawin Construction Technology Group pursuant to the EPC Service Arrangement or due to the Group pursuant to the Supply Arrangement should be specified in the relevant service or supply contracts to be entered into by the relevant parties.

PRINCIPAL TERMS OF THE FRAMEWORK AGREEMENT II

Date: 11 May 2020 (after trading hours)

Parties: (1) the Company; and
(2) Drawin Construction Design

Term: For a term commencing from the approval date of the Framework Agreement II by the Independent Shareholders and ending on 31 December 2020. The Framework Agreement II may, subject to compliance with relevant laws and regulations and the Listing Rules as well as the agreement of the parties, be extended or renewed.

Subject matters:

(1) Park Design Service Arrangement

Pursuant to the Park Design Service Arrangement, the Drawin Construction Design Group may participate in the selection or bidding process arranged by the Group for provision of design services for the Group's technology parks in the PRC. Upon selection of the Drawin Construction Design Group as the service provider through the selection or bidding process, Drawin Construction Design will provide, or procure its subsidiaries to provide, design services to the Group in respect of the Group's technology parks in the PRC in accordance with the terms of the tender and relevant service contract.

The Group will, from time to time, select contractors for the design of its technology parks through the selection or bidding process. The Group will consider the tender proposals and compare the quotations from all bidders, including that from the Drawin Construction Design Group. Where the Drawin Construction Design Group is the only bidder, the Group will compare the quotation with the market price expected to be charged or offered by other service providers in the city or district in which the relevant technology park being constructed is located, and where the construction timetable of the relevant technology park permits, invite price quotations from at least two other independent design services providers for review and comparison purposes. The Group believes that the pricing of technology park design services is, in general, transparent and can be obtained through making enquiries with market participants. The tender price for provision of technology park design services is also available on the government website of the public resource trading centers. The Group will contract with Drawin Construction Design Group pursuant to the Framework Agreement II if the price quoted by the Drawin Construction Design Group is lower than, or within the range of, that from other bidders or market price.

(2) *PC Design Service Arrangement*

Pursuant to the PC Design Service Arrangement, the Drawin Construction Design Group may participate in the selection or bidding process arranged by the Group for provision of design services for the Group's prefabricated construction components and products. Upon selection of the Drawin Construction Design Group as the service provider through the selection or bidding process, Drawin Construction Design will provide, or procure its subsidiaries to provide, design services in respect of the prefabricated construction components and products sold by the Group in accordance with the terms of the tender and relevant service contract.

The Group will, from time to time, select contractors for the design of the Group's prefabricated construction components and products through the selection or bidding process. The Group will consider the tender proposals and compare the quotations from all bidders, including that from the Drawin Construction Design Group. Where the Drawin Construction Design Group is the only bidder, the Group will compare the quotation with the market price expected to be charged or offered by other service providers in the city or district in which the prefabricated construction components are to be supplied to the customers of the Group, and where the prefabricated construction components and products production timetable permits, invite price quotations from at least two other independent design services providers for review and comparison purposes. The Group believes that the pricing of product design services is, in general, transparent and can be obtained through making enquiries with market participants. The tender price for provision of product design services is also available on the government website of the public resources trading centers. The Group will contract with Drawin Construction Design Group pursuant to the Framework Agreement II if the price quoted by the Drawin Construction Design Group is lower than, or within the range of, that from other bidders or market price.

Pricing:

- (1) Under the Park Design Service Arrangement, the contract price for the design services to be provided by Drawin Construction Design Group to the Group should be determined with reference to the estimated costs of the design services plus a profit margin and management fee of not more than 5% of the design costs and the provisional contract price should not exceed RMB25 per square metre (inclusive of tax) in principle. Subject to the actual size of the park for which the design is rendered, the final contract price may be adjusted. Pursuant to the Framework Agreement II, the Drawin Construction Design Group shall not quote a contract price for technology park design services higher than the market rate within the industry.

The proposed profit margin and the contract price for the technology park design services are set with reference to the average design service fee per square metre generally charged by the other market participants in 2019 and the projected level of demand for design service of the Group in 2020.

- (2) Under the PC Design Service Arrangement, the contract price for the design services in respect of the prefabricated construction components and products to be sold by the Group to third parties should be determined with reference to the estimated costs of the design services plus a profit margin and management fee of not more than 5% of the design costs and the provisional contract price should not exceed RMB70 per cubic metre (inclusive of tax) in principle. Subject to the actual volume of the prefabricated construction component for which the design is rendered, the final contract price may be adjusted. Pursuant to the Framework Agreement II, the Drawin Construction Design Group shall not quote a contract price for prefabricated construction components and products design services higher than the market rate within the industry.

The proposed profit margin and the contract price of the prefabricated construction components and products design services are set with reference to the average product design services fee per cubic metre generally charged by the other market participants in 2019 and the projected level of demand for product design services of the Group in 2020.

Payment arrangement:

The Framework Agreement II provides that details of the payment mechanism for all fees and payments due to Drawin Construction Design Group pursuant to the Park Design Service Arrangement or the PC Design Service Arrangement should be specified in the relevant service contracts to be entered into by the relevant parties.

PRINCIPAL TERMS OF THE PROPERTY LEASING AGREEMENT

Date: 11 May 2020 (after trading hours)

Landlord: Drawin Changsha

Tenant: Drawin Manufacture

The respective leased premises may be used by the Drawin Manufacture Group Entities.

Premises: Properties within the Changsha technology park

Leasing and ancillary services: Pursuant to the Property Leasing Agreement, Drawin Changsha agreed to (i) lease to the relevant Drawin Manufacture Group Entities the office premises, staff dormitories, finished production warehouses, test plants and prefabricated components manufacturing plants, and (ii) provide to the same ancillary services including the supply of heating, hot water and the provision of technology park maintenance services (the “**Leasing and Ancillary Services Arrangement**”).

Term of the lease: For a term of one year commencing from 11 May 2020 to 10 May 2021 (both days inclusive)

Leased area: 21,118.88 square metres in total

Fees payable:

The total amount of fees payable by Drawin Manufacture on behalf of the Drawin Manufacture Group Entities to Drawin Changsha is calculated by reference to the leased area used by each Drawin Manufacture Group Entity and comprises of two components, namely (i) rental and (ii) service fees in respect of ancillary services provided by Drawin Changsha, including the supply of heating, the supply of hot water and the provision of technology park maintenance services.

The breakdown of the monthly rental and service fees payable by reference to each usage of the leased premises is as follows:

Usage of leased premises	Monthly rental per square metre of leased area (RMB)	Monthly service fee per square metre of leased area (RMB)	Total leased area (square metre)	Total monthly rental and service fees (RMB)
Office Premises	90.00	37.69	5,608.32	716,126.38
Staff Dormitories	24.00	4.27	4,190.99	118,479.29
Finished production warehouses	30.00	6.67	2,465.15	90,397.05
Test plants	60.00	13.41	4,246.42	311,729.69
Prefabricated components manufacturing plants	24.74	0	<u>4,608.00</u>	<u>114,001.92</u>
Total:			<u>21,118.88</u>	<u>1,350,734.33</u>

The rentals and service fees under the Property Leasing Agreement have been determined by Drawin Manufacture and Drawin Changsha after arm's length negotiation with reference to the prevailing market rates for comparable properties in Changsha.

Payment arrangement:

Drawin Manufacture on behalf of the Drawin Manufacture Group Entities shall pay to Drawin Changsha the rental and service fees payable under the Property Leasing Agreement on a quarterly basis. Drawin Changsha shall issue an invoice to Drawin Manufacture before the 15th day of the month following the end of a quarter, and Drawin Manufacture shall make payment before the 22nd day of the same month.

Other utilities charges, including water and electricity shall be charged on actual incurred basis and payable on a monthly basis.

Where the Group performs any repair and maintenance work in respect of the leased premises, additional fees may be charged.

THE PREVIOUS FRAMEWORK AGREEMENTS

As disclosed in the announcement of the Company dated 3 April 2019, on 3 April 2019, the Company entered into (i) the Previous Framework Agreement I with Drawin Construction Technology in relation to the EPC service arrangement and the supply arrangement and (ii) the Previous Framework Agreement II with Drawin Construction Design in relation to the technology park design service arrangement and the prefabricated construction components and products design service arrangement.

The Company was required to set an annual cap in respect of the maximum aggregate transaction amounts under the supply arrangement over the term of the Previous Framework Agreement I and an annual cap in respect of the maximum aggregate transaction amounts under the prefabricated construction components and products design service arrangement over the term of the Previous Framework Agreement II. The actual realized transaction amounts in 2019 and the relevant annual caps are set out below:

Under the Previous Framework Agreements	Actual realized transaction amounts (RMB, approximately)	Annual cap (RMB)
Supply arrangement	103.78 million	300.00 million
Prefabricated construction components and products design service arrangement	1.99 million	9.00 million

In respect of the EPC service arrangement and the technology park design service arrangement, the actual realized transaction amounts in 2019 were RMB123.56 million and RMB0.13 million, respectively.

The actual transaction amounts in relation to the supply arrangement and the prefabricated construction components and products design service arrangement were lower than the respective annual caps primarily because the former ultimate controlling shareholder of the Company, who also the former ultimate controlling shareholder of Drawin Construction Technology and Drawin Construction Design, had liquidity issue in 2019 and was unable to commence or complete most of its construction projects as planned, resulting in a significant decrease in the demand for prefabricated construction components and products manufactured by the Group; and correspondingly, leading to a significant decrease in the demand for prefabricated construction components and products design services by the Group, as the portion of prefabricated construction components and products planned to be sold by the Group to the Drawin Construction Technology Group for its planned construction projects were no longer needed; hence, the corresponding design services were no longer required by the Group.

It is expected that the impact of the above factor will be alleviated in 2020 because the liquidity issue of the former ultimate controlling shareholder of Drawin Construction Technology was an isolated event. With the change of the ultimate controlling shareholder of Drawin Construction Technology and the Company in July 2019, it is expected that the Drawin Construction Technology Group will have sufficient resources to continue its construction projects as planned.

The Directors therefore believe that, in order to put the Group in a competitive position to be awarded with mandates by the Drawin Construction Technology Group and to secure prefabricated construction components and products of competitive designs, it would be important that the Proposed Supply Arrangement Annual Cap and the Proposed PC Design Service Arrangement Annual Cap under the Framework Agreement I and the Framework Agreement II, respectively, are set at the proposed level so that the Group may submit tenders for supply mandates and continue to produce prefabricated construction components and products of competitive designs without being limited by annual caps set at a lower level. Please see the sub-section headed “Basis of determination” below for details.

THE PREVIOUS PROPERTY LEASING AGREEMENT

On 3 April 2019, Drawin Changsha (as the landlord) entered into the Previous Property Leasing Agreement with Drawin Manufacture (as the tenant) in respect of the leasing and ancillary services arrangement. The principal terms of the Previous Property Leasing Agreement were set out in the announcement of the Company dated 3 April 2019.

In respect of the leasing and ancillary services arrangement, the Company was required to set an annual cap in respect of the maximum aggregate transaction amounts over the term of the Previous Property Leasing Agreement. The actual realized transaction amounts in 2019 and the annual cap in relation to the leasing and ancillary services arrangement under the Previous Property Leasing Agreement are set out below:

Under the Previous Property Leasing Agreement	Actual realized amounts (RMB, approximately)	Annual cap (RMB)
Leasing and ancillary services arrangement	10.29 million	16.21 million

The actual transaction amounts in relation to the leasing and ancillary services arrangement were lower than the annual cap primarily due to the discrepancy between (i) the period from which the actual realized amount was accounted for, which was from the date of the Previous Property Leasing Agreement to 31 December 2019, and (ii) the period from which the proposed annual cap in relation to the leasing and ancillary services arrangement was based upon, which was the entire calendar year of 2019.

PROPOSED ANNUAL CAPS AND ESTIMATED TRANSACTION VALUES IN RESPECT OF THE CONTINUING CONNECTED TRANSACTIONS UNDER THE FRAMEWORK AGREEMENTS AND THE PROPERTY LEASING AGREEMENT

Proposed annual caps for the Supply Arrangement and the PC Design Service Arrangement

Pursuant to Rule 14A.53 of the Listing Rules, the Company is required to set an annual cap in respect of the maximum aggregate transaction amounts under the Supply Arrangement over the term of the Framework Agreement I and an annual cap in respect of the maximum aggregate transaction amounts under the PC Design Service Arrangement over the term of the Framework Agreement II. The Proposed Supply Arrangement Annual Cap and the Proposed PC Design Service Arrangement Annual Cap are set out below:

Estimated maximum aggregate amounts payable:	Proposed Annual Cap	
	<i>(RMB)</i>	<i>(equivalent to approximately HK\$)</i>
by the Drawin Construction Technology Group to the Group under the Supply Arrangement	200 million	219.05 million
by the Group to the Drawin Construction Design Group under the PC Design Service Arrangement	2.2 million	2.41 million

The actual value of each transaction under the Supply Arrangement and the PC Design Service Arrangement will, when it is entered into, be determined according to the pricing mechanism set out in the relevant Framework Agreements and the relevant supply or service contracts as described above.

Estimated transaction values under the EPC Service Arrangement and Park Design Service Arrangement

The Company estimates that the maximum value of the transactions under the EPC Service Arrangement over the term of the Framework Agreement I may reach RMB160 million (equivalent to approximately HK\$175.24 million) and the maximum value of the transactions under the Park Design Service Arrangement over the term of the Framework Agreement II may reach RMB2.5 million (equivalent to approximately HK\$2.74 million). The actual value of each transaction under the EPC Service Arrangement and the Park Design Service Arrangement will, when it is entered into, be determined according to the pricing mechanism set out in the relevant Framework Agreements and the relevant service contracts as described above.

Basis of determination

In arriving at (i) the Proposed Supply Arrangement Annual Cap, (ii) the Proposed PC Design Service Arrangement Annual Cap, and (iii) the estimated maximum values of the transactions under (a) the EPC Service Arrangement and (b) the Park Design Service Arrangement, the Directors have taken into consideration the following factors (as appropriate):

- (i) in respect of the EPC Service Arrangement,
 - (a) the Group's plan to develop, construct and continue to construct eight technology parks in 2020 where the outstanding aggregate construction area to be constructed is expected to be approximately 125,800 square metres. As the average expected or actual construction price in respect of EPC general contracting services to be offered by independent construction contractors to the Group is generally higher than that offered by the Drawin Construction Technology Group, based on past experience and the Group's technology parks development and progress plan, the Company estimated that the maximum aggregate construction area to be constructed by the Drawin Construction Technology Group in 2020 will be approximately 61,500 square metres; and
 - (b) the contract price for EPC general contracting service that may be quoted by the Drawin Construction Technology Group to the Group under the Framework Agreement I shall not exceed RMB2,600 per square metre (inclusive of tax).
- (ii) in respect of the Supply Arrangement,
 - (a) the estimation by the Company that the demand of prefabricated construction components and products from the Drawin Construction Technology Group will be approximately 56,000 cubic metres, based on a recent discussion between the Company and the Drawin Construction Technology Group, with a 10% buffer to be factored in based on past experience;
 - (b) based on the above, the estimated demand from the Drawin Construction Technology Group for prefabricated construction units in 2020 being approximately in the range of 50,000 to 62,000 cubic metres;
 - (c) the Group's plan to develop, construct and continue to construct eight technology parks in 2020. The Company therefore believes that it will be in a better position to acquire greater market share in the prefabricated construction unit market in general and to fulfill the demand of the Drawin Construction Technology Group of prefabricated construction units in 2020; and
 - (d) the unit selling price of the prefabricated construction components that may be quoted by the Group to the Drawin Construction Technology Group under the Framework Agreement I shall not exceed RMB3,200 per cubic metre (inclusive of tax).

- (iii) in respect of the Park Design Service Arrangement,
- (a) the aggregate area of the technology parks which the Group plans to finalize their design in 2020 will be approximately 100,000 square metres;
 - (b) the contract price for the technology park design service that may be quoted by Drawin Construction Design Group to the Group under Framework Agreement II shall not exceed RMB25 per square metre (inclusive of tax); and
 - (c) the estimation by the Group that the demand for technology park design services of the Group will be fully satisfied by the Drawin Construction Design Group based on past experience, taking into account a number of factors, including the design fees offered by the Drawin Construction Design Group, the design quality of the Drawin Construction Design Group, the project efficiency and smooth communication between the Group and the Drawin Construction Design Group in the park design process.
- (iv) in respect of the PC Design Service Arrangement,
- (a) the level of demand from the Drawin Construction Technology Group for prefabricated construction units in 2020; and
 - (b) the contract price for the product design service that may be quoted by the Drawin Construction Design Group under Framework Agreement II shall not exceed RMB70 per cubic metre (inclusive of tax).
- (v) the Company's belief that the PRC government policies (as set out in detail under the section headed "**REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENTS AND THE PROPERTY LEASING AGREEMENT**") will support the development of the Group's prefabricated construction unit business in the PRC. Hence, the Company expects that it will be able to acquire more mandates for prefabricated units from the Drawin Construction Technology Group under the Supply Arrangement, and has therefore set the Proposed Supply Arrangement Annual Cap at the proposed level. The Company has also set the maximum transaction value of the EPC Service Arrangement at the proposed level in order to facilitate the expansion of the Company's production capacity by developing new technology parks in cities across the PRC, so as to ensure that the Company will have sufficient production capacity to fulfill any increased demand for prefabricated units under such favourable government policies.

Leasing and Ancillary Services Arrangement

The Company is required under Rule 14A.53 of the Listing Rules to set an annual cap over the value of the annual payment by Drawin Manufacture to Drawin Changsha in respect of the Leasing and Ancillary Services Arrangement pursuant to the Property Leasing Agreement. In arriving at the Proposed Property Leasing Annual Cap, the Directors have taken into account the rental and service fees payable under the Property Leasing Agreement and the estimated utilities charges payable during the term of the Property

Leasing Agreement. It is estimated that the maximum transaction value during the term of the Property Leasing Agreement will be RMB16.21 million (equivalent to approximately HK\$17.75 million).

The rentals, service fees and other related utility charges under the Property Leasing Agreement have been determined by Drawin Manufacture and Drawin Changsha after arm's length negotiation with reference to the prevailing market rates for comparable properties in Changsha.

REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENTS AND THE PROPERTY LEASING AGREEMENT

The Group has been continuously developing and constructing technology parks in major cities across the PRC and has established presence predominantly in east-central region of the PRC. In the current financial year, the Group expects to continue the development in this area to meet market demand for business and technological development and requirements and to strengthen its industrialized and prefabricated construction capabilities in line with the market trends and the favorable PRC government policies. The PRC government policies are supportive of the development of the Group's prefabricated construction unit business in the PRC. For example, the 13th Five Year Plan of the PRC for 2016-2020 stated its support for environmental and economical building construction and gradual increase in the use of prefabricated construction units. In addition, the directive issued by the Ministry of Housing and Urban-Rural Development of the PRC which requires (i) 15% or more of all newly-constructed buildings in the PRC, and (ii) 20% or more of all newly constructed buildings in certain focused regions to be constructed using prefabricated construction units, will continue to be implemented across the PRC which will help alleviate the negative impact caused by the property cooling off measure in the PRC. The Group believes that the demand for prefabricated construction units will continue its upward trend in 2020. In light of the favorable government policies and a growing market trend, the Company will continuously develop technology parks in 2020 so as to enable it to meet the growing demand for prefabricated construction units and to improve the quality of its prefabricated construction units taking advantage of such PRC government policies.

With its principal business in real property construction and engineering business, Drawin Construction Technology has the requisite capabilities and competencies for constructing the technology parks of the Group. Drawin Construction Design, which engages in design business, has the requisite capabilities and competencies designing the technology parks of the Group, as well as the prefabricated construction components and products of the Group. The Group may thereby leverage of the expertise of the Drawin Construction Technology Group and the Drawin Construction Design Group as general contractor through the EPC Service Arrangement as contemplated under the Framework Agreement I and the Park Design Service Arrangement and the PC Design Service Arrangements as contemplated under the Framework Agreement II. The Group also believes that the collaboration between the Group and the Drawin Construction Technology Group under the Supply Arrangement will enable the Group to fully realize the opportunities and the additional income stream presented by its prefabricated construction business.

The Framework Agreement I and the Framework Agreement II set out coherent frameworks for further cooperation amongst the parties. By setting out certain key terms which the parties have agreed in-principle regarding future cooperation, including but not limited to pricing terms, the parties do not require prolonged negotiation and approval process in respect of any further cooperation each time when the parties propose to enter into specific contracts under the Supply Arrangement, the EPC Service Arrangement, the Park Design Service Arrangement and the PC Design Service Arrangement.

The agreed terms stipulated under the Framework Agreement I and the Framework Agreement II shall streamline the internal approval process and improve the project efficiency for further cooperation. The Group believes that the internal control measures as detailed in the sub-section headed “**INTERNAL CONTROL MEASURES**” can ensure the fairness and reasonableness of the transactions entered into pursuant to the Framework Agreement I and the Framework Agreement II.

In respect of the Property Leasing Agreement, the Group believes that it can best utilize its vacant premises in the Changsha technology park by way of leasing its properties. It selects tenants based on its internal evaluation and selection procedures based on various factors, such as quality of the tenants and relationship with such tenants.

The Board (excluding (i) all independent non-executive Directors, whose views will be provided after taking into account the advice of the Independent Financial Adviser, (ii) Mr. Wu Po Sum, who is an executive Director and indirectly holds the entire equity interest in Drawin Manufacture, and (iii) Ms. Wu Wallis (alias Li Hua), who is a non-executive Director and the daughter of Mr. Wu Po Sum) is of the view that (except in respect of PC Design Service Arrangement and the Property Leasing Agreement):

- (i) the terms and conditions of the Framework Agreements are on normal commercial terms which are fair and reasonable;
- (ii) the Proposed Annual Caps (except in respect of the Proposed PC Design Service Arrangement Annual Cap and the Proposed Property Leasing Annual Cap) and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement are fair and reasonable; and
- (iii) the Framework Agreements and the transactions contemplated thereunder were entered into and will be conducted in the ordinary and usual course of business of the Company and its subsidiaries, and are in the interest of the Company and the Shareholders as a whole.

Further, the Board (including all independent non-executive Directors, but excluding Mr. Wu Po Sum and Ms. Wu Wallis (alias Li Hua)) is of the view that, in respect of PC Design Service Arrangement and the Property Leasing Agreement only:

- (i) the terms and conditions of the Framework Agreement II and the Property Leasing Agreement are on normal commercial terms which are fair and reasonable;
- (ii) the Proposed PC Design Service Arrangement Annual Cap and the Proposed Property Leasing Annual Cap are fair and reasonable; and

(iii) the Framework Agreement II and the Property Leasing Agreement and the transactions contemplated thereunder were entered into and will be conducted in the ordinary and usual course of business of the Company and its subsidiaries, and are in the interest of the Company and the Shareholders as a whole.

To the best of the Directors' knowledge and belief after having made all reasonable enquiries, Mr. Wu Po Sum (an executive Director), who indirectly holds the entire equity interests in Drawin Manufacture and is a controlling shareholder of the Company, is considered to have a material interest in the Framework Agreements, the Property Leasing Agreements and the transactions contemplated thereunder. For good corporate governance purpose, both Mr. Wu Po Sum and Ms. Wu Wallis (alias Li Hua) (a non-executive Director and the daughter of Mr. Wu Po Sum) had abstained from voting on the relevant Board resolutions approving the Framework Agreements, the Property Leasing Agreements and the transactions contemplated thereunder.

Internal Control Measures

The Company has adopted a number of internal control measures to safeguard the aforesaid transactions to be carried out in a fair and reasonable manner and in the interests of the Company's Shareholders as a whole.

As disclosed in the sections headed "**PRINCIPAL TERMS OF FRAMEWORK AGREEMENT I**" and "**PRINCIPAL TERMS OF FRAMEWORK AGREEMENT II**", each time when the Group selects a contractor for the provision of EPC general contracting services, technology park design services or prefabricated construction components and products design services, the Group will consider the quotation from the Drawin Construction Design Group or the Drawin Construction Technology Group (as applicable) and compare it with that from other bidders and the market prices expected to be charged or offered by other service providers in the city or district in which (in the case of EPC general contracting services and technology park design services) the relevant technology park being constructed is located or (in the case of product design services) the prefabricated construction components are to be supplied to customers of the Group (as applicable). The Group will only contract with the Drawin Construction Design Group or the Drawin Construction Technology Group (as applicable) under the relevant Framework Agreements if the price quoted by them is lower than, or within the range of, the market price to be charged or offered by independent third parties. As such, there is no guarantee that the Drawin Construction Design Group or the Drawin Construction Technology Group will be selected as the contractor for the provision of the relevant services as there may be other readily available, comparable and competent contractors in the market for the Group to consider.

The Company intends to ensure ongoing compliance with such pricing policies by requiring the approval from the finance department of the Company for each proposed transaction to be entered into under the EPC Service Arrangement, the Park Design Service Arrangement and the PC Design Service Arrangement. This shall enable regular monitoring of the pricing terms of each transaction proposed by the Drawin Construction Design Group or the Drawin Construction Technology Group (as applicable) under the relevant arrangements.

Furthermore, the finance department of the Company will monitor the aggregate transaction volume under (i) the EPC Service Arrangement and the Park Design Service Arrangement, and (ii) the PC Design Service Arrangement to ensure the proposed annual cap or the maximum transaction value will not be exceeded. Monthly financial statements setting out the aggregate value of the transactions under (i) the EPC Service Arrangement and the Park Design Service Arrangement, and (ii) the PC Design Service Arrangement will be submitted to the finance department of the Company.

INFORMATION OF THE PARTIES

The Company

The Company was incorporated as an exempted company with limited liability in Bermuda, the Shares of which are listed on the Stock Exchange. It is an investment holding company with subsidiaries principally engaged in prefabricated construction business and property investment in the PRC.

Drawin Construction Design

Drawin Construction Design is a company established under the laws of the PRC with limited liability and is an indirect wholly-owned subsidiary of Drawin Manufacture. The principal business of Drawin Construction Design includes real property design and decoration and product design.

Drawin Construction Technology

Drawin Construction Technology is a company established under the laws of the PRC with limited liability and is a direct wholly-owned subsidiary of Drawin Manufacture. The principal business of Drawin Construction Technology includes real property construction and decoration, installation of mechanical and electrical equipment, construction of base foundation and infrastructure.

Drawin Changsha

Drawin Changsha is a company established under the laws of the PRC with limited liability. It is held as to 51% and 49% by Drawin Investment, an indirect wholly-owned subsidiary of the Company, and Drawin Co, an indirect wholly-owned subsidiary of Drawin Manufacture, respectively. The principal business of Drawin Changsha includes construction industrialisation.

Drawin Manufacture

Drawin Manufacture is a company established under the laws of the PRC with limited liability. As at the date of this announcement, Drawin Manufacture indirectly held approximately 63.5% of the issued Shares, thus an indirect controlling shareholder of the Company. Drawin Manufacture is also indirectly wholly-owned by Mr. Wu Po Sum, who is an executive Director. Drawin Manufacture is an investment holding company. Apart from the equity interests in the Company, Drawin Manufacture, through its PRC subsidiaries, is principally engaged in general consultation and design of prefabricated construction business in the PRC.

LISTING RULES IMPLICATIONS

Drawin Construction Technology and Drawin Construction Design are both wholly-owned subsidiaries of Drawin Manufacture. As at the date of this announcement, Drawin Manufacture indirectly held approximately 63.5% of the issued Shares; hence, a controlling shareholder of the Company. Drawin Manufacture is also indirectly wholly-owned by Mr. Wu Po Sum, who is an executive Director. Therefore, each of Drawin Manufacture, Drawin Construction Technology and Drawin Construction Design is a connected person of the Company under the Listing Rules.

Framework Agreements

As the EPC Service Arrangement and the Park Design Service Arrangement are both capital in nature which involve different aspects in the construction of a technology park and Drawin Construction Technology and Drawin Construction Design are either direct or indirect wholly-owned subsidiaries of Drawin Manufacture, the EPC Service Arrangement and the Park Design Service Arrangement require aggregation under Rule 14A.81 of the Listing Rules. As the applicable percentage ratios in respect of the estimated maximum values of the EPC Service Arrangement and the Park Design Service Arrangement under the relevant Framework Agreements exceed 5%, the EPC Service Arrangement and the Park Design Service Arrangement constitute connected transactions of the Company which are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the Supply Arrangement is of revenue nature in the ordinary and usual course of business of the Group and one or more of the applicable percentage ratios in respect of the Proposed Supply Arrangement Annual Cap exceed 5%, the contemplated transaction under the Supply Arrangement constitutes a continuing connected transaction which is subject to the annual review, reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Further, as all applicable percentage ratios in respect of the Proposed PC Design Service Arrangement Annual Cap are less than 5% and the Proposed PC Design Service Arrangement Annual Cap is less than HK\$3 million, the contemplated transaction under the PC Design Service Arrangement constitutes a continuing connected transaction which is fully exempt from the annual review, reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Property Leasing Agreement

Drawin Manufacture is an indirect controlling shareholder of the Company, and therefore a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the transactions under the Property Leasing Agreement constitute a continuing connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the continuing connected transactions under the Property Leasing Agreement is more than 0.1% but less than 5%, the contemplated transaction under the Property Leasing Agreement constitutes a continuing connected transaction which is only subject to the annual review, reporting and announcement requirements and is exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL

The Independent Board Committee has been established to advise the Independent Shareholders in relation to the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement). The Company has appointed Fortune Financial Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

The Company will convene the SGM for the purpose of considering and approving the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement). Shareholders with a material interest in the Framework Agreements and the transactions contemplated thereunder are required to abstain from voting on the relevant resolution(s) at the SGM. As at the date of this announcement, Mr. Wu Po Shum indirectly held approximately 63.5% of the issued Shares and ultimately owned the entire equity interest in Drawin Manufacture. Therefore, Mr. Wu Po Shum and his associates will abstain from voting on the relevant resolution(s) at the SGM.

A circular containing, among others, (i) further information on the terms of the Framework Agreements; (ii) the letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in connection with the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement); (iii) the letter of advice from the Independent Financial Adviser containing its advice in connection with the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement); and (iv) a notice convening the SGM and the related proxy form, is currently expected to be despatched to the Shareholders on or before 1 June 2020.

If the Independent Shareholders' approval for the Framework Agreements are not obtained at the SGM, the transactions as contemplated under the Framework Agreements will not proceed. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the Shares or any other securities of the Company.

DEFINITIONS

“Board”	the board of Directors
“Company”	DIT Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company from time to time

“Drawin Changsha”	Changsha China Minsheng Drawin Intelligent Technology Co., Ltd.* (長沙中民築友智造科技有限公司), a company established under the laws of the PRC with limited liability and held as to 51% and 49% by Drawin Investment and Drawin Co, respectively
“Drawin Co”	China Minsheng Drawin Co., Ltd.* (中民築友有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of Drawin Manufacture
“Drawin Construction Design”	China Minsheng Drawin Construction Design Co., Ltd.* (中民築友建築設計有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of Drawin Manufacture
“Drawin Construction Design Group”	Drawin Construction Design and its subsidiaries from time to time
“Drawin Construction Technology”	China Minsheng Drawin Construction Technology Group Co., Ltd.* (中民築友建設科技集團有限公司), a company established under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of Drawin Manufacture
“Drawin Construction Technology Group”	Drawin Construction Technology and its subsidiaries from time to time
“Drawin Investment”	China Minsheng Drawin Technology Investment Limited* (中民築友科技投資有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Drawin Manufacture”	Drawin Intelligent Manufacture Technology Industry Limited* (築友智造科技產業集團有限公司) (formerly known as China Minsheng Drawin Technology Industry Limited* (中民築友科技產業有限公司)), a company established under the laws of the PRC with limited liability and an indirect controlling shareholder of the Company
“Drawin Manufacture Group Entities”	Drawin Manufacture and its subsidiaries from time to time, but excluding the Group for the purposes of this announcement
“EPC”	engineering, procurement and construction
“EPC Service Arrangement”	the provision of EPC general contracting services by the Drawin Construction Technology Group to the Group for the development of the Group’s technology parks in the PRC as set out in the Framework Agreement I

“Framework Agreement I”	the agreement entered into between the Company and Drawin Construction Technology on 11 May 2020 in relation to the EPC Service Arrangement and the Supply Arrangement
“Framework Agreement II”	the agreement entered into between the Company and Drawin Construction Design on 11 May 2020 in relation to the Park Design Service Arrangement and the PC Design Service Arrangement
“Framework Agreements”	the Framework Agreement I and the Framework Agreement II
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent board committee of the Board comprising all three (3) independent non-executive Directors, namely Mr. Jiang Hongqing, Mr. Lee Chi Ming, and Mr. Ma Lishan, established to advise the Independent Shareholders in respect of the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement) and the transactions contemplated thereunder
“Independent Financial Adviser”	Fortune Financial Capital Limited, a corporation licensed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to conduct type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement) and the transactions contemplated thereunder
“Independent Shareholders”	all Shareholders other than the Shareholders with a material interest in the Framework Agreements and the transactions contemplated thereunder
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Park Design Service Arrangement”	the provision of design services by Drawin Construction Design Group to the Group in respect of the Group’s technology parks in the PRC as set out in the Framework Agreement II
“PC Design Service Arrangement”	the provision of design services by Drawin Construction Design Group to the Group in respect of the prefabricated construction components and products sold by the Group as set out in the Framework Agreement II
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Previous Framework Agreement I”	the framework agreement entered into between the Company and Drawin Construction Technology on 3 April 2019 in relation to the EPC service arrangement and the supply arrangement for 2019
“Previous Framework Agreement II”	the framework agreement entered into between the Company and Drawin Construction Design on 3 April 2019 in relation to the technology park design service arrangement and prefabricated construction components and products design service arrangement for 2019
“Previous Framework Agreements”	the Previous Framework Agreement I and the Previous Framework Agreement II
“Previous Property Leasing Agreement”	the property leasing agreement entered into between Drawin Changsha (as the landlord) and Drawin Manufacture (as the tenant) dated 3 April 2019 in respect of the leasing of properties within the Changsha technology park
“Property Leasing Agreement”	the property leasing agreement entered into between Drawin Changsha (as the landlord) and Drawin Manufacture (as the tenant) dated 11 May 2020 in respect of the leasing of properties within the Changsha technology park
“Proposed Annual Caps”	the Proposed Supply Arrangement Annual Cap, the Proposed PC Design Service Arrangement Annual Cap and the Proposed Property Leasing Annual Cap
“Proposed PC Design Service Arrangement Annual Cap”	the proposed annual cap in respect of the PC Design Service Arrangement over the term of the Framework Agreement II
“Proposed Property Leasing Annual Cap”	the proposed annual cap in respect of the aggregate value for the transactions under the Property Leasing Agreement for 2020

“Proposed Supply Arrangement Annual Cap”	the proposed annual cap in respect of the Supply Arrangement over the term of the Framework Agreement I
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened for the purpose of approving the Framework Agreements (including the Proposed Supply Arrangement Annual Cap and the estimated transaction values under the EPC Service Arrangement and the Park Design Service Arrangement) and the transactions contemplated thereunder
“Share(s)”	the ordinary share(s) of par value HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Supply Arrangement”	the supply of prefabricated construction components and products by the Group to the Drawin Construction Technology Group for its construction projects engaged by third party developers or contractors as set out in the Framework Agreement I

For the purpose of illustration only, amounts denominated in RMB in this announcement have been translated into HK\$ at the rate of HK\$1 = RMB0.91302. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate at all.

By order of the Board
DIT Group Limited
Wu Po Sum
Chairman and Executive Director

Hong Kong, 11 May 2020

As at the date of this announcement, the Board comprises Mr. Wu Po Sum (Chairman) and Mr. Guo Weiqiang as executive Directors; Ms. Wu Wallis (alias Li Hua) and Mr. Wang Jun as non-executive Directors; Mr. Jiang Hongqing, Mr. Lee Chi Ming, and Mr. Ma Lishan as independent non-executive Directors.

* *For identification purpose only*