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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)

POSITIVE PROFIT ALERT

This announcement is made by DIT Group Limited (the “**Company**” and, together with its subsidiaries collectively referred to as 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on a preliminary assessment and review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020, the Group expects to record a profit after tax of approximately HK\$160.0 million for the year ended 31 December 2020 as compared to a profit after tax of approximately HK\$113.6 million for the year ended 31 December 2019, representing an increase of approximately 40.8% as compared to the year ended 31 December 2019. This was primarily attributable to (i) an increase of revenue to approximately HK\$1,105.7 million for the year ended 31 December 2020 as compared to the revenue of approximately HK\$695.9 million for the year ended 31 December 2019, representing an increase of approximately 58.9% as compared to the year ended 31 December 2019; (ii) an increase of gross profit margin of prefabricated construction components and units to approximately 29.5% for the year ended 31 December 2020 as compared to a gross profit margin of prefabricated construction components and units of approximately 24.0% for the year ended 31 December 2019; and (iii) an increase of approximately 157.4% in the revenue generated from technology licensing and consultancy business from approximately HK\$36.4 million for the year ended 31 December 2019 to approximately HK\$93.7 million for the year ended 31 December 2020.

The Board considers that the impressive increase in the Group's performance is mainly due to (i) both of the production volume and the sales volume of prefabricated construction components and units in 2020 have increased significantly as compared to those of 2019; (ii) the Group is developing asset-light business model including the provision of landscape services and decoration services; and (iii) in 2020, the Group has successfully established five green construction industrial parks in Dengfeng City, Zhumadian City, Luoyang City and Tongxu County in Henan Province and Dingan County in Hainan Province, and has completed the construction of six green construction industrial parks in Zhoukou City and Tongxu County in Henan Province, Jiaozhou City in Shandong Province, Huai'an City and Nantong City in Jiangsu Province and Yuxi City in Yunnan Province, which have been in operation.

The Group is still in the process of preparing and finalizing the consolidated annual results of the Group for the year ended 31 December 2020. The information contained in this announcement is based solely on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the year ended 31 December 2020. Such information or figures have not been finalized, reviewed or audited by the independent auditor of the Company, has not been confirmed by the audit committee of the Board, and may be subject to adjustments or amendments. Shareholders and potential investors are advised to refer to the details in the annual results announcement of the Company for the year ended 31 December 2020, which is expected to be published by the end of March 2021.

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

By order of the Board of
DIT Group Limited
Liu Weixing
Chairman and Executive Director

Hong Kong, 18 February 2021

As at the date of this announcement, the Board comprises Mr. Liu Weixing (Chairman), Mr. Guo Weiqiang and Ms. Wang Jing 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.