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DINGYI GROUP INVESTMENT LIMITED

鼎億集團投資有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 508)

NON-LEGALLY BINDING FRAMEWORK AGREEMENT IN RESPECT OF A PROPOSED INVESTMENT IN AND STRATEGIC COOPERATION WITH WEIYAN

This announcement is made by Dingyi pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

On 23 April 2019 (after trading hours), Jinhui, an indirect wholly-owned subsidiary of Dingyi, entered into a non-legally binding framework agreement with Weiyan in relation to the Proposed Transactions.

Pursuant to the Framework Agreement, Jinhui will (1) subscribe an aggregate of 8.99% of the enlarged share capital of Weiyan with an aggregate subscription price of RMB78,000,000 in phases; and (2) establish the Joint Venture Entity with Weiyan in connection with the provision of innovative technology-oriented retail finance solutions to clients in the PRC upon the completion of the Strategic Investment. The Joint Venture Entity will be owned as to 60% by Weiyan and 40% by Jinhui (or its designated affiliate). Weiyan will also grant an option to Jinhui to subscribe for additional new shares of Weiyan after the completion of the Strategic Investment.

Shareholders and potential investors of Dingyi should be aware that the Proposed Transactions are subject to the satisfaction of various conditions precedent, and also to the parties agreeing on the terms of, and entering into, the Definitive Transaction Documents. There is no assurance that the Proposed Transactions will proceed or complete. The Proposed Transactions, if they should proceed and the Definitive Transaction Documents are entered into, may constitute notifiable transaction(s) for Dingyi under Chapter 14 of the Listing Rules. Dingyi will comply with the disclosure and/or shareholders' approval requirements of the Listing Rules as applicable. Further announcement(s) will be made by Dingyi in accordance with the Listing Rules as and when appropriate. **Shareholders and potential investors of Dingyi should therefore exercise caution when dealing in the Shares.**

FRAMEWORK AGREEMENT

On 23 April 2019 (after trading hours), Jinhui entered into the Framework Agreement with Weiyan in relation to a strategic cooperation to be implemented through a series of transactions, including Jinhui's proposed strategic investment in, and joint venture with, Weiyan as further detailed below.

Pursuant to the Framework Agreement, Jinhui will (1) subscribe an aggregate of 8.99% of the enlarged share capital of Weiyan with an aggregate subscription price of RMB78,000,000 in phases; and (2) establish the Joint Venture Entity with Weiyan in connection with the provision of innovative technology-oriented retail finance solutions to clients in the PRC upon completion of the Strategic Investment. The Joint Venture Entity will be owned as to 60% by Weiyan and 40% by Jinhui (or its designated affiliate).

In addition, it has been agreed that upon completion of the Strategic Investment, Weiyan will also grant an option to Jinhui to subscribe for additional new shares of Weiyan which represents 10.0% of the enlarged share capital of Weiyan upon completion of the Strategic Investment at a price of RMB88,000,000.

Set out below are the principal terms of the Framework Agreement.

Payment Terms

The consideration of RMB78,000,000 for the Strategic Investment in Weiyan shall be paid and satisfied by Jinhui in the following manner:

- i. the first installment of RMB18,000,000 (the "**First Installment**") to be settled in cash within 30 calendar days after signing of the Strategic Investment Documents;
- ii. the second installment of RMB20,000,000 (the "**Second Installment**") to be settled in cash within 30 calendar days after the First Installment;
- iii. the third installment of RMB20,000,000 (the "**Third Installment**") to be settled in cash within 30 calendar days after the Second Installment;
- iv. the fourth installment of RMB20,000,000 (the "**Fourth Installment**") to be settled in cash within 30 calendar days after the Third Installment.

New shares of Weiyan will be issued to Jinhui in proportion to the consideration that are paid in different installments as described above.

Board Seat

After completion of the Strategic Investment, Dingyi will be entitled to appoint director(s) to the board of Weiyan. The number of director(s) may be appointed by Dingyi shall be proportional to its shareholding in Weiyan. However, a minimum number of one director shall be appointed by Dingyi.

Proposed Joint Venture

After completion of the Strategic Investment, Jinhui and Weiyan will commence strategic cooperation through the establishment of the Joint Venture Entity in connection with the provision of innovative technology-oriented retail finance solutions to clients in the PRC. The Joint Venture Entity will be owned as to 60% by Weiyan and 40% by Jinhui (or its designated affiliate). Jinhui and Weiyan should provide all the supports needed by the Joint Venture Entity to grow its business.

Option

After completion of the Strategic Investment, Weiyan shall grant an option to Jinhui, which will entitle Jinhui the rights but not the obligation to subscribe for additional new share of Weiyan that will represent 10.0% of the enlarged share capital of Weiyan upon completion of the Strategic Investment at a price of RMB88,000,000.

Exclusivity

Within thirty (30) calendar days after the date of execution of the Framework Agreement (or such other dates as may be agreed by Jinhui and Weiyan), unless the prior written consent of Jinhui is obtained and save for those already performed prior to the date of the Framework Agreement, Weiyan may not directly or indirectly discuss, negotiate or agree with any other party on any equity investment agreement.

Binding Effect

The Board wishes to emphasise that the Framework Agreement only sets out the preliminary cooperation intentions of Jinhui and Weiyan. Save for the provisions relating to confidentiality, expenses, exclusivity, governing law and jurisdiction, the Framework Agreement is not legally binding on both parties. Moreover, the Proposed Transactions will be subject to certain condition precedents including (among others) the completion of satisfactory due diligence by Jinhui, entering of Definitive Transaction Documents and relevant internal approvals and regulatory and governmental approvals for both parties being duly obtained.

REASONS FOR, AND BENEFITS OF, THE PROPOSED TRANSACTIONS

The Group is principally engaged in sale of food and beverages, loan financing, properties development, financial leasing and securities trading.

The Group has been striving to seek investment opportunities with development potential. The Proposed Transactions can bring more diversified investment and development opportunities for the Group. Dingyi will use the resources and expertise of Weiyan and its team through the acquisition of minority interests in its existing business leading Dingyi to establish a close cooperative relationship with Weiyan, the retail financial solutions provider that provides originality and the latest technology-oriented to Chinese customers in the PRC.

The Board believes that (i) China's technology finance and retail finance sectors have great potential for development; (ii) Weiyan's elite management and execution team has extensive experience and superior qualifications and background in the emerging financial technology services sector; (iii) Weiyan has built a strong customer base across different business categories including local governments, multinational corporations and financial institutions; and (iv) Weiyan's own financial-related product portfolios, such as risk management model, anti-fraud, credit value model, can effectively integrate big data and financial technology and provide customers with unique financial services and risk prevention. The Proposed Transactions can diversify the customer base of the Group and further enhance the Group's recognition in the Chinese market.

In the meantime, the Proposed Transactions will provide a good opportunity for the Group's business operations to expand into the financial technology services sector and expand the Group's future revenue base, and enjoy potential capital appreciation in the future.

INFORMATION ON WEIYAN

Weiyan is a company incorporated under the laws of the PRC. Founded in 2017, Weiyan currently has branches in Beijing, Shanghai and Shenzhen. It has an elite service team of more than 200 members from China's new financial sector. 90% of them have at least a college degree. Weiyan's core team members have worked in Lufax and other high-quality financial technology platform companies, and has extensive work experience in the United States, Taiwan, China and other places.

Weiyan is a Chinese leading organization aspired in deploying a new financial landscape. Its main business includes (i) assisting traditional enterprise with its own scenes to explore the needs of consumer finance and supply chain finance in the scenario, and convert consumer traffic into financial flows; (ii) for traditional financial institution customers, providing solutions including risk control modeling, anti-fraud, decision engine, etc., improving their risk control capabilities, and jointly designing financial products with them to fit the scenario-based finance; (iii) providing end-to-end services such as system development, marketing operations, assets connection, etc. to large enterprises, while providing funds for scenario-based finance; and (iv) self-operating part of credit assets, laying a good foundation for future scenario-based finance assets connection funds.

Weiyan already has a number of long-term cooperation with leading domestic and well-known corporate customers, including banks and financial institutions, large internet finance platforms and official government agencies. On the other hand, Weiyan has already received investment from top financial institutions, affirming its position in the industry and its development potential.

LISTING RULES IMPLICATIONS

As of the date of this announcement, Jinhui is an indirect wholly-owned subsidiary of Dingyi. The Proposed Transactions, if they materialize, may constitute notifiable transaction(s) for Dingyi under Chapter 14 of the Listing Rules.

GENERAL

Shareholders and potential investors of Dingyi should be aware that the Proposed Transactions are subject to the satisfaction of various conditions precedent, and also to the parties agreeing on the terms of, and entering into, the Definitive Transaction Documents. There is no assurance that the Proposed Transactions will proceed or complete.

The Proposed Transactions, if they should proceed and the Definitive Transaction Documents are entered into, may constitute notifiable transaction(s) for Dingyi under Chapter 14 of the Listing Rules. Dingyi will comply with the disclosure and/or shareholders' approval requirements of the Listing Rules as applicable. Further announcement(s) will be made by Dingyi in accordance with the Listing Rules as and when appropriate. **Shareholders and potential investors of Dingyi should therefore exercise caution when dealing in the shares of Dingyi.**

DEFINITIONS

“Board”	The board of directors of Dingyi.
“Definitive Transaction Documents”	The Strategic Investment Documents and the Joint Venture Documents.
“Framework Agreement”	The non-legally binding framework agreement entered into between Jinhui and Weiyan on 23 April 2019 in relation to the Proposed Transactions (after trading hours).
“Jinhui”	鼎億金匯(深圳)投資諮詢有限公司 (Dingyi Jinhui (Shenzhen) Investment Consultancy Co., Ltd*), a company incorporated in the PRC, an indirect wholly-owned subsidiary of Dingyi.
“Dingyi”	Dingyi Group Investment Limited, a company incorporated in Bermuda with limited liability with the Shares listed on the main board of The Stock Exchange of Hong Kong Limited (stock code: 508).
“Group”	Dingyi and its subsidiaries.

“Joint Venture”	The proposed establishment of the Joint Venture Entity between Jinhui (or its designated affiliate) and Weiyan in connection with the provision of innovative technology-oriented retail finance solutions to clients in the PRC.
“Joint Venture Documents”	The definitive agreements and documents relating to the Joint Venture in form and substance acceptable to the parties therein.
“Joint Venture Entity”	The company or other entity established for the Joint Venture.
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
“Weiyan”	深圳微言科技有限責任公司 (Shenzhen Weiyan Technology Co., Ltd*), a company incorporated in the PRC.
“PRC”	the People’s Republic of China.
“Proposed Transactions”	the Strategic Investment and the Joint Venture.
“Share(s)”	The ordinary share(s) of HK\$0.01 par value each in the share capital of Dingyi.
“Shareholder(s)”	The holders of the Share(s).
“Strategic Investment”	The proposed subscription of an aggregate of 8.99% of the enlarged share capital of Weiyan as further described in this announcement.
“Strategic Investment Documents”	The definitive agreements and documents relating to the Strategic Investment in form and substance acceptable to the parties thereto.

By order of the Board
Dingyi Group Investment Limited
Li Kwong Yuk
Chairman and Executive Director

Hong Kong, 23 April 2019

As at the date of this announcement, the Board comprises Mr. LI Kwong Yuk (Chairman), Mr. SU Xiaonong (Chief Executive Officer), Mr. ZHENG Xiantao, Dr. WANG Zhi and Mr. LI Zhongxia as Executive Directors; and Mr. CHOW Shiu Ki, Mr. CAO Kuangyu and Mr. IP Chi Wai as Independent Non-executive Directors.

* for identification purpose only