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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)

(1) CONNECTED TRANSACTION IN RELATION TO ENTERING INTO THE SUBLEASE AGREEMENT; AND (2) CHANGE OF PRINCIPAL PLACE OF BUSINESS IN HONG KONG

THE SUBLEASE AGREEMENT

The Board hereby announces that on 31 March 2023, Central China Properties (as sublessor) and the Company (as sublessee) entered into the Sublease Agreement, pursuant to which, Central China Properties agreed to sublet the Subleased Portion to the Company for a period commencing from 1 April 2023 to 30 March 2026 (both days inclusive).

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Central China Properties was an indirect wholly-owned subsidiary of CCRE, which was in turn indirectly owned as to approximately 41.88% by Mr. Wu Po Sum, who is the father of Ms. Wu Wallis (alias Li Hua) (a non-executive Director). Hence, Central China Properties is a connected person of the Company under the Listing Rules. Accordingly, the Sublease Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest of all of the applicable percentage ratios in respect of the Sublease Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Sublease Agreement are only subject to reporting and announcement requirements but exempt from the independent Shareholders' approval under Chapter 14A of the Listing Rules.

CHANGE OF PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The principal place of business of the Company in Hong Kong will be changed to Unit No. 7708A on Level 77 of International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong with effect from 1 April 2023.

THE SUBLEASE AGREEMENT

The principal terms of the Sublease Agreement are set out below:

Date	:	31 March 2023
Parties	:	(1) Central China Properties (as sublessor) (2) The Company (as sublessee)
Subleased Portion	:	Unit No. 7708A on Level 77 of International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Use	:	Office premises
Term	:	For a period commencing from 1 April 2023 to 30 March 2026 (both days inclusive)
Rent	:	HK\$117,938.80 per calendar month (exclusive of air-conditioning and management charges, Government rates and other outgoings, all of which are payable by the Company)
Air-conditioning and management charges	:	HK\$16,075.22 per calendar month
Deposit	:	HK\$417,908.25, which is equivalent to the aggregate of three (3) months' rent, three (3) months' air-conditioning and management charges and three (3) months' Government rates

REASONS FOR AND BENEFITS OF ENTERING INTO THE SUBLEASE AGREEMENT

The Company intends to sublease the Subleased Portion from Central China Properties as one of the Group's office premises, taking into account of the favourable location, size and floor level of the Subleased Portion.

The terms of the Sublease Agreement (including the rent) were determined after arm's length negotiations between the parties, with reference to the actual rental, air-conditioning and management charges and other fees and charges charged by the landlord of the Head Lease pursuant to the terms of the Head Lease without any mark-up (being about 20% of the size of the Head-lease Premises). The rental being charged by the landlord of the Head Lease to Central China Properties was determined by reference to the prevailing market rental of comparable office premises in the vicinity of the Head-lease Premises.

The Directors (including the independent non-executive Directors) consider that the Sublease Agreement has been entered into on normal commercial terms and in the ordinary and usual course of business of the Company, and that the terms of the Sublease Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES

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 the prefabricated construction work, decoration and landscaping services, granting licenses, consulting services and sales of equipment in the PRC.

Central China Properties is a company incorporated in Hong Kong with limited liability. It is an investment holding company. As at the date of this announcement, Central China Properties was an indirect wholly-owned subsidiary of CCRE, which was in turn indirectly owned as to approximately 41.88% by Mr. Wu Po Sum, who is the father of Ms. Wu Wallis (alias Li Hua) (a non-executive Director).

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Central China Properties was an indirect wholly-owned subsidiary of CCRE, which was in turn indirectly owned as to approximately 41.88% by Mr. Wu Po Sum, who is the father of Ms. Wu Wallis (alias Li Hua) (a non-executive Director). Hence, Central China Properties is a connected person of the Company under the Listing Rules. Accordingly, the Sublease Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

In accordance with HKFRS 16 “Leases”, the Group will recognize the value of the right-of-use assets in its balance sheet in connection with the Sublease Agreement, and this transaction will be regarded as an acquisition of assets by the Group pursuant to the Listing Rules.

As the highest of all of the applicable percentage ratios in respect of the Sublease Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Sublease Agreement are only subject to reporting and announcement requirements but exempt from the independent Shareholders’ approval under Chapter 14A of the Listing Rules.

To the best of the Directors’ knowledge and belief after having made all reasonable enquiries, other than Ms. Wu Wallis (alias Li Hua) (a non-executive Director) who is the daughter of Mr. Wu Po Sum (who indirectly holds approximately 41.88% of the shareholding of CCRE, which in turn indirectly holds the entire issued share capital of Central China Properties), none of the Directors has a material interest in the Sublease Agreement and the transactions contemplated thereunder. Other than Ms. Wu Wallis (alias Li Hua), who had abstained from voting on the relevant Board resolution approving the Sublease Agreement and the transactions contemplated thereunder for good corporate governance purpose, none of the other Directors was required to abstain from voting on the relevant Board resolution.

CHANGE OF PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The principal place of business of the Company in Hong Kong will be changed to Unit No. 7708A on Level 77 of International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong with effect from 1 April 2023.

DEFINITIONS

Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as set forth below:

“Board”	the board of Directors
“CCRE”	Central China Real Estate Limited (建業地產股份有限公司*), a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange with stock code 832
“Central China Properties”	Central China Properties Development Limited (建業物業發展有限公司), a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of CCRE

“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”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Group”	the Company and its subsidiaries from time to time
“Head Lease”	the lease agreement dated 29 March 2023 entered into between the landlord of the Head-lease Premises and Central China Properties in relation to the leasing of the Head-lease Premises
“Head-lease Premises”	Unit Nos. 7701-7702A and 7708 on Level 77 of International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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
“Share(s)”	the ordinary share(s) of par value HK\$0.40 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

“Sublease Agreement” the sublease agreement dated 31 March 2023 entered into between Central China Properties and the Company in relation to the subleasing of the Subleased Portion

“Subleased Portion” Unit No. 7708A on Level 77 of International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong

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

Hong Kong, 31 March, 2023

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), Mr. Wang Jun and Mr. Guo Jianfeng as non-executive Directors; Mr. Jiang Hongqing, Mr. Lee Chi Ming and Mr. Ma Lishan as independent non-executive Directors.

* *For identification purpose only.*