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Pizu Group Holdings Limited

比優集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8053)

SUPPLEMENTAL ANNOUNCEMENT RELATING TO CONTINUING CONNECTED TRANSACTIONS SUPPLY OF CIVIL EXPLOSIVE EQUIPMENT AND MATERIALS

Reference is made to the announcement (the “**Announcement**”) of Pizu Group Holdings Limited (the “**Company**” and together with its subsidiaries as the “**Group**”) dated 9 October 2017 in relation to the continuing connected transactions for supply of civil explosive equipment and materials from Ordos Beian to Juli Engineering for the three financial years ending 31 March 2020. Terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise. In addition to the information disclosed in the Announcement, the Board wishes to provide further information about the principal terms of the Supplemental Framework Agreement (other than the information about the annual caps) in this announcement.

Principal terms of the Supplemental Framework Agreement

On 9 October 2017, Juli Engineering entered into the Supplemental Framework Agreement with Ordos Beian in relation to the supply of the Products. The principal terms of the Framework Agreement as supplemented by the Supplemental Framework Agreement are set out below:

Products:	Civil explosive equipment, supplies, materials and other similar items
Extended Term:	The expiry date is extended from 31 March 2019 to 31 March 2020.
Pricing:	Juli Engineering may purchase and Ordos Beian may sell, the Products at prices determined on an arms’ length basis, comparable to the prevailing market rates and on terms no less favourable to the Group than those available to any independent third party.

Payment Term: Juli Engineering shall make payment by remittance or acceptance bill to Ordos Beian on a monthly basis usually on or before the fifth day of the next month.

In respect of all transactions contemplated under the Framework Agreement (as supplemented by the Supplemental Framework Agreement) for the supply of the Products, Ordos Beian and Juli Engineering may, within the scope of the Framework Agreement (as supplemented by the Supplemental Framework Agreement), enter into specific product sale and purchase agreement setting out, among others, quantity, specification, price and delivery terms, provided that the terms of the specific product supply agreement shall not contravene those of the Framework Agreement (as supplemented by the Supplemental Framework Agreement).

The procurement department of the Group and its designated persons will purchase according to the local government on the specific provisions of the sale of explosives, on the market price. If the prices offered by Ordos Beian are higher than other independent suppliers, the Group has the right to purchase the Products from other suppliers.

By order of the Board
Pizu Group Holdings Limited
Mr. Ma Qiang
Chairman

Hong Kong, 11 October 2017

As at the date of this announcement, the Board comprises ten Directors. The executive Directors are Mr. Ma Qiang (Chairman), Mr. Xiong Zeke (Chief Executive Officer), Mr. Liu Fali (Chief Operating Officer), Mr. Ding Baoshan, Ms. Qin Chunhong and Mr. Ma Tianyi, and the independent non-executive Directors are Mr. Enhe Bayaer, Ms. Zhang Lin, Ms. Liu Talin, and Ms. Yao Yunzhu.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its publication and on the website of the Company at www.pizugroup.com.