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GROUND INTERNATIONAL DEVELOPMENT LIMITED

廣澤國際發展有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 989)

PROFIT WARNING

This announcement is made by Ground International Development Limited (the "**Company**", together with its subsidiaries, 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 (the "**Listing Rules**") and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders (the "**Shareholders**") of the Company and potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the ten-months ended 31 January 2019 and the information currently available to the Board, it is expected that the Group may record a significant decrease of over 60% in its net profit for the year ending 31 March 2019 as compared with that of approximately RMB50.3 million for year ended 31 March 2018.

Although the Group's property projects of Guangze Red House – Phase III and Guangze China House – Phase I are expected to be ready for delivery and their respective sales of properties will be recognized for the year ending 31 March 2019, the overall property sales of the Group are expected to decrease by over RMB200 million; and the overall gross profit of the Group are expected to decrease by over RMB40 million.

On the other hand, it is expected that the change in fair value of the Group's investment properties in Hong Kong will have a fair value gain which is higher than that of RMB17.4 million for the year ended 31 March 2018.

The information contained in this announcement is only based on the Board's preliminary assessment of the information currently available to the Board as at the date hereof, which have not been audited and finalised by the Company's auditors. Details of the financial performance of the Group will be disclosed in the Company's results announcement for the year ending 31 March 2019, which is expected to be published by the end of June 2019.

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

By order of the Board
Ground International Development Limited
Cui Xintong
Chairperson

Hong Kong, 5 March 2019

As at the date of this announcement, the executive directors of the Company are Ms. Cui Xintong and Ms. Liu Hongjian; the non-executive director of the Company is Mr. Cong Peifeng; and the independent non-executive directors of the Company are Mr. Chan Yuk Tong, Mr. Zhu Zuoan and Mr. Wang Xiaochu.