GROUND INTERNATIONAL DEVELOPMENT LIMITED

廣澤國際發展有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 989)

UPDATE ON 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 and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Reference is made to the profit warning announcement of the Company dated 1 November 2019 (the "**Previous Profit Warning Announcement**"). Capitalised terms used herein shall have the same meaning as those defined in the Previous Profit Warning Announcement unless the context requires otherwise.

As disclosed in the Previous Profit Warning Announcement, the Group was expected to record a significant loss of approximately not less than RMB600 million for the six months ended 30 September 2019 when compared to a net profit of approximately RMB10.5 million for the six months ended 30 September 2018, based on the then information.

Since the date of the Previous Profit Warning Announcement, the board of the directors of the Company has further reviewed the latest unaudited management accounts of the Group for the six months ended 30 September 2019 and further available information, and wishes to update the shareholders and potential investors of the Company that the expected loss of the Group for six months ended 30 September 2019 has been reduced to a range of between approximately RMB400 million and RMB450 million. The reduction in the expected loss was primarily attributable to a significantly lower impairment loss on entrusted loan receivable and the provision for guarantee loss made during the six months ended 30 September 2019 after further assessment on those borrowers / financing guarantee customers' credit risks.

The Company is still in the process of finalising its results for the six months ended 30 September 2019. The information contained in this announcement is only based on the Board's latest assessment of the information currently available to the Board as at the date hereof, and maybe subject to further changes. Details of the financial performance of the Group will be disclosed in the Company's interim results announcement for the six months ended 30 September 2019, which is expected to be published by 27 November 2019.

Shareholders and potential investors of the Company 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, 22 November 2019

As at the date of this announcement, the executive Directors are Ms. Cui Xintong and Ms. Liu Hongjian; the non-executive Director is Mr. Cong Peifeng and the independent non-executive Directors are Mr. Tsang Hung Kei, Mr. Zhu Zuoan and Mr. Wang Xiaochu.