PLANETREE INTERNATIONAL DEVELOPMENT LIMITED
梧桐國際發展有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00613)

UPDATE ON PROFIT WARNING

This announcement is made by Planetree International Development Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company's profit warning announcement dated 20 January 2020 (the "**Previous Announcement**"). Since the Previous Announcement, The board (the "**Board**") of directors (the "**Directors**") of the Company further reviewed the latest unaudited consolidated management accounts of the Company and its subsidiaries for the year ended 31 December 2019 (the "**FY2019**") and the information currently available, and wishes to provide the following update.

The Board wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the Group's profit attributable to Shareholders for FY2019 is expected to reduce from approximately HK$47 million as disclosed in the Previous Announcement to approximately HK$22 million, as compared to a profit of approximately HK$109 million for the year ended 31 December 2018, representing a year-on-year drop in profit by approximately 80%. The Board considers that the decrease in the initial expected profit for FY2019 by approximately HK$25 million is primarily attributable to the following impairments for valuation purpose: (i) the writing down of the principal amount of a promissory note for HK$190 million receivable by the Group by approximately HK$16 million after taking account of its discounted present value; and (ii) the provision for expected credit loss in the sum of approximately HK$5 million in respect of the said promissory note and other loans receivable.

The information presented in this announcement is only based on the preliminary assessment by the Board on the financial information currently available to the Board, which have not been confirmed or reviewed by the Company's auditors or the audit committee of the Company and may be subject to adjustments and impairment assessments. The Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the annual results of the Group for the FY2019, which is expected to be published on 30 March 2020.

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

By order of the Board
Planetree International Development Limited
Cheung Ka Yee
Executive Director

Hong Kong, 23 March 2020

As at the date of this announcement, the Board comprises the following directors:

Executive Directors:
Mr. Lam Hiu Lo
Mr. Liang Kang
Ms. Cheung Ka Yee
Ms. Tsang Wing Man
Mr. Wong Hung Wai

Independent Non-Executive Directors:
Mr. Chan Sze Hung
Mr. Ha Kee Choy, Eugene
Mr. Kwong Kai Sing, Benny