

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



LONGRUN TEA GROUP COMPANY LIMITED
龍潤茶集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2898)

PROFIT WARNING

This announcement is made by Longrun Tea Group Company Limited (the “**Company**” and 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) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on preliminary review on the Group’s unaudited consolidated management accounts, the Group is expected to record an increase of approximately 90% in the loss attributable to owners of the Company for the year ended 31 March 2020 as compared to the year ended 31 March 2019. Based on the information currently available, the expected loss was mainly attributable to the combined effect of, among others, the slow down of the PRC’s economic growth and the outbreak of the novel coronavirus disease (COVID-19) which resulted in decrease in revenue, increase in expected credit loss allowance on trade receivables and increase in selling and administration expenses.

The information contained in this announcement is only a preliminary assessment made by the Board based on information currently available to the Company. The annual results of the Company have not been finalized and are subject to further review by the Board and the auditors of the Company. Shareholders and potential investors are advised to read the announcement of the Company in relation to the annual results of the Company for the year ended 31 March 2020 carefully, which is expected to be published on or around 26 June 2020. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 15 June 2017 until further notice.

By Order of the Board
Longrun Tea Group Company Limited
Chiu Ka Leung
Chairman of the Board

Hong Kong, 17 June 2020

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

Executive Directors:

Dr. Chiu Ka Leung
Ms. Yeh Shu Ping
Mr. Jiao Shaoliang
Dr. He William

Independent non-executive Directors:

Mr. Lam Siu Hung
Mr. Guo Guoqing
Mr. Kwok Hok Lun
Dr. Liu Zhonghua