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## **Newtree Group Holdings Limited**

**友川集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1323)**

### **FULFILLMENT OF PROFIT GUARANTEE IN RELATION TO THE ACQUISITION OF 20% OF THE ISSUED SHARE CAPITAL OF ALPHA YOUTH LIMITED**

References are made to (i) the announcements of Newtree Group Holdings Limited (the “**Company**”) dated 21 September 2017, 6 October 2017, 7 December 2017, 14 February 2018, 15 February 2018; and (ii) the circular of the Company dated 25 January 2018 (the “**Circular**”) in respect of, among other things, the acquisition of 20% of the issued share capital of Alpha Youth Limited. All capitalised terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

As disclosed in the Circular, the Vendor has irrevocably and unconditionally warranted and guaranteed to the Purchaser that the audited net profit after tax of the PRC Subsidiary (excluding items which are one-off, non-operating in nature and not incur in the ordinary and usual courses of business) for the year ended 31 December 2018, shall not be less than RMB47,000,000 (the “**2018 Guaranteed Profit**”).

The Board is pleased to announce that the Company has received a certificate from the auditors jointly engaged by the Purchaser and the Vendor confirmed the amount of the actual audited net profit after tax of the PRC Subsidiary for the year ended 31 December 2018 exceeds the 2018 Guaranteed Profit. As the 2018 Guaranteed Profit has been fulfilled, the Purchaser and the Vendor had procured the Escrow Agent to release the Promissory Note in the principal amount of HK\$15,500,000 to the Vendor.

By order of the Board  
**Newtree Group Holdings Limited**  
**Mr. Wong Wai Sing**  
Chairman and Executive Director

Hong Kong, 18 April 2019

*As at the date of this announcement, the executive Directors are Mr. Wong Wai Sing, Mr. Chan Kin Lung, Mr. Lee Chi Shing, Caesar and Mr. Wong Jeffrey; and the independent non-executive Directors are Mr. Kwok Kam Tim, Dr. Hui Chik Kwan and Mr. Tso Ping Cheong, Brian.*