THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Planetree International Development Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

(Incorporated in Bermuda with limited liability)

(Stock code: 00613)

PROPOSED SHARE CONSOLIDATION AND NOTICE OF SPECIAL GENERAL MEETING

A notice convening the SGM of Planetree International Development Limited to be held at YUE, First Floor, City Garden Hotel, 9 City Garden Road, North Point, Hong Kong (MTR Fortress Hill Station, Exit B) on Friday, 8 May 2020 at 10:45 a.m. (or immediately after the conclusion or adjournment of a prior special general meeting of the Company which will be held at the same venue and on the same date at 10:30 a.m.) is set out on pages 13 to 15 of this circular.

Whether or not you are able to attend the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and, in any event, not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, but in such event the form of proxy shall be deemed to be revoked.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

"Board" the board of Directors

"CCASS" the Central Clearing and Settlement System established and

operated by HKSCC

"Company" Planetree International Development Limited, a company

incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange

(stock code: 613)

"Consolidated Share(s)" ordinary share(s) of HK\$0.1 each in the share capital of

the Company immediately after the Share Consolidation

becoming effective

"Director(s)" the director(s) of the Company

"Existing Share(s)" ordinary share(s) of HK\$0.01 each in the share capital of the

Company

"HKSCC" Hong Kong Securities Clearing Company Limited

"Hong Kong" the Hong Kong Special Administrative Region of the

People's Republic of China

"Latest Practicable Date" 14 April 2020, being the latest practicable date prior to the

printing of this circular for ascertaining certain information

contained in this circular

"Listing Rules" the Rules Governing the Listing of Securities on the Stock

Exchange

"SGM" the special general meeting of the Company to be convened

on Friday, 8 May 2020 for the purpose of considering and,

if thought fit, approving the Share Consolidation

DEFINITIONS

"Share Consolidation" the proposed consolidation of every ten (10) Existing Shares

into one (1) Consolidated Share

"Share Options" share options to subscribe for new shares of the Company

granted under the share option scheme of the Company

adopted on 21 May 2015

"Shareholder(s)" holder(s) of the Existing Share(s) or the Consolidated

Shares, as the case may be

"Stock Exchange" The Stock Exchange of Hong Kong Limited

"HK\$" Hong Kong dollar(s), the lawful currency of Hong Kong

"%" per cent

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation is as follows:

Event	Hong Kong Time and Date
Latest date and time for lodging forms of proxy for the SGM	
Date and time of the SGM	10:45 a.m. on Friday, 8 May 2020
Announcement of voting results of the SGM	Friday, 8 May 2020
Effective date of the Share Consolidation	Tuesday, 12 May 2020
First day of free exchange of existing share certificates	
for new share certificates for the Consolidated Shares	Tuesday, 12 May 2020
Dealing in the Consolidated Shares commences	9:00 a.m. on Tuesday, 12 May 2020
Original counter for trading in the Existing Shares in board lots of 2,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Tuesday, 12 May 2020
Temporary counter for trading in the Consolidated Shares in board lots of 200 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 12 May 2020
Original counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Tuesday, 26 May 2020
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Tuesday, 26 May 2020

EXPECTED TIMETABLE

Designated broker starts to stand in the market	
to provide matching services for odd lots of	
the Consolidated Shares	9:00 a.m. on
	Tuesday, 26 May 2020
Temporary counter for trading in the Consolidated Shares	
in board lots of 200 Consolidated Shares	
(in the form of existing share certificates) closes	4:10 p.m. on
	Monday, 15 June 2020
Parallel trading in Consolidated Shares	
(in the form of new share certificates and	
existing share certificates) ends	4:10 p.m. on
	Monday, 15 June 2020
Designated broker ceases to stand in the market	
to provide matching services for odd lot of	
the Consolidated Shares	4:10 p.m. on
	Monday, 15 June 2020
Last day for free exchange of existing share	
certificates for new share certificates for	
the Consolidated Shares	. Wednesday, 17 June 2020

All times and dates in this circular refer to Hong Kong local times and dates. Shareholders should note that the dates and deadlines specified in this circular for events in the timetable for the Share Consolidation are subject to the satisfaction of all the conditions of the Share Consolidation, including without limitation, the approval of the Share Consolidation by the Shareholders at the SGM, and are therefore for indicative purpose only.

In the event that any special circumstances arise, the Board may extend, or make adjustments to, the timetable if it considers appropriate. Any extension or adjustment to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.



PLANETREE INTERNATIONAL DEVELOPMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 00613)

Executive Directors:

Mr. Lam Hiu Lo

Mr. Liang Kang

Ms. Cheung Ka Yee

Ms. Tsang Wing Man

Mr. Wong Hung Wai

Non-Executive Director:

Mr. Kwong Kai Sing, Benny (Acting Chairman)

Independent Non-Executive Directors:

Mr. Chan Sze Hung

Mr. Ha Kee Choy, Eugene

Mr. Zhang Shuang

Mr. Chung Kwok Pan

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Head office and principal place of

business in Hong Kong:

8/F, China United Centre,

28 Marble Road, North Point,

Hong Kong

17 April 2020

To the Shareholders

Dear Sir or Madam,

PROPOSED SHARE CONSOLIDATION AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 7 April 2020, in which the Board proposed to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of HK\$0.01 each in the share capital of the Company be consolidated into one Consolidated Share of HK\$0.1 each in the share capital of the Company.

The purpose of this circular is to provide you with (i) further information relating to the Share Consolidation; and (ii) the notice of the SGM and related form of proxy.

PROPOSED SHARE CONSOLIDATION

The Board proposes that every ten (10) issued and unissued Existing Shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) Consolidated Share of HK\$0.1 each in the share capital of the Company.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$500,000,000 divided into 50,000,000,000 Existing Shares of par value of HK\$0.01 each, of which 9,305,276,756 Existing Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and assuming that no Existing Shares are issued or repurchased from the date hereof until the effective date of the Share Consolidation, the authorised share capital of the Company shall become HK\$500,000,000 divided into 5,000,000,000 Consolidated Shares of par value of HK\$0.1 each, of which 930,527,675 Consolidated Shares will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank pari passu in all respects with each other.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

- (i) the passing of the ordinary resolution by the Shareholders to approve the Share Consolidation at the SGM;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares; and
- (iii) the compliance with the relevant procedures and requirements under the Bermuda laws (where applicable) and the Listing Rules to effect the Share Consolidation.

Listing application

An application has been made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Reasons for the Share Consolidation

The Company's shares are currently trading on the Stock Exchange at around HK\$0.098 per share, representing a discount of about 49% to the Company's consolidated net asset value of approximately HK\$0.191 per share as at 31 December 2019. The Directors believe that the Company is extremely undervalued. An upward adjustment in share price pursuant to the Share Consolidation will have the effect of (1) making the Consolidated Shares more attractive to institutional and professional investors who generally avoid investing in securities trading in less than HK\$0.5 (for example, investment banks such as UBS or other financial institutions have internal guidelines stipulating that listed securities within a trading price of HK\$0.5 or less will have no margin credit); and (2) reducing the overall transaction and handling costs of dealings in the Shares due to the increase in the value of each board lot and potentially attracting more investors and extending the shareholders base of the Company. Therefore, Directors consider that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

The Share Consolidation is not related to any fund raising intention. As at the Latest Practicable Date, apart from the granting of the Share Options as disclosed in the Company's announcement dated 2 April 2020, the Board does not have any plan or intention of future fund raising activities.

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the shares of the Company regardless of the number of share certificates held by such holder.

Board lot size

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in the board lot size of 2,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain as 2,000 Consolidated Shares.

Based on the average closing price of HK\$0.1048 per Existing Share (equivalent to the theoretical average closing price of HK\$1.048 per Consolidated Share) for the five business days immediately preceding the Latest Practicable Date, the value of each board lot of the Existing Shares is HK\$209.6 and the theoretical market value of each board lot of the Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$2,096.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company has appointed Satinu Markets Limited as an agent to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares during the period from 9:00 a.m. on Tuesday, 26 May 2020 to 4:10 p.m. on Monday, 15 June 2020 (both days inclusive). Shareholders who wish to use this matching service should contact Mr. Ng of Satinu Markets Limited at 26/F, China United Centre, 28 Marble Road, North Point, Hong Kong or at telephone number 3198 0888 during office hours of such period.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed.

Exchange of share certificate

Subject to the Share Consolidation becoming effective, the Shareholders may during the period from Tuesday, 12 May 2020 to Wednesday, 17 June 2020 (both days inclusive) submit existing share certificates in the colour of green for the Existing Shares to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for exchange for new share certificates in the colour of blue for the Consolidated Shares at the expense of the Company.

Thereafter, certificates of the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever is higher.

After 4:10 p.m. on Monday, 15 June 2020, existing share certificates for the Existing Shares will only remain effective as documents of title and may be exchanged for certificates for Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

Adjustments to the outstanding options, warrants or other securities

As at the Latest Practicable Date, the Company has outstanding Share Options entitling the holders thereof to subscribe for a total of 380,000,000 new Existing Shares. Under the relevant terms and conditions thereof, the Share Consolidation may lead to adjustments to the exercise price and the number of shares falling to be issued upon exercise of the Share Options pursuant to the terms thereof. The Company will make further announcement(s) on such adjustment(s) as and when appropriate.

Save as disclosed above, the Company has no warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

THE SGM

The SGM will be convened for the purpose of considering, and if thought fit, approving, the Share Consolidation. Notice of the SGM is set out on pages 13 to 15 of this circular.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, no Shareholder has a material interest in the Share Consolidation. As such, no Shareholder is required to abstain from voting for the resolution to approve the Share Consolidation at the SGM.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so desire. In such event, the form of proxy previously submitted shall be deemed to be revoked.

According to the Joint Statement in relation to General Meetings in light of the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong) dated 1 April 2020 issued by the Securities and Futures Commission and the Stock Exchange and the legal advice sought by the Company, the SGM is viewed to be exempted under paragraph 11 of Schedule 1 of the Regulation.

In view of the ongoing Novel Coronavirus (COVID-19) epidemic and recent requirements for prevention and control of its spread by the government of Hong Kong, the Company strongly recommends Shareholders to exercise their voting rights by way of proxy in advance of the SGM. Shareholders who choose to do so should take action as soon as possible to ensure the proxy instructions reach our Hong Kong branch share registrar not less than 48 hours before the time fixed for holding the SGM.

The form of proxy is attached to this circular for registered Shareholders. If you are not a registered Shareholder (if your Existing Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of a proxy.

The Company will implement the following measures at the SGM, including:

- compulsory body temperature checks (any person with a fever, respiratory symptoms or a body temperature of over 37.3 degree Celsius will not be permitted access to the meeting venue);
- request of wearing of surgical face masks throughout the meeting (please bring your own) and not wearing surgical face masks will not be permitted access to the meeting venue;
- hand sanitizer will be provided;
- no distribution of corporate gifts and no refreshments will be served; and
- other safety measures as appropriate.

To the extent permitted under law, the Company reserves the right to deny entry into the SGM venue or require any person to leave the SGM venue so as to ensure the health and safety of the attendees at the SGM.

VOTING BY POLL

Pursuant to rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the SGM will therefore demand voting on the resolution set out in the Notice of the SGM be taken by way of poll pursuant to the Company's bye-laws.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 5 May 2020 to Friday, 8 May 2020, both days inclusive, during which period no transfer of shares of the Company will be registered, for the purpose of ascertaining entitlement to attend the SGM. In order to qualify for attending and voting at the meeting, unregistered holders of share(s) of the Company should ensure that all share transfer documents accompanied by the relevant share certificate(s) must be lodged for registration with the Hong Kong branch share registrar of the Company, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 4 May 2020.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the Share Consolidation is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the resolution to be proposed at the SGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By Order of the Board

Planetree International Development Limited

Cheung Ka Yee

Executive Director

NOTICE OF SGM



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

(Incorporated in Bermuda with limited liability)

(Stock code: 00613)

NOTICE IS HEREBY GIVEN THAT a special general meeting ("SGM") of Planetree International Development Limited (the "Company") will be held at YUE, First Floor, City Garden Hotel, 9 City Garden Road, North Point, Hong Kong (MTR Fortress Hill Station, Exit B) on Friday, 8 May 2020 at 10:45 a.m. (or immediately after the conclusion or adjournment of a prior special general meeting of the Company which will be held at the same venue and on the same date at 10:30 a.m.) for the purpose of considering and if thought fit, passing, with or without amendment, the following as resolution of the Company:

ORDINARY RESOLUTION

"THAT subject to and conditional upon the granting of approval by The Stock Exchange of Hong Kong Limited for the listing of, and permission to deal in, the ordinary shares of the Company consolidated in the manner as set out in paragraph (a) of this resolution below:

(a) with effect from the second business day immediately following the date on which this resolution is passed or the above condition is fulfilled (whichever is the later), every ten (10) issued and unissued ordinary shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) share of HK\$0.1 (each a "Consolidated Share"), such Consolidated Share(s) shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the bye-laws of the Company (the "Share Consolidation"); and

NOTICE OF SGM

(b) the board of directors of the Company be and is hereby authorised to do all such acts and things and execute all such documents, including under seal where applicable, as it considers necessary, desirable or expedient to give effect to the foregoing arrangements for the Share Consolidation and to aggregate all fractional Consolidated Shares and sell them for the benefits of the Company."

By Order of the Board

Planetree International Development Limited

Cheung Ka Yee

Executive Director

Hong Kong, 17 April 2020

As at the date of this notice, the board of directors of the Company comprises the following directors:

Executive Directors: Non-Executive Director:

Mr. Lam Hiu Lo Mr. Kwong Kai Sing, Benny (Acting Chairman)

Mr. Liang Kang

Ms. Cheung Ka Yee Independent Non-Executive Directors:

Ms. Tsang Wing Man Mr. Chan Sze Hung

Mr. Wong Hung Wai Mr. Ha Kee Choy, Eugene

Mr. Zhang Shuang Mr. Chung Kwok Pan

NOTICE OF SGM

Notes:

- 1. Any member of the Company entitled to attend and vote at the SGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the SGM. A proxy need not be a member of the Company.
- 2. Where there are joint holders of any share any one of such joint holder may, subject to the Company's bye-laws, vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
- 3. In order to be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not later than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- 4. Whether or not you intend to attend and vote at the meeting, you are requested to complete and return the form of proxy. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- 5. The register of members of the Company will be closed from Tuesday, 5 May 2020 to Friday, 8 May 2020, both days inclusive, during which period no transfer of shares of the Company will be registered, for the purpose of ascertaining entitlement to attend the SGM. In order to qualify for attending and voting at the meeting, unregistered holders of share(s) of the Company should ensure that all share transfer documents accompanied by the relevant share certificate(s) must be lodged for registration with the Hong Kong branch share registrar of the Company, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 4 May 2020.