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Platt Nera International Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1949)

PROFIT WARNING

This announcement is made by Platt Nera International Limited (the “**Company**” and 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 (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 the preliminary review of the unaudited consolidated management accounts for the nine months ended 30 September 2019 and the information currently available to it, the Group is expected to record a significant decline in the revenue and profit attributable to owners of the Company for the full year ending 31 December 2019 (“**FY2019**”) as compared to 2018.

Such decline is expected to be attributable to the following key factors:

- 1) With reference to the Company’s voluntary announcement on 4 October 2019 “Inside Information — Result of a Tender”, the Company is still working with Customer F to clarify the outcome of the CDM project, which was expected to make a significant contribution to the revenue and profit in FY2019. The delay in the CDM project has also negatively impacted the progress on the ATM project which the Group now expects to commence in the first half of 2020, instead of in 2019.
- 2) As explained on page 76 of the Company’s prospectus dated 28 June 2019, all existing magnetic cards in Thailand must be replaced by chip cards complying with the Thai Bank Chip Card Standard by the end of 2019.

The Group's major customer, BAAC, has been approaching its mainly rural customers to replace their magnetic cards on hand with new chip cards and/or debit cards, before the former becomes non-functioning ("**MC Conversion**") at the end of 2019 (recently extended to 15 January 2020). Such conversion was expected to bring significant revenues in 2019 for the Group in the form of replacement card fees and higher annual fees (after conversion to chip cards/debit cards).

Despite efforts by the central bank of Thailand, namely the Bank of Thailand ("**BOT**") to promote MC Conversion, the Group's efforts to support MC Conversion, and BAAC's intransigence that its MC Conversion targets can still be met, the Group observed that up to the end of October 2019, BAAC has fallen behind in effecting the MC Conversion. Following discussions with BAAC in November 2019, the Group's evaluation is that the number of magnetic cards converted in 2019 may be significantly lower than earlier estimates determined around June 2019 and hence shall negatively impact the Group's revenue for 2019.

Shareholders and potential investors should note that the information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts for the nine months ended 30 September 2019 and information currently available to the Board, which are still being finalised and subject to further adjustments, and have not been audited or reviewed by the auditors of the Company or the audit committee of the Company.

Details of the financial performance of the Company for FY2019 will be announced in due course by the Company in March 2020 in accordance with the requirements under the Listing Rules.

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

By Order of the Board
Prapan Asvaplungprohm
Chairman and Executive Director

Hong Kong, 22 November 2019

As at the date of this announcement, the board of directors of the Company comprises Mr. Prapan Asvaplungprohm and Mr. Wison Archadechopon as executive directors, and Mr. Tong Yee Ming, Mr. Cheung Pan and Mr. Julapong Vorasontharosoth as independent non-executive directors.