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## **GOOD FRIEND INTERNATIONAL HOLDINGS INC.**

**友佳國際控股有限公司**

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

**( Stock Code: 2398 )**

### **PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09 of the “Listing Rules” and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the assessment made by the management of the Company of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 and the information currently available, the Board wishes to inform the shareholders of the Company and potential investors that it is expected to record a loss attributable to owners of the Company of approximately RMB 96.00 million for the six months ended 30 June 2020.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

This announcement is made by Good Friend International Holdings Inc. (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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the assessment made by the management of the Company of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 and the information currently available, the board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company and potential investors that it is expected to record a loss attributable to owners of the Company of approximately RMB 96.00 million for the six months ended 30 June 2020; compared to the profit attributable to owners of the Company of approximately RMB 21.13 million for the same corresponding period in 2019.

The expected loss was due to the increase in the share of loss of associates located in Germany, the operation of which during the corresponding period was affected by the outbreak of the coronavirus disease 2019 (the “COVID-19”) pandemic. Despite that, the share of loss of associates is a non-cash item and there will be no effect on the operating cash flow of the Group. Before including this item, the Group still recorded a profit of approximately RMB 14.00 million generated by the Group’s PRC businesses for the six months ended 30 June 2020 under this tough operating environment. The Board therefore considers that the overall financial position of the Group remains solid.

The information contained in this announcement is only an assessment made by the management of the Company with reference to the unaudited consolidated management accounts for the six months ended 30 June 2020 and the information currently available. The Group's results announcement for the six months ended 30 June 2020 will be published at the end of August 2020, which may differ from the figures and information contained in this announcement.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Good Friend International Holdings Inc.**  
**Chu Chih-Yaung**  
*Chairman*

Hong Kong, 21 August 2020

*As at the date of this announcement, the Board of the Company comprises (i) three executive directors, namely Mr. Chu Chih-Yaung, Mr. Chen Min-Ho and Mr. Wen Chi-Tang; and (ii) three independent non-executive directors, namely Mr. Koo Fook Sun, Louis, Mr. Yu Yu-Tang and Mr. Kao Wen-Cheng.*