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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)**

**ANNOUNCEMENT UNDER RULE 13.09(1) OF THE LISTING RULES**

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The board of directors of Good Friend International Holdings Inc. (the “Company”) together with its subsidiaries (the “Group”) is pleased to share with the investors and shareholders of the Company the sales orders of the respective business of the Group in January 2010 as well as the production capacity of the Group.

**Sales orders of the respective business in January 2010**

(1) CNC machine tools business

In January 2010, for the CNC machine tools business, the Group received sales orders from customers of 430 units (sales orders in January 2009: 112 units), amounting to approximately RMB 230.1 million (including tax) (January 2009: approximately RMB 40.306 million (including tax)), representing an increase of 471% when compared to the same period in 2009.

Among this, the Group entered into sales contracts with Chongqing Changan Automobile Co. Ltd (“Chongqing Changan Automobile”) in January 2010 for the supply of 23 units of automobile engine production line system (including horizontal and vertical machining centers), amounting to approximately RMB 45.98 million (including tax). The Group had started to supply the first production line system to Chongqing Changan Automobile in 2007, 7 units in total, amounting to approximately RMB18.72 million (including tax). The Group also supplied the second production line system in 2009, 14 units in total, amounting to approximately RMB 38.38 million (including tax). During the period from 2007 to 2009, the Group was able to supply and deliver the relevant production line system to Chongqing Changan Automobile in satisfactory condition and received high rewards from it. As a result, the orders amount received increased gradually and the Group managed to enter into the relevant sales orders with Chongqing Changan Automobile in January 2010, which shows the Group’s advantage in product quality and services.

### (2) Parking Garage Structures business

In January 2010, for the parking garage structures business, the Group received sales orders from customers of 836 units, amounting to approximately RMB 12.643 million (including tax) (January 2009: approximately RMB 0.407 million (including tax)), which is 31 times the amount for the same period in 2009.

### (3) Forklift trucks business

In January 2010, for the forklift trucks business, the Group received sales orders from customers of 137 units (sales orders in January 2009: 47 units), amounting to approximately RMB 13.17 million (including tax) (January 2009: approximately RMB 3.722 million (including tax)), representing an increase of 254% when compared to the same period in 2009.

Accordingly, the total sales orders received from customers in January 2010 amounted to approximately RMB 255.913 million (including tax), representing an increase of 476% when compared to the amount of approximately RMB 44.435 million (including tax) for same period in 2009.

## **Production capacity of the Group**

The production base of the Group's parking garage structure business has moved from its previous site in Xiaoshan (owned by a wholly-owned subsidiary of the Group, Hangzhou Good Friend Precision Machinery Co., Ltd) to the production base in Xiasha (owned by another wholly-owned subsidiary of the Group, Hangzhou Global Friend Precision Machinery Co., Ltd as its second phase production base) in January 2010. The previous site in Xianshan will be renovated and become a new production site for the CNC machine tools equipped with air-conditioning facilities. Upon completion of this new production site, the annual production capacity of the Group's CNC machine tools could then be increased by 800 units.

Moreover, the Group's new production base in Xiasha (owned by a wholly-owned subsidiary of the Group, Hangzhou Ever Friend Precision Machinery Co., Ltd as its second phase production base) has completed its construction work in January 2010. Upon completion of such new production base, the annual production capacity of the large scale double column machining center and boring and milling machine tools will be increased by 400 units, whilst the annual production capacity of the small to medium scale boring machine tools will also be increased by 600 units.

**The above information is extracted from the summary internal information of the Group, which has not been reviewed by the auditors of the Company. All information shall be subject to the audited and interim financial information of the Group. Investors and shareholders of the Company are advised not rely on such information, and the directors of the Company shall not be responsible for any reliance placed thereon. Investors and shareholders of the Company should a 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, 19 March 2010

*As at the date of this announcement, the Board of the Company comprises (i) five executive directors, namely Mr. Chu Chih-Yaung, Mr. Chen Hsiang-Jung, Mr. Chen Min-Ho, Mr. Wen Chi-Tang and Mr. Chiu Rung-Hsien; and (ii) three independent non-executive directors, namely Mr. Koo Fook Sun, Louis, Mr. Chiang Chun-Te and Mr. Yu Yu-Tang.*