BEST FOOD HOLDING COMPANY LIMITED
百福控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01488)

PROFIT WARNING

This announcement is made by Best Food Holding Company Limited (the "**Company**", 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Board of Directors (the "**Board**") of the Company would like to inform the shareholders (the "**Shareholders**") and potential investors of the Company that, based on the preliminary assessment of the latest available unaudited consolidated management accounts of the Group for the year ended 31 December 2019 (the "**Year**"), it is expected to record a significant increase in the amount of loss attributable to equity holders of the Company (the "**Expected Increase**") for the Year as compared to that for the year ended 31 December 2018.

Based on the information available to the Board, the Board considers that the Expected Increase was mainly attributable to, among other things:

(i) Loss from the disposal of handbag business in 2019;

(ii) Increase in interest expenses, which mainly due to the fact that convertible bonds, issued on 23 November 2018, have not yet been fully converted, resulting in higher interest expenses; and

(iii) In respect of the joint-stock food and beverage brands of the Group, as they are subject to certain limitations on scale and experiencing the highspeed growth period, there are relatively large amount of inputs during the transitional phase for long-term growth and scale expansion, as well as exploring for new models of operation. As such, such brands have not yet been able to contribute to the profits of the Group, but even recorded losses.

As the Company is in the process of finalizing the consolidated results of the Group for the year ended 31 December 2019, the information contained in this announcement is only based on the preliminary assessment of the Company's management accounts which have not been audited by either the audit committee or the auditors of the Company. Detailed financial information of the Group will be disclosed in the audited annual results announcement of the Company for the year ended 31 December 2019, which is expected to be published in late March 2020. Shareholders and potential investors are advised to read the audited annual results announcement of the Group when it is published.

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

By order of the Board
Best Food Holding Company Limited
Zhao John Huan
Chairman

Hong Kong, 16 March 2020

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Zhao John Huan, Mr. Wang Xiaolong and Mr. Jing Shen and three independent non-executive Directors, namely, Mr. Leung Kwai Kei, Mr. Heng Victor Ja Wei and Mr. Tsang Hin Man Terence.

* *For identification purpose only*