

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Natural Food International Holding Limited
五谷磨房食品國際控股有限公司

(Registered by way of continuation in the Cayman Islands with limited liability)

(Stock Code: 1837)

INSIDE INFORMATION
POSITIVE PROFIT ALERT

This announcement is made by Natural Food International Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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).

The board of directors (the “**Directors**”) of the Company (the “**Board**”) hereby informs the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021 (the “**Period**”) and other information currently available to the Company, as compared to the corresponding period in 2020, the Group is expected to record an increase in revenue of approximately 22.89% from RMB610.3 million to around RMB750 million and a turnaround from loss to net profit of around RMB30 million for the Period.

The increase in the Group’s revenue was mainly attributable to:

- i. The continuous and rapid growth of E-commerce channels. During the Period, in view of the successful sales of the flagship product “Walnut Sesame Black Bean Powder” (核桃芝麻黑豆粉), the e-commerce team further established and operated the Douyin store in addition to good management of the existing channels, enabling the Group to reach a wider customer base, thus leading to a significant increase in revenue generated from online channels.

- ii. The significant recovery of growth in revenue generated from offline concessionary counters. During the Period, due to the effective control over the COVID-19 pandemic by the Chinese government and the timely adjustment of the Group's business strategy, the revenue generated from Group's offline concessionary counters recorded strong recovery as compared with the corresponding period in 2020.

The increase in revenue effectively drove the increase in net profit during the Period.

Despite the recent recurrence of the COVID-19 pandemic, the impact of which on the retail industry remains unclear. Due to the increased health awareness of consumers, the Group believes that there will be positive development opportunities for its business. The Company is planning to devote more resources to brand building in an accelerated pace to enhance its brand image and influence, so as to provide solid brand support and growth momentum for the rapid development of its potential businesses.

The information contained in this announcement is only based on a preliminary review of the unaudited management accounts of the Group and other information currently available to the Board, which has not been reviewed by the Company's auditors and is subject to possible adjustments arising from further review. The Company is still in the process of finalizing the interim results of the Group for the six months ended 30 June 2021. The interim results of the Group for the six months ended 30 June 2021 may be different from the information referred in this announcement. Further details of the Group's financial results and performance will be disclosed in the Company's announcement of interim results for the six months ended 30 June 2021, which is expected to be published by the end of August 2021.

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
Natural Food International Holding Limited
GUI Changqing
Chairman

Hong Kong, 13 August 2021

As at the date of this announcement, the Board of Directors of the Company comprises Ms. GUI Changqing and Mr. ZHANG Zejun as executive Directors, Ms. TSE Cheung On Anne and Mr. WANG Duo as non-executive Directors, and Mr. ZHANG Senquan, Mr. HU Peng and Mr. OUYANG Liangyi as independent non-executive Directors.