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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **GOOD FRIEND INTERNATIONAL HOLDINGS INC.**, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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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)**

**PROPOSALS INVOLVING  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Good Friend International Holdings Inc. to be held at 35th Floor, Central Plaza, 18 Harcourt Road, Wanchai, Hong Kong on Friday, 29 May 2015 at 3:00 p.m. is set out on pages 13 to 17 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting should you so wish.

Hong Kong, 27 April 2015

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## DEFINITIONS

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*In this circular, the following expressions have the following meanings unless the context requires otherwise:–*

“Annual General Meeting”	the annual general meeting of the Company to be held at 35th Floor, Central Plaza, 18 Harcourt Road, Wanchai, Hong Kong on Friday, 29 May 2015 at 3:00 p.m., notice of which is set out on pages 13 to 17 of this circular
“Companies Law”	the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Good Friend International Holdings Inc., a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20 April 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Repurchase Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution Shares up to a maximum of 10 percent of the total number of issued Shares as at the date of passing the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in item 5 of the notice of the Annual General Meeting

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## DEFINITIONS

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“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	percent

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## LETTER FROM THE BOARD

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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)**

***Executive Directors:-***

CHU Chih-Yaung (*Chairman*)  
CHEN Hsiang-Jung (*Chief Executive Officer*)  
CHEN Min-Ho  
WEN Chi-Tang  
CHIU Rung-Hsien

***Registered Office:-***

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

***Independent Non-Executive Directors:-***

KOO Fook Sun, Louis  
CHIANG Chun-Te  
YU Yu-Tang

***Principal Place of Business***

***in Hong Kong:-***

Room 2003, 20th Floor,  
Kai Tak Commercial Building  
317-319 Des Voeux Road Central  
Hong Kong

Hong Kong, 27 April 2015

*To the shareholders*

Dear Sir or Madam,

**PROPOSALS INVOLVING  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with the information regarding the proposed renewal of the general mandates to repurchase Shares and to allot, issue and deal with Shares and the re-election of retiring Directors and to seek your approval of the resolutions relating to these matters at the Annual General Meeting.

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## **LETTER FROM THE BOARD**

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### **2. GENERAL MANDATE TO REPURCHASE SHARES**

At the annual general meeting of the Company held on 13 June 2014, a general mandate was given by the Company to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the forthcoming Annual General Meeting of the Company. The Directors propose to seek your approval of the Repurchase Resolution to be proposed at the Annual General Meeting granting to the Directors a general mandate to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of passing the resolution (i.e. 40,320,000 Shares based on the total number of issued Shares of 403,200,000 as at the Latest Practicable Date and assuming that such total number of issued Shares remains the same as at the date of passing the ordinary resolution). An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Proposal is set out in Appendix I hereto.

The general mandate granted pursuant to the Repurchase Resolution shall be exercisable during the period from the passing of the Repurchase Resolution until whichever is the earliest of:–

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the articles of association of the Company to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.

### **3. GENERAL MANDATE TO ISSUE NEW SHARES**

It will also be proposed at the Annual General Meeting two ordinary resolutions (namely ordinary resolutions as referred to in items 6 and 7 of the notice of Annual General Meeting) respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the total number of issued Shares as at the date of passing the resolution (i.e. 80,640,000 Shares based on the total number of issued Shares of 403,200,000 as at the Latest Practicable Date and assuming that such total number of the issued Shares remains the same as at the date of passing the ordinary resolution) and adding to such general mandate so granted to the Directors any Shares representing the total number of issued Shares repurchased by the Company after the granting of the general mandate to repurchase Shares up to 10% of the total number of issued Shares as at the date of passing the Repurchase Resolution.

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## LETTER FROM THE BOARD

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The mandate to allot, issue and deal with Shares shall be exercisable during the period from the passing of the ordinary resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the articles of association of the Company to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.

#### **4. RE-ELECTION OF RETIRING DIRECTORS**

The Board of Directors currently consists of eight Directors, namely Messrs. Chu Chih-Yaung, Chen Hsiang-Jung, Chen Min-Ho, Wen Chi-Tang, Chiu Rung-Hsien as executive directors and Koo Fook Sun, Louis, Chiang Chun-Te and Yu Yu-Tang as independent non-executive directors.

Pursuant to Article 87(1) of the articles of association, Messrs. Wen Chi-Tang, Chiang Chun-Te and Yu Yu-Tang shall retire by rotation from office at the Annual General Meeting and shall be eligible and offer themselves for re-election.

Mr. Chiang Chun-Te and Mr. Yu Yu-Tang were appointed as independent non-executive Directors for more than nine years since December 2005. Pursuant to Code A.4.3 of the CG Code, (a) having served the Company for more than nine years could be relevant to the determination of an independent non-executive director's independence and (b) if an independent non-executive director has served more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders of the Company.

The Company has received respectively from Mr. Chiang Chun-Te and Mr. Yu Yu-Tang a confirmation of their independence pursuant to Rule 3.13 of the Listing Rules. Mr. Chiang Chun-Te and Mr. Yu Yu-Tang have not engaged in any executive management of the Group. Taking into consideration of their independent scope of works in the past years, the Directors consider Mr. Chiang Chun-Te and Mr. Yu Yu-Tang to be independent under the Listing Rules despite the fact that they have served the Company for more than nine years. Accordingly, Mr. Chiang Chun-Te and Mr. Yu Yu-Tang shall be subject to retirement by rotation and re-election by way of a separate resolution to be approved by the shareholders of the Company in the Annual General Meeting.

Details of retiring Directors proposed for re-election at the Annual General Meeting are set out in Appendix II of this circular.

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## **LETTER FROM THE BOARD**

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### **5. ANNUAL GENERAL MEETING**

On pages 13 to 17 of this circular, you will find a notice convening the Annual General Meeting at which the following resolutions will be proposed:–

- an ordinary resolution to grant to the Directors a general mandate to exercise all powers of the Company to repurchase on the Stock Exchange Shares representing up to 10% of the total number of issued Shares as at the date of passing the Repurchase Resolution;
- an ordinary resolution to grant to the Directors a general mandate to authorise the Directors to issue, allot and deal with Shares with an aggregate nominal value not exceeding 20% of the total number of issued Shares as at the date of passing such resolution; and
- an ordinary resolution to extend the general mandate which will be granted to the Directors to issue, allot and deal with additional Shares by adding to it the number of Shares repurchased under the Repurchase Proposal after the granting of the general mandate.

### **6. VOTING BY WAY OF POLL**

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the general meeting of the Company will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### **7. ACTION TO BE TAKEN**

A proxy form for use at the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the proxy form and return it to the Company's branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not prevent shareholders of the Company from attending and voting at the Annual General Meeting if they so wish.



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## LETTER FROM THE BOARD

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### 8. RECOMMENDATION

The Directors believe that the proposals and re-election of retiring Directors referred to in this circular are all in the best interests of the Company and its shareholders. Accordingly, the Directors recommend that all shareholders of the Company should vote in favour of the relevant resolutions as set out in the notice of Annual General Meeting.

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

*This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing the Repurchase Resolution.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 403,200,000 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 40,320,000 Shares, representing not more than 10% of the total number of issued Shares as at the Latest Practicable Date.

## **2. REASONS FOR REPURCHASE**

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

## **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Directors will only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the applicable laws of the Cayman Islands. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or out of the funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium of the Company.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2014 in the event that the power to repurchase Shares pursuant to the Repurchase Proposal were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the power to repurchase Shares pursuant to the Repurchase Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:–

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
April 2014	2.510	2.330
May 2014	2.800	2.290
June 2014	2.700	2.410
July 2014	2.480	2.280
August 2014	3.000	2.210
September 2014	2.990	2.320
October 2014	2.610	2.330
November 2014	2.780	2.300
December 2014	2.630	2.130
January 2015	2.350	2.210
February 2015	2.210	2.170
March 2015	2.530	2.090
April 2015 (up to and including the Latest Practicable Date)	2.700	2.290

#### 5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the powers of the Company to make repurchases pursuant to the Repurchase Proposal in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the shareholders of the Company.

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the shareholders of the Company.

## **6. TAKEOVERS CODE**

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Good Friend (H.K.) Corporation Limited ("Hong Kong GF"), beneficially held 232,000,000 Shares representing approximately 57.54% of the existing issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Proposal then (if the number of Shares as held by Hong Kong GF and the then number of total issued Shares remained the same), the attributable shareholding of Hong Kong GF in the Company would be increased to approximately 63.93% of the issued share capital of the Company. Since the interest of Hong Kong GF in the issued Shares already exceeds 50%, such increase will not give rise to any obligation to make a mandatory offer pursuant to Rule 26 of the Takeovers Code.

In the event that the Repurchase Proposal is exercised in full, the number of Shares held by the public would not fall below 25%.

## **7. SHARES REPURCHASE MADE BY THE COMPANY**

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

*The following are the particulars of the retiring Directors proposed to be re-elected at the Annual General Meeting to be held on 29 May 2015:-*

**Mr. Wen Chi-Tang**, aged 50, was appointed as an executive Director in December 2005. Mr. Wen was graduated from Mechanical Engineering of National Kaohsiung University of Applied Sciences. He was the vice general manager of machine tools division of Hangzhou Good Friend Precision Machinery Co., Ltd. and then was promoted as the general manager with effect from 1 January 2011. He is responsible for the production and operation of this division. Mr. Wen has more than 29 years of experience in the machine tools industry. He is also a director of Hangzhou Good Friend Precision Machinery Co., Ltd., Hangzhou Global Friend Precision Machinery Co., Ltd., Hangzhou Ever Friend Precision Machinery Co., Ltd. and Hangzhou Glory Friend Machinery Technology Co., Ltd. He joined the Group in 2003. Save as disclosed above, Mr. Wen did not hold any directorship in other listed public companies in the past three years and does not hold any position of the Company and other companies within the Group.

Mr. Wen entered into a service agreement dated 11 January 2015 with the Company for a term of 3 years until 10 January 2018 and he is subject to retirement by rotation and re-election in accordance with the Company's articles of association. He is entitled to an annual remuneration of RMB144,000. There is no agreement as to the directors' fee of Mr. Wen and his director's fee will be determined by the remuneration committee of the Company as well as the board of Directors by reference to the prevailing market conditions and subject to the approval of the shareholders at the Annual General Meeting.

Mr. Wen is not related, directly or indirectly, with any director, senior member of management or principal or controlling shareholders of the Company. Mr. Wen does not have any interest in any of the Shares as defined under Part XV of the SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the shareholders in connection with the re-election of Mr. Wen and no other information that should be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.

**Mr. Chiang Chun-Te**, aged 54, was appointed as an independent non-executive Director in December 2005. He is also a member of the audit committee, remuneration committee and nomination committee of the Company. He is the general manager of Istra Corporation and is also served as the president with effect from 2000. He was the 17th Representative of the Importers and Exporters Association of Taipei and then now served as the director. He is the director of Long Chen Paper Co., Ltd. He is also a director of Chinatrust Commercial Bank.

From 2003 to February 2010, Mr. Chiang served as the director of Premier Capital Management Corp. and Premier Venture Capital Corp. From 2006 to June 2009, he served as the independent director of Yin King Industrial Co., Ltd., which is a listed company at over-the-counter market on the Taiwan Stock Exchange Corporation. From 2009 to March 2012, he served as the independent director of Feng Sheng Technology Co., Ltd. (listed on the Taiwan Stock Exchange Corporation). From 2011 to June 2013, he served as the independent director of Swancor Ind. Co., Ltd. (listed on the Taiwan Stock Exchange Corporation). From 2001 to December 2014, he served as the president and general manager of PK Investment Corp. Save as disclosed above, Mr. Chiang did not hold any directorship in other listed public companies in the past three years and does not hold any position of the Company and other companies within the Group.

Mr. Chiang entered into a service agreement dated 10 January 2014 with the Company for a fixed term of 2 years until 9 January 2016 and he is subject to retirement by rotation and re-election in accordance with the Company's articles of association. He is entitled to have a director fee of not less than HK\$100,000 per annum which is subject to approval of the remuneration committee as well as the board of Directors by reference to the prevailing market conditions and the approval of shareholders at the Annual General Meeting.

Mr. Chiang is not related, directly or indirectly, with any director, senior member of management or principal or controlling shareholders of the Company. Mr. Chiang does not have any interest in any of the Shares as defined under Part XV of SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the shareholders in connection with the re-election of Mr. Chiang and no other information that should be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.

**Mr. Yu Yu-Tang**, aged 78, was appointed as an independent non-executive Director in December 2005 and is a member of the audit committee of the Company. He is a consultant of the Taiwan Hsin Chu County Government (台灣新竹縣政府) and the Provincial Government. Mr. Yu did not hold any directorship in other listed public companies in the past three years and does not hold any position of the Company and other companies within the Group.

Mr. Yu entered into a service agreement dated 10 January 2014 with the Company for a fixed term of 2 years until 9 January 2016 and he is subject to retirement by rotation and re-election in accordance with the Company's articles of association. He is entitled to have a director fee of not less than HK\$100,000 per annum which is subject to approval of the remuneration committee as well as the board of Directors by reference to the prevailing market conditions and the approval of shareholders at the Annual General Meeting.

Mr. Yu is not related, directly or indirectly, with any director, senior member of management or principal or controlling shareholders of the Company. Mr. Yu does not have any interest in any of the Shares as defined under Part XV of SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the shareholders in connection with the re-election of Mr. Yu and no other information that should be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.

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## NOTICE OF ANNUAL GENERAL MEETING

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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)**

**NOTICE IS HEREBY GIVEN THAT** an annual general meeting of Good Friend International Holdings Inc. (“the Company”) will be held at 35th Floor, Central Plaza, 18 Harcourt Road, Wanchai, Hong Kong on Friday, 29 May 2015 at 3:00 p.m. for the following purposes:–

1. To receive and consider the financial statements and the report of the directors and independent auditor’s report for the year ended 31 December 2014.
2. To declare a final dividend of RMB0.06 (equivalent to approximately HK\$0.0758) per share for the year ended 31 December 2014.
3.
  - (a) To re-elect Mr. Wen Chi-Tang as an executive director.
  - (b) To re-elect Mr. Chiang Chun-Te (who has served as an independent non-executive director for more than 9 years) as an independent non-executive director.
  - (c) To re-elect Mr. Yu Yu-Tang (who has served as an independent non-executive director for more than 9 years) as an independent non-executive director.
  - (d) To authorize the board of directors to fix the remuneration of directors for the year ending 31 December 2015.
4. To re-appoint PricewaterhouseCoopers as auditors and to authorise the board of directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution of the Company:–

#### ORDINARY RESOLUTION

“**THAT:**–

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company

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## NOTICE OF ANNUAL GENERAL MEETING

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on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other recognised stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of the shares of the Company which the directors of the Company is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution and provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be repurchased pursuant to the approval in paragraph (a) above as a percentage of the total number of issued shares of the Company immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted accordingly; and
- (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:–
  - (i) the conclusion of the next annual general meeting of the Company; or
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the articles of association of the Company to be held; or
  - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”



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## NOTICE OF ANNUAL GENERAL MEETING

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6. As special business, to consider and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution of the Company:–

### ORDINARY RESOLUTION

“**THAT:**–

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers be and are hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) pursuant to a Rights Issue (as hereinafter defined); (ii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iii) pursuant to an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of issued shares of the Company immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted accordingly; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (d) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:–
- (i) the conclusion of the next annual general meeting of the Company; or
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the articles of association of the Company to be held; or
  - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company). ”

7. As special business, to consider and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution of the Company:–

### ORDINARY RESOLUTION

“**THAT** subject to the passing of the Resolutions in items 5 and 6 of the notice convening this meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares pursuant to the Resolution in item 6 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to the Resolution in item 5 of the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution in item 5 of the notice convening this meeting.”

By Order of the Board  
**Good Friend International Holdings Inc.**  
**LO Tai On**  
*Company Secretary*

Hong Kong, 27 April 2015

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:–*

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he holds two or more shares, more proxies to attend and vote in his stead. A proxy need not be a member of the Company. In order to be valid, the proxy form must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.
2. Completion and return of the proxy form will not preclude members from attending and voting in person at the annual general meeting or any adjournment.
3. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holders, seniority being determined by the order in which names stand in the register of members.
4. The register of members will be closed from Tuesday, 26 May 2015 to Friday, 29 May 2015, both days inclusive, on which no transfer of Shares will be effected. In order to qualify for attendance and voting at the Annual General Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Friday, 22 May 2015.
5. The register of members will also be closed from Monday, 8 June 2015 to Wednesday, 10 June 2015, both days inclusive, on which no transfer of shares will be effected. In order to qualify for the final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Friday, 5 June 2015.
6. With regard to items no.3 in this notice, the board of directors of the Company proposes that the retiring directors, namely Messrs. Wen Chi-Tang, Chiang Chun-Te and Yu Yu-Tang be re-elected as directors of the Company. Details of the above retiring directors are set out in the appendix II of the circular to shareholders dated 27 April 2015.