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同方康泰產業集團有限公司
Tongfang Kontafarma Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1312)

PROFIT WARNING

This announcement is made by Tongfang Kontafarma Holdings Limited (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 in 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 “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Group that based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021 and the latest assessment on the performance of the fitness business segment of the Group, the Group is expected to record a consolidated loss before taxation for the six months ended 30 June 2021 of approximately HK\$64.0 million to HK\$89.0 million as compared to the consolidated profit before taxation from continuing operations of approximately HK\$17.3 million for the corresponding period in 2020.

The aforesaid change was mainly attributable to (i) one-off impairment on goodwill and expected credit loss on receivables in the fitness business of the Group; and (ii) significant loss of the Group in the fitness business segment resulting from the suspension of operation of our fitness centres in Singapore and Taiwan due to the outbreak of the novel coronavirus in the second quarter of 2021 in these two regions. Our operation of fitness centres in Singapore and Taiwan were required by the relevant governments to be suspended since 8 May 2021 and 14 May 2021, respectively, which was only resumed with restrictions on 21 June 2021 and 15 July 2021, respectively. Without taking into account the abovementioned one-off impairment and expected credit loss, the Group is expected to record a consolidated loss before taxation for the six months ended 30 June 2021 of approximately HK\$9.4 million to HK\$14.2 million. The Group will closely monitor the situation in the fitness business segment and other segment in the second half of 2021.

The information contained in this announcement is based on the latest assessment by the management of the Company according to the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021 and taking into account the latest assessment on the performance of the aforesaid business segment and may be subject to amendments. Therefore, the actual results of the Group for the six months ended 30 June 2021 may differ from the information contained in this announcement.

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

By order of the Board
Tongfang Kontafarma Holdings Limited
Chai Hongjie
Chairman

Hong Kong, 6 August 2021

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Chai Hongjie (Chairman), Mr. Huang Yu (President), Mr. Wei Bingzhang and Mr. Jiang Chaowen (Chief Executive Officer) and three independent non-executive directors, namely Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.