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Huasheng International Holding Limited

華盛國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1323)

POSITIVE PROFIT ALERT

This announcement is made by Huasheng International Holding 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Company and preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2021 (the “**Current Period**”), the Group is expected to record an unaudited net profit attributable to owners of the Company for the Current Period of not less than HK\$20.0 million, as compared to that of the Company for the six months ended 30 September 2020 (the “**Corresponding Period**”) of approximately HK\$9.5 million.

The expected increase of net profit attributable to owners of the Company for the Current Period was mainly due to the combined effect of (i) the enhanced overall operating efficiency which led to the increase of our gross profit margin in concrete business by approximately 3.0% as well as the decrease in both selling and distribution expenses and administrative expenses by a total of approximately 5.0%, as compared to that of the Corresponding Period; (ii) the increase in the revenue contribution of approximately HK\$5.0 million from our household consumables business;

(iii) the decrease in the Group's finance costs of approximately HK\$10.3 million as the Group has fully settled the convertible bonds during the year ended 31 March 2021; and (iv) the one-off gain on disposal recognised upon completion of the disposal of subsidiaries of approximately HK\$9.7 million during the Current Period.

As the Company is still in the process of finalising the financial results of the Group for the Current Period, the information contained in this announcement is only based on the Company's preliminary assessment of the unaudited consolidated management accounts of the Group for the Current Period, which have not been reviewed nor audited by the audit committee of the Company and the Company's auditor. Further details of the Group's financial information for the Current Period will be disclosed in the Group's interim results announcement, which is expected to be published in November 2021.

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

By Order of the Board
Huasheng International Holding Limited
Wong Jeffrey
Executive Director

Hong Kong, 12 November 2021

As at the date of this announcement, the executive Directors are Mr. Wong Wai Sing, Mr. Chan Kin Lung and Mr. Wong Jeffrey; and the independent non-executive Directors are Mr. Kwok Kam Tim, Mr. Tso Ping Cheong, Brian and Mr. Li Kwok Tai, James.