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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)

PROFIT WARNING

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 2022 (the “**Current Period**”), the Group is expected to record an unaudited net loss attributable to owners of the Company for the Current Period of not less than HK\$45.0 million, as compared with the net profit attributable to owners of the Company of approximately HK\$21.3 million for the six months ended 30 September 2021 (the “**Corresponding Period**”).

The anticipated turnaround from profit to loss attributable to owners of the Company for the Current Period was mainly attributable to (i) recognition of the non-cash impairment loss on goodwill of concrete business of the Group of approximately HK\$28.7 million as a result of decrease in sales volume affected by the slowdown of the real estate development in Hainan Province coupled with the operation disruption resulted from the persisting quarantine and lockdown measures implemented by the local authority of Hainan Province during the Current Period; (ii) recognition of approximately HK\$27.0 million of impairment losses on loan receivables for the Current Period for an overdue loan customer with default in repayment and creditability issue; and (iii) recognition of the one-off loss of approximately HK\$12.4 million from the disposal of the household consumable business as compared with an one-off gain of approximately HK\$9.7 million from the disposal of subsidiaries for the Corresponding 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 by the end of November 2022.

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, 11 November 2022

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.