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**HUAJIN INTERNATIONAL HOLDINGS LIMITED**

**华津国际控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2738)**

**PROFIT WARNING**

This announcement is made by Huajin International Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board (the “**Board**”) of directors of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended 31 December 2022 and the latest information currently available to the Board, the Group is expected to incur an unaudited consolidated net loss ranging from approximately RMB150 million to RMB170 million for the year as compared with the audited consolidated net profit of approximately RMB 62 million for the year ended 31 December 2021.

Even though there was an increase in the sales volume of processed steel products and galvanized steel products during the year, the Board considered that the expected net loss of the Group for the year ended 31 December 2022 was mainly due to, among others, (i) the decrease in the revenue which were adversely affected by the downturn in market conditions; (ii) the decrease in the average processing fee (being the difference between the selling price and the cost of the raw materials) of the Group’s processed steel products and galvanized steel products affected by the price fluctuation of hot-rolled steel coils from the suppliers; (iii) the increase in the unit cost of sales; (iv) the increase in administrative expenses; (v) the increase in finance costs; and (vi) partially offset by a deferred tax credit.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2022. The information contained in this announcement is only a preliminary assessment by the management of the Company based on figures and information made available to the Board as at the date hereof and is not based on any figures or information which has been reviewed by the audit committee or the independent auditors of the Company. The actual annual results of the Group for the year ended 31 December 2022 may be different from the financial information disclosed in this announcement, which is subject to finalisation and potential adjustments. The audited annual results of the Group for the year ended 31 December 2022 is expected to be published by the end of March 2023.

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

By order of the Board  
**Huajin International Holdings Limited**  
**Xu Songqing**  
*Chairman*

Hong Kong, 21 March 2023

*As at the date of this announcement, the Board is comprised of Mr. Xu Songqing (Chairman), Mr. Xu Jianhong (Vice Chairman), Mr. Luo Canwen (Chief Executive Officer) and Mr. Xu Songman as executive Directors and Mr. Goh Choo Hwee, Mr. Ou Qiyuan and Mr. Suen To Wai as independent non-executive Directors.*