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**HUAJIN INTERNATIONAL HOLDINGS LIMITED**

**華津國際控股有限公司**

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

**(Stock Code: 2738)**

**POSITIVE PROFIT ALERT  
APPOINTMENT OF VICE CHAIRMAN AND  
RESIGNATION OF EXECUTIVE DIRECTOR**

**POSITIVE PROFIT ALERT**

The Board wishes to inform that, based on the preliminary review of the Group's unaudited consolidated management accounts for the year ended 31 December 2021 and the information currently available to the Board, the Group is expected to record a profit not less than RMB60.0 million attributable to owners of the Company for the year ended 31 December 2021 as compared to that of approximately RMB36.4 million for the year ended 31 December 2020.

**APPOINTMENT OF VICE CHAIRMAN**

The Board is pleased to announce that Mr. Xu Jianhong has been appointed as the vice chairman of the Company with effect from 24 February 2022.

**RESIGNATION OF EXECUTIVE DIRECTOR**

The Board announces that Mr. Chen Chunniu has tendered his resignation as the executive Director of the Company with effect from 24 February 2022.

**POSITIVE PROFIT ALERT**

This announcement is made by Huajin International Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) 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 review of the Group’s unaudited consolidated management accounts for the year ended 31 December 2021 and the information currently available to the Board, the Group is expected to record a profit not less than RMB60.0 million attributable to owners of the Company for the year ended 31 December 2021 as compared to that of approximately RMB36.4 million for the year ended 31 December 2020.

Based on the relevant information currently available, the Board considers that such increase in profit was primarily attributable to, among others, the following factors:

- (1) the increase in production and sales orders of the Group promoted by the improved production efficiency of the Group in the new production plant located at Gujing Town and the increase in the average selling price of the Group’s products had resulted in the increase in the Group’s revenue and gross profit in the year of 2021;
- (2) gain on deemed disposal of 95% equity interest in three previously wholly-owned subsidiaries of the Group in the second half of 2021;
- (3) investment gain on commodity futures contracts was recognised by the Group during the year of 2021 as compared to investment loss of that in the year of 2020; and
- (4) nevertheless, the positive effect of the increase in profit was offset by the increase in cost of sales charged for the Group’s products resulting in the drop of gross profit margin, increase in expenses and finance costs in the year of 2021.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2021. 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 audited annual results of the Group for the year ended 31 December 2021 may be different from the financial information disclosed herein and are expected to be published by late March 2022.

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

#### **APPOINTMENT OF VICE CHAIRMAN**

The Board is pleased to announce that Mr. Xu Jianhong has been appointed as the vice chairman of the Company with effect from 24 February 2022 in addition to his existing role of executive Director of the Company. The role of the vice chairman is to assist the chairman in the overall corporate development and strategic direction of the Group.

Mr. Xu Jianhong (許健鴻)(“**Mr. Xu**”), aged 28, was appointed as a non-executive Director of the Company on 21 November 2017 and re-designated from the non-executive Director to an executive Director of the Company on 1 May 2021. Mr. Xu graduated from The Kilmore International School in Australia in 2014 and received his Bachelor of Science degree from The University of Melbourne, Australia in July 2018. Mr. Xu is also a director of Inter Consortium Holdings Limited, a director and the legal representative of 江門市華津金屬交易市場有限公司(Jiangmen Huajin Metal

Trading Market Company Limited\*), 江門市津潤環保科技有限公司 (Jiangmen Jinrun Ecotechnology Company Limited\*) and 江門市津洋金屬材料有限公司 (Jiangmen Jinyang Metal Material Company Limited\*), all of which are indirect wholly-owned subsidiaries of the Company. Mr. Xu is the son of Mr. Xu Songqing, a controlling shareholder, an executive Director and the chairman of the Company, and the nephew of Mr. Xu Songman, an executive Director of the Company.

Mr. Xu has entered into the service contract with the Company for a term of three years commencing on 1 May 2021, which continues thereafter until terminated by either party giving not less than three months' notice in writing to the other party. Mr. Xu is entitled to an annual salary of HK\$250,000, which is covered by the service contract and has been determined by the Board upon the recommendation of the remuneration committee of the Company with reference to his relevant qualifications, experience, duties and responsibilities within the Company as well as prevailing market benchmark. The Director's remuneration for Mr. Xu will be reviewed annually by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

As at the date of this announcement, Mr. Xu held 1,818,181 share options entitling him to subscribe for 1,818,181 shares of the Company, representing approximately 0.30% of the share capital of the Company. Save as disclosed above, Mr. Xu is not interested in any shares, underlying shares or debentures of the Company (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong).

As at the date of this announcement, save as disclosed above, Mr. Xu (i) does not hold any other directorship in listed public companies in Hong Kong or overseas in the three years preceding the date of this announcement; (ii) does not hold any other positions with the Company or its subsidiaries and (iii) is not connected and has no other relationship with any Directors, senior management or substantial or controlling shareholders (having the meaning ascribed to it under the Listing Rules) of the Company.

Save as disclosed above, there is no other information relating to Mr. Xu that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

The Board would like to welcome Mr. Xu taking up the new position.

## **RESIGNATION OF EXECUTIVE DIRECTOR**

The Board announces that Mr. Chen Chunniu (“**Mr. Chen**”) has tendered his resignation as the executive Director of the Company with effect from 24 February 2022 as Mr. Chen decided to devote more time to other work arrangements of the Group.

Mr. Chen has confirmed that he has no disagreement with the Board and that there is no matter in relation to his resignation that needs to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Chen for his valuable contribution to the Company during his tenure of services.

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

Hong Kong, 24 February 2022

*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. Tam Yuk Sang Sammy as independent non-executive Directors.*

*\* the English name is not official name but is provided for identification purpose only*