华音国际
HUAYIN INTERNATIONAL

HUA YIN INTERNATIONAL HOLDINGS LIMITED

華音國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 989)

PROFIT WARNING

This announcement is made by Hua Yin International Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Director(s)**") of the Company wishes to inform the shareholders ("**Shareholders**") and potential investors of the Company that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2024 and the information currently available to the Board, the Group is expected to record a consolidated loss attributable to owners of the Company of not less than approximately RMB590 million for the six months ended 30 September 2024 ("**Current Interim Period**"), as compared to the unaudited consolidated loss attributable to owners of the Company of approximately RMB79.9 million for the six months ended 30 September 2023 ("**Corresponding Interim Period**").

Despite recognising property sales from the Group's property project in Baishan City, namely Guangze China House – Phase IIA, which was completed and delivered during the Current Interim Period, leading to an increase in the Group's revenue and gross profit from approximately RMB44.0 million and RMB15.8 million respectively in the Corresponding Interim Period to approximately RMB131.7 million and RMB20.7 million respectively in the Current Interim Period, the Group's anticipated net loss for the Current Interim Period was primarily attributable to a further write-down of properties under development (net of deferred tax) of approximately RMB564.7 million. Such write-down was related to the Group's its cultural tourism project in Fusong County, namely Ground Pine Township International Resort (the "**Fusong Property Project**"). During the Current Interim Period, in light of, among others, (i) the gloomy outlook of the Fusong Property Project as affected by the macroeconomic environment; (2) the debts associated with the development of the Fusong Property Project; and (3) future funding requirements of the Fusong Property Project, the Board considered that it is more appropriate for the Group to divest the Fusong Property Project. Accordingly, the Group's management has re-evaluated the net realisable value of the properties under development in the Fusong Property Project based on the valuation as at 30 September 2024 with the application of a discount factor to account for the intended short-term sale. This assessment led to an estimated write-down of approximately RMB637.9 million.

The Company is currently finalising the consolidated financial results of the Group for the Current Interim Period. The information contained in this announcement is only based on the Board's preliminary assessment of the information currently available to the Board as at the date hereof, which have not been reviewed or audited by the auditor of the Company nor confirmed by the audit committee of the Company, and is therefore subject to change and adjustment. Details of the financial results of the Group will be disclosed in the Company's interim results announcement for the Current Interim Period, which is expected to be published by the end of November 2024.

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

By order of the Board
Hua Yin International Holdings Limited
Ng Man Kit Micky
Company Secretary

Hong Kong, 14 November 2024

As at the date of this announcement, the executive Directors are Ms. Cui Xintong, Mr. Li Junjie, Mr. Cong Peifeng and Mr. Xu Yingchuan; the non-executive Director is Mr. Cui Mindong; and the independent non-executive Directors are Mr. Tsang Hung Kei, Mr. Wang Xiaochu and Mr. Wang Xueguang.