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)

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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board (the "**Board**") of directors (the "**Directors**") of the Company would like to inform the shareholders (the "**Shareholders**") and potential investors of the Company that, based on a preliminary review of the latest unaudited consolidated management accounts of the Group for the six months ended 30 June 2025 (the "**Current Period**"), which have not been reviewed or audited by the independent auditors and/or the audit committee of the Company, and taking into account the latest information currently available to the Board, it is expected that the Group will record (i) a revenue ranging from approximately RMB720.0 million to RMB780.0 million for the Current Period, as compared with approximately RMB3,206.5 million recorded for the six months ended 30 June 2024 (the "**Corresponding Period**"), representing a decrease of approximately RMB2,426.5 million to RMB2,486.5 million or 75.7% to 77.5%, and (ii) a loss attributable to owners of the Company ranging from RMB490.0 million to RMB530.0 million for the Current Period, as compared with a profit attributable to owners of the Company of approximately RMB16.9 million for the Corresponding Period.

The Board believes that the decline in revenue and the resulting loss in the Corresponding Period were mainly due to the followings:—

(i) Weak market demand and intensified competition — dual pressure on domestic and external demands

Investment in key downstream sectors such as real estate, infrastructure and the import and export of industrial products has slowed down. Domestic order growth remained tepid, while export volumes were hampered by tariff barriers, creating a ''weak-domestic/external demands'' landscape. To compete for the limited orders available, industry players slashed prices, continuously compressing product gross margins and driving declines in both revenue and profit.

(ii) Impact of the trade environment and tariff policies

Punitive tariffs imposed by major importing countries around the world on steel products led to sharp drops in the sales volume and average selling price of goods exported by the Group's downstream customers. As end-market demand contracted, certain long-term customers unilaterally postponed or cancelled signed orders, adversely affecting the Group's revenue. The abrupt fall in orders make it difficult for the Group to meet the minimum offtake terms in several long-term supply contracts with steel mills, resulting in forfeiture of commitment fees and deposits, which consequently increased the cost of sales.

(iii) Upward pressure from raw-material costs

Prices of key raw materials such as hot-rolled coils, influenced by the instability of international trade wars, stayed at high levels for several months before declining. However, product selling prices of the Group could not be adjusted accordingly, pushing production costs higher.

(iv) Low capacity utilisation drove up unit processing costs

Fixed manufacturing overheads had to be allocated over a much smaller output base, resulting in higher unit processing costs.

The Company is still in the process of finalising the interim results of the Group for the Current Period. 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, which have not been reviewed or audited by the Company's auditors or the audit committee of the Company. The actual interim results of the Group for the Current Period may be different from the financial information disclosed in this announcement, which is subject to finalisation and potential adjustments. The interim results of the Group for the Current Period is expected to be published by the end of August 2025.

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 August 2025

As at the date of this announcement, the Board is comprised of Mr. Xu Songqing (Chairman), Mr. Luo Canwen (Chief Executive Officer) and Mr. Xu Songman as executive Directors, Mr. Xu Jianhong as non-executive Director and Mr. Chan Oi Fat, Mr. Ou Qiyuan and Ms. Yip Nga Ting Cerin as independent non-executive Directors.