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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)

**ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

The board (the “Board”) of directors (the “Directors”) of Huajin International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) is pleased to announce the consolidated results of the Group for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024, which have been prepared in accordance with the Hong Kong Financial Reporting Standards as below.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For year ended 31 December 2025

	NOTES	2025 RMB'000	2024 RMB'000
Revenue	4	861,273	5,896,669
Cost of sales		<u>(1,499,959)</u>	<u>(5,864,998)</u>
Gross (loss) profit		(638,686)	31,671
Other income, other gains and (losses), net	5	(7,661)	65,388
(Provision for) reversal of impairment losses of trade and other receivables under ECL model		(54,087)	1,201
Impairment losses of property, plant and equipment		(288,380)	–
Selling expenses		(29,323)	(42,197)
Administrative expenses		<u>(65,736)</u>	<u>(73,497)</u>
Loss before investment gain (loss), net of finance costs and taxation		(1,083,873)	(17,434)
Investment gain (loss)		3,429	(2,296)
Finance income	6	1,573	4,783
Finance costs	6	<u>(142,259)</u>	<u>(101,306)</u>
Finance costs, net	6	<u>(140,686)</u>	<u>(96,523)</u>
Loss before taxation		(1,221,130)	(116,253)
Income tax (expenses) credit	7	<u>(50,494)</u>	<u>25,033</u>
Loss for the year	8	<u>(1,271,624)</u>	<u>(91,220)</u>
Other comprehensive expense			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value loss on equity investments designated at fair value through other comprehensive income (“FVTOCI”), net of income tax		<u>–</u>	<u>(270)</u>
Other comprehensive expense for the year, net of income tax		<u>–</u>	<u>(270)</u>
Total comprehensive expense for the year		<u>(1,271,624)</u>	<u>(91,490)</u>

	<i>NOTES</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss for the year attributable to:			
Owners of the Company		(1,271,422)	(91,026)
Non-controlling interests		<u>(202)</u>	<u>(194)</u>
		<u>(1,271,624)</u>	<u>(91,220)</u>
Total comprehensive expense attributable to:			
Owners of the Company		(1,271,422)	(91,296)
Non-controlling interests		<u>(202)</u>	<u>(194)</u>
		<u>(1,271,624)</u>	<u>(91,490)</u>
Loss per share	<i>10</i>		
– Basic (<i>RMB cents</i>)		(211.90)	(15.17)
– Diluted (<i>RMB cents</i>)		<u>(211.90)</u>	<u>(15.17)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	NOTES	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	16	1,571,382	1,878,583
Right-of-use assets		237,149	243,780
Deposits paid for acquisition of property, plant and equipment		35,895	50,622
Equity investments designated at FVTOCI		–	1,405
Restricted bank deposits		–	10,000
Deferred tax assets		–	43,653
		<u>1,844,426</u>	<u>2,228,043</u>
CURRENT ASSETS			
Inventories		30,958	308,467
Trade, bills and other receivables	11	448,216	963,668
Tax recoverable		–	11,775
Restricted bank deposits		11,049	169,431
Bank balances and cash		5,670	35,268
		<u>495,893</u>	<u>1,488,609</u>
CURRENT LIABILITIES			
Trade, bills and other payables and accrued expenses	12	577,396	423,414
Contract liabilities	13	173,333	340,912
Tax payables		–	371
Amounts due to related parties	14	2,670	3,177
Borrowings – due within one year	15	953,379	1,473,822
Lease liabilities		716	1,426
		<u>1,707,494</u>	<u>2,243,122</u>
NET CURRENT LIABILITIES		<u>(1,211,601)</u>	<u>(754,513)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>632,825</u>	<u>1,473,530</u>

	<i>NOTES</i>	2025 RMB'000	2024 <i>RMB'000</i>
NON-CURRENT LIABILITIES			
Borrowings – due more than one year	<i>15</i>	1,311,255	1,036,621
Lease liabilities		7,638	8,197
Other payables	<i>12</i>	160,144	–
Deferred income		1,650	4,950
		<u>1,480,687</u>	<u>1,049,768</u>
NET (LIABILITIES) ASSETS		<u>(847,862)</u>	<u>423,762</u>
CAPITAL AND RESERVES			
Share capital		4,999	4,999
Reserves		(854,389)	417,033
(Deficit) equity attributable to owners of the Company		(849,390)	422,032
Non-controlling interests		1,528	1,730
TOTAL (DEFICIT) EQUITY		<u>(847,862)</u>	<u>423,762</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

Huajin International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) is a public limited company incorporated in the Cayman Islands as an exempted company and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is Haiyi Limited, a company incorporated in the British Virgin Islands and its ultimate holding company is Intrend Ventures Limited, a company incorporated in the British Virgin Islands. The ultimate controlling shareholder of the Company is by Mr. Xu Songqing (“Mr. Xu”) who is also an executive director of the Company.

The principal activity of the Company is investment holding. The Group’s principal subsidiaries, including Inter Consortium Holdings Limited, Jiangmen Huajin Metal Product Company Limited, Jiangmen Huamu Metals Company Limited and Jiangmen Huajin Metal Trading Co., Ltd., are engaged in the processing and sales of cold-rolled steel products and galvanized steel products and terminal operations and provision of port and related services. The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and principal place of business in Hong Kong is Unit 4, 20/F, New Trend Centre, 704 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The Group reported a net loss of approximately RMB1,271,624,000 for the year ended 31 December 2025, and as at 31 December 2025, the Group was in net liabilities position of approximately RMB847,862,000 and net current liabilities position of approximately RMB1,211,601,000. These events and conditions indicate the existence of a material uncertainty which may cast doubt about the Group’s ability to continue as going concern.

The directors of the Company are of the view that the Group will be able to raise adequate funds to enable it to operate as a going concern, based on the business forecast and cash flow projection, which, inter alia, take into account the past actual operating performance of the Group and the plans and measures as follows:

- (i) The Group expects that the existing banking facilities made available by various banks to finance its operations will continue to be renewed on terms similar to those currently in place, having regard to the Group’s past renewal experience.
- (ii) Subsequent to 31 December 2025, the Group entered into a letter of intent for the disposal of its terminal port and the related ancillary assets.

- (iii) The directors anticipate that the Group will be able to generate positive operating cash flows in the foreseeable future.
- (iv) The Group will implement cost-saving and other cash-management measures to preserve liquidity and maintain adequate cash flows for its operations.

The directors of the Company are in the opinion that, based on the assumption that the plans and measures for future actions described as the above, the consolidated financial statements would improve the liquidity and financial position of the Group, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2025 and would be able to continue as a going concern.

However, should the above financing be unavailable or the eventual outcome of the above matters be unsuccessful or unfavorable to the Group, the Group may be unable to continue as a going concern, in which case adjustments might have to be made to the carrying values of the Group's assets to write down to their realisable values, to provide for any further liabilities which might arise and to reclassify its non-current assets and non-current liabilities to current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis for accounting in preparing the consolidated financial statements.

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instrument ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
Amendments to HKFRS 19	Amendments to subsidiaries without Public Accountability Disclosures ³
HKFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

Except for the new HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the executive directors Mr. Xu and Mr. Chen Chunniu (“Mr. Chen”), being the chief operating decision maker (the “CODM”), in order to allocate resources to segments and to assess their performance. During the year ended 31 December 2024, the CODM assessed the operating performance and made decisions concerning allocation of resources of the Group based on financial information about the operating results of the Group as a whole. The Group is primarily engaged in the production and sales of cold-rolled steel products and galvanized steel products and terminal operations and provision of port and port-related services. During the year ended 31 December 2025, the Group reassessed its operating segments based on the internal management reports reviewed by the CODM for performance evaluation and resource allocation. Following changes in the Group’s internal reporting structure, the CODM separately monitors the performance of (i) the steel products business and (ii) the terminal and port-related services business. These businesses differ in terms of nature of operations, revenue streams and cost structures. Therefore, for the year ended 31 December 2025 the management considers that the Group has two operating segments. The Group mainly operates in the PRC and the Group’s non-current assets are also mainly located in the PRC.

The Group’s sales of cold-rolled steel products and galvanized steel products is recognised at a point in time when control of the goods has transferred, being when the goods have been shipped or delivered to the customers’ specific locations or when the goods are collected by customers at the Group’s production plants at their choice. The payment terms and credit terms (if any) are set out in note 11. The Group’s processing business primarily involves provision of steel processing services, including cutting, galvanising and other value-added treatments on steel products based on customer specification. Revenue from the processing business is recognised at a point in time when the processing services are completed and control of the processed goods is transferred to the customers, which is generally upon delivery or collection by the customers. The Group’s product warranty typically requires it to produce products free from defects in material and workmanship and in conformity with specifications of the customers. If the Group fails to meet the product requirements, its customers may return such non-conforming products within 15 days and the Group shall repair or replace such products free of charge.

Revenue for terminal operations and provision of port and port-related services (including loading and unloading of cargos, bulk cargo handling services, customer handling, storage and other ancillary services) are recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group’s performance. Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Revenue is measured using an output method based on services performed.

Disaggregation of revenue from contracts with customers by types of goods and services are as follow:

Segments	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Sales of cold-rolled steel products		
– steel strips and sheets	377,221	2,932,691
– welded steel tubes	23,110	135,478
Sales of galvanized steel products	208,550	2,062,604
Sales of hot-rolled steel products and others	78,350	566,262
Processing services	131,488	186,579
Terminal operations and provision of port and related services	42,554	13,055
	861,273	5,896,669

Revenue from sales of products and processing services is recognised at a point in time, whereas revenue from terminal operations and provision of port and related services is recognised over time. All products and services are delivered within a period of less than one year. As permitted under HKFRS 15, the transaction price allocated to unsatisfied performance obligations is not disclosed.

Disaggregation of revenue from contracts with customers by time of revenue:

For the year ended 31 December 2025

	Sales of cold-rolled steel products and galvanized steel products <i>RMB'000</i>	Processing services <i>RMB'000</i>	Terminal operation and provisions of port and port-related services <i>RMB'000</i>	Total <i>RMB'000</i>
At a point of time	687,231	131,488	–	818,719
Over time	–	–	42,554	42,554
	687,231	131,488	42,554	861,273

For the year ended 31 December 2024

	Sales of cold-rolled steel products and galvanized steel products <i>RMB'000</i>	Processing services <i>RMB'000</i>	Terminal operation and provisions of port and port-related services <i>RMB'000</i>	Total <i>RMB'000</i>
At a point of time	5,697,035	186,579	–	5,883,614
Over time	–	–	13,055	13,055
	<u>5,697,035</u>	<u>186,579</u>	<u>13,055</u>	<u>5,896,669</u>

The Group's revenue is derived from customers located in the PRC (including Hong Kong) and the Southeast Asia. The Group's revenue by the geographical locations of the customers, determined based on the destination of goods delivered, irrespective of the origin of goods, is detailed below:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PRC (including Hong Kong)	858,698	5,843,772
Southeast Asia	<u>2,575</u>	<u>52,897</u>
	<u>861,273</u>	<u>5,896,669</u>

The Group's revenue from customers located outside the PRC mainly represents export sales.

Information about major customer

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the year as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Customer A	113,293	N/A
Customer B	<u>97,969</u>	<u>848,703</u>

The revenue from the above major customers is derived primarily from the sales of steel products and processing services segment.

Segment information

Information reported to the Group's chief operating decision makers ("CODM"), being the directors of the Company, for the purpose of resource allocation and assessment of segment performance, is based on the nature of the Group's business activities. Specifically, the Group's reportable segments under HKFRS 8 "Operating Segments" in the current year are as follows:

- Sales of cold-rolled steel products and galvanized steel products and processing services; and
- Terminal operations and provision of port and port-related services.

The following is an analysis of the Group's revenue and results by reportable segments:

	For the year ended 31 December 2025		
	Sales of cold-rolled steel products and galvanized steel products and processing services <i>RMB'000</i>	Terminal operations and provision of port and port-related services <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue	818,719	42,554	861,273
Segment loss	(1,193,997)	(23,428)	(1,217,425)
Unallocated other income and gains			185
Unallocated corporate expenses and losses			(3,890)
Loss before taxation			<u>(1,221,130)</u>

Segment loss represents the loss incurred from each segment without allocation of unallocated other income and gains, and corporate expenses and losses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

All of the segment revenue reported above is from external customers.

The following is an analysis of the Group's assets by reportable and operating segments:

	2025 <i>RMB'000</i>
Sales of cold-rolled steel products and galvanized steel products and processing services	1,464,297
Terminal operations and provision of port and port related services	855,826
Total segment assets	2,320,123
Unallocated	20,196
	<u>2,340,319</u>

For the purposes of monitoring segment performance and allocating resources, all assets are allocated to operating segments other than those assets managed on group basis, such as equity investments designated at FVTOCI, certain other receivables, prepayments and deposits and certain cash and cash equivalents. No analysis of the Group's liabilities by operating segments is disclosed as they are not regularly provided to the CODM for review.

For the year ended 31 December 2024, the CODM reviewed the Group's financial performance on a consolidated basis as a single operating segment. During the current year, the Group refined its internal reporting structure to separately present (i) the sales of steel products and processing services segment and (ii) the terminal operations and port-related services segment for the purpose of resource allocation and performance assessment.

Comparative segment information for 2024 has not been restated as it is impracticable to do so, as the necessary financial information was not previously captured and reported to the CODM on a disaggregated basis.

The current year's reportable segments are determined based on the information regularly reviewed by the CODM and are consistent with the Group's internal management reporting structure.

5. OTHER INCOME, OTHER GAINS AND (LOSSES), NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Extra deduction of value-added tax ("VAT") (<i>note i</i>)	15	47,200
Gain on deemed disposal of a subsidiary	–	7,765
Government grants (<i>notes ii, iii</i>)	3,304	3,440
Rental income	55	2,561
Penalty income	–	3,594
Net foreign exchange (losses) gain	(3,030)	444
Loss on disposal of property, plant and equipment	(8,009)	–
Loss on disposal of equity investments designated at FVTOCI	(905)	–
Gain on termination of lease	101	–
Others	808	384
	<u>(7,661)</u>	<u>65,388</u>

Notes:

- (i) According to the State Taxation Administration of the PRC, from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct an additional 5% of the deductible input tax from the VAT payable.
- (ii) Grants amounting to RMB33,000,000 were recorded as a deferred income in previous years, of which RMB3,300,000 (2024: RMB3,300,000) has been recognised in the profit or loss for the year ended 31 December 2025.
- (iii) Incentives received from the PRC local authorities by the Group as encouragement of its business development amounting to RMB4,000 (2024: RMB140,000) are recognised in the profit or loss for the year ended 31 December 2025 for the purpose of giving immediate financial support to the Group with no future related costs expected to be incurred nor related to any assets.

6. FINANCE INCOME AND COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Finance costs		
– Interest expense on bank borrowings, net of amounts capitalised in the cost of qualifying assets of nil (2024: RMB27,144,000)	(101,392)	(85,171)
– Interest expense on other borrowings	(16,854)	(15,675)
– Interest expense on lease liabilities	(474)	(460)
– Interest expense on overdue payables	(23,539)	–
	<u>(142,259)</u>	<u>(101,306)</u>
Finance income:		
– Interest income from bank deposits	<u>1,573</u>	<u>4,783</u>
Finance costs, net	<u><u>(140,686)</u></u>	<u><u>(96,523)</u></u>

During the year ended 31 December 2024, borrowing costs from certain bank borrowings were capitalised to expenditure on construction in progress at a weighted average rate of 5.34% (2025: nil).

7. INCOME TAX EXPENSES (CREDIT)

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PRC Enterprise Income Tax (“EIT”)		
– Current year	–	382
– Under-provision in prior years	<u>6,841</u>	<u>–</u>
Current tax charge	<u>6,841</u>	<u>382</u>
Deferred tax	<u>43,653</u>	<u>(25,415)</u>
	<u><u>50,494</u></u>	<u><u>(25,033)</u></u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Singapore corporate tax is calculated at 17% of the estimated assessable profit for both years.

PRC EIT is calculated based on the statutory rate of 25% of the assessable profit for those subsidiaries established in the PRC, as determined in accordance with the relevant enterprise income tax law, implementation rules and notices in the PRC, except for as set out below.

Two major subsidiaries established in the PRC are approved as enterprises that satisfied the conditions as high and new technology enterprises and obtained the Certificates of High and New Technology Enterprises (the “HNTE Certificates”) enjoying the preferential enterprise income tax rate of 15% for a consecutive three calendar years from 2022 to 2024. During 2025, the two relevant subsidiaries have renewed and obtained the HNTE Certificates and the concessionary tax rate of 15% continue to be applied for a consecutive three calendar years from 2025 to 2027.

10% withholding income tax is generally imposed on dividends declared in respect of profits earned by the Group’s subsidiaries established in the PRC to its subsidiary incorporated in Hong Kong, which entitles a reduced withholding income tax rate of 5% according to the PRC tax regulations when it is qualified as a Hong Kong tax resident.

8. LOSS FOR THE YEAR

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss for the year has been arrived at after charging (crediting):		
Directors' remuneration		
– fees	673	475
– other emoluments, salaries, allowances and other benefits	1,083	1,256
– equity-settled share-based payments	–	144
– retirement benefit scheme contributions	42	113
	<u>1,798</u>	1,988
Staff salaries, allowances and other benefits	83,762	122,980
Equity-settled share-based payments, excluding those of directors	–	349
Retirement benefit scheme contributions, excluding those of directors	17,030	17,925
	<u>102,590</u>	143,242
Auditor's remuneration		
– auditor of the Company	1,600	2,628
– non-audit services	472	816
– other auditors	538	606
	<u>3,610</u>	4,050
Depreciation of property, plant and equipment	107,647	95,040
Less: amount capitalised as cost of inventories manufactured	(100,339)	(87,642)
	<u>7,308</u>	7,398
Depreciation of right-of-use assets	6,905	7,119
Less: amount capitalised as cost of construction in progress	–	(1,292)
	<u>6,905</u>	5,827
Cost of inventories recognised as an expense	1,499,959	5,864,998
– Raw materials and consumables used	1,091,401	5,860,144
– Forfeiture of commitment fees and deposits recorded in cost of sales	395,814	–
– Write-down of inventories	12,744	4,854
Loss on disposal of property, plant and equipment	8,009	–
	<u><u>1,499,959</u></u>	<u><u>5,864,998</u></u>

9. DIVIDENDS

No dividends were recognised as distribution for both years.

No final dividend for the year ended 31 December 2025 was recommended by the directors.

10. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	<u>(1,271,422)</u>	<u>(91,026)</u>
	2025	2024
Weighted average number of ordinary shares for the purpose of basic loss per share	600,000,000	600,000,000
Effect of dilutive potential ordinary shares brought by share options (Note)	<u>—</u>	<u>—</u>
Weighted average number of ordinary shares for the purpose of diluted loss per share	<u>600,000,000</u>	<u>600,000,000</u>

Note: The computation of diluted loss per share for the years ended 31 December 2025 and 2024 does not assume the exercise of the Company's share option because the exercise price of vested share options is higher than the average market price for shares during the year ended 31 December 2025, and the adjusted exercise price of unvested options and exercise price of vested share options are both higher than the average market price for shares during the year ended 31 December 2024.

11. TRADE, BILLS AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables from contracts with customers	42,940	46,761
Less: Allowance for credit losses	<u>(16,424)</u>	<u>(2,184)</u>
	26,516	44,577
Bills receivables	—	112,592
Prepayments to suppliers	102,087	541,000
Value-added tax recoverable	145,580	127,988
Other prepayments, deposits and other receivables	<u>174,033</u>	<u>137,511</u>
	<u>448,216</u>	<u>963,668</u>

As at 1 January 2024, trade receivables from contracts with customers amounted to RMB78,894,000.

The Group normally requires full payment upon delivery of goods. For long-term customers with good credit quality and payment history, the Group may allow credit periods of up to 90 days (2024: 90 days).

The Group generally makes prepayments to those suppliers in exchange of the price advantage of the hot-rolled steel, the main raw materials for production in the industry where the Group operates. It is a common industry practice as the steel price fluctuates greatly due to market influence. Fixing the steel price in advance is a cost-effective solution for the Group to manage the business efficiently.

The prepayments to suppliers represent the payments in advance to supplier for the purchase of raw materials. The Group assesses the recoverability of prepayments to suppliers at the end of each reporting period, taking into consideration of raw material purchase and utilisation plan. No impairment loss is recognised on the prepayments to suppliers as at 31 December 2025 and 31 December 2024.

The following is an aging analysis of trade receivables and bills receivables, net of allowance for credit losses, presented based on the invoice dates and bills maturity dates respectively at the end of each reporting period:

	2025 RMB'000	2024 <i>RMB'000</i>
Trade receivables:		
Within 30 days	15,681	31,583
31–60 days	439	6,040
61–90 days	591	–
91–120 days	1,234	447
121–180 days	2,621	4,747
181–365 days	1,338	920
Over 1 year	4,612	840
	26,516	44,577
Bills receivables:		
Within 30 days	–	28,666
31–60 days	–	19,356
61–90 days	–	11,077
91–120 days	–	18,329
121–180 days	–	35,164
	–	112,592

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits attributed to customers and credit terms granted to customers are reviewed regularly. Trade receivables that are neither past due nor credit-impaired are assessed to have low credit risk based on the Group's historical default experience and forward-looking information; however, the amounts remain subject to expected credit loss assessment in accordance with HKFRS 9.

As at 31 December 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB21,685,000 (2024: RMB8,235,000) which are past due as at the reporting date. Out of the past due balances, RMB14,039,000 (2024: RMB2,451,000) has been past due 90 days or more and is not considered as in default as the Group considered such balances could be recovered based on historical experience and taking into consideration of forward-looking information.

Included in the Group's bills receivables are amounts of RMB111,990,000 (2025: nil) as at 31 December 2024 being the discounted bills receivables transferred to certain banks and suppliers with full recourse. If the issuing banks of bills receivables default payment on maturity, the banks and suppliers have the right of recourse to request the Group to pay the unsettled balance. As the Group has not transferred substantially all the risks and rewards relating to these bills receivables, it continues to recognise the full carrying amount of the bills receivables and the corresponding amounts in bank borrowings from factoring of bills receivables with full recourse (note 16) and trade payables (note 13). These bills receivables are carried at amortised cost in the consolidated statement of financial position. All the bills receivables are with a maturity period of less than one year.

As at 31 December 2025 and 2024, the Group does not hold any collateral as security over these balances.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Carrying amount of transferred asset	–	111,990
Carrying amount of associated bank borrowings	–	(103,163)
Carrying amount of associated trade payables	–	(8,827)
	<u>–</u>	<u>–</u>
	<u><u>–</u></u>	<u><u>–</u></u>

During the year ended 31 December 2025 and 2024, certain transactions between subsidiaries of the Company arising from steel processing services were settled by bank bills. As at 31 December 2024, bills receivables held by two subsidiaries of the Company issued by other members of the Group of RMB122,300,000 (2025: nil) were transferred to certain banks with full recourse similar to the arrangements as set out above. These bills receivables were eliminated in full on consolidation. The Group had recognised the cash received on the transfer of the bills receivables as bank borrowings from factoring of bill receivables with full recourse.

12. TRADE, BILLS AND OTHER PAYABLES AND ACCRUED EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables (<i>note a</i>)	152,636	113,481
Bills payables (<i>note b</i>)	–	80,000
Accrued staff costs	14,949	24,060
Construction payables	60,367	144,248
Transportation fees payable	11,460	7,572
Other tax payables	6,080	22,384
Interest payable	77,728	2,919
Other payables and accrued expenses (<i>note c</i>)	414,320	28,750
	<u>737,540</u>	<u>423,414</u>
Less: amount due within one year shown under current liabilities	<u>(577,396)</u>	<u>(423,414)</u>
Amount shown under non-current liabilities	<u>160,144</u>	<u>–</u>

Notes:

- (a) As at 31 December 2024, included in the amounts was RMB8,827,000 (2025: nil) related to the trade payables in which the Group has endorsed bills to the relevant suppliers. The details are set out in note 11.
- (b) These relate to the amounts in which the Group has issued bills to the relevant suppliers and were not yet matured as at year end. The Group continues to recognise these trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. In the consolidated statement of cash flows, settlements of these bills are included within operating cash flows based on the nature of the arrangements.
- (c) Included in other payables are balances of RMB211,353,000 arising from settlement arrangements with certain creditors, which have been restructured with extended repayment terms and recognised at the present value of future cash flows, discounted using effective interest rates ranging from 7.0% to 8.7%. The non-current portion of these balances amounted to RMB160,144,000 and is classified based on the revised contractual payment schedule. During the year ended 31 December 2025, the Group recognised effective interest expense of RMB8,930,000 in profit or loss in relation to these arrangements.

The ageing analysis of the trade payables, excluding those related to the trade payables in which the Group has endorsed bills to the relevant suppliers as described in note 12(a), based on the invoice dates at the end of each reporting period is presented as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables:		
Within 30 days	27,452	38,045
31–60 days	20,089	20,235
61–90 days	3,691	15,286
91–120 days	4,567	6,472
121–180 days	4,163	11,701
181–365 days	63,619	8,741
Over 1 year	29,055	4,174
	<u>152,636</u>	<u>104,654</u>
	<u>152,636</u>	<u>104,654</u>

The maturity dates of the trade payables in which the Group has endorsed bills to the relevant suppliers as described in note 12(a) at the end of each reporting period are presented as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables:		
Within 30 days	–	2,585
31–60 days	–	280
61–90 days	–	1,554
91–120 days	–	2,457
121–180 days	–	1,951
	<u>–</u>	<u>8,827</u>
	<u>–</u>	<u>8,827</u>

The maturity dates of the bills payables at the end of each reporting period are presented as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Bills payables:		
Within 30 days	–	35,000
31–60 days	–	5,000
61–90 days	–	–
121–180 days	–	40,000
	<u>–</u>	<u>80,000</u>
	<u>–</u>	<u>80,000</u>

The average credit period granted by suppliers on purchase of goods is no longer than 30 (2024: 30) days from certain of its suppliers. For other suppliers, the Group is required to prepay in advance and make full payment upon receipt of the goods purchased.

13. CONTRACT LIABILITIES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Sales of cold-rolled steel products and galvanized steel products and analysed for reporting purpose as current liabilities	<u>173,333</u>	<u>340,912</u>

As at 1 January 2024, contract liabilities amounted to RMB586,844,000.

Contract liabilities represent the deposit amount received from certain customers at the requests of the Group when they place confirmed orders. Revenue recognised during the year that was included in the contract liabilities balance at the beginning of the year amounted to RMB254,532,000 (2024: RMB586,844,000).

14. AMOUNTS DUE TO RELATED PARTIES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Mr. Xu	2,427	3,014
Mr. Chen Chunnin	<u>243</u>	<u>163</u>
	<u>2,670</u>	<u>3,177</u>

Note: The amounts are non-trade in nature, interest free, unsecured and repayable within twelve months from 31 December 2025 and 2024, respectively.

15. BORROWINGS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Fixed-rate borrowings:		
Secured bank borrowings	1,815,185	1,529,215
Unsecured bank borrowings	153,160	181,058
Bank borrowings from factoring of bills receivables with full recourse (<i>Note 12</i>)	–	225,463
Secured borrowings from entities established in the PRC independent with the Group	<u>229,249</u>	<u>271,986</u>
	2,197,594	2,207,722
Variable-rate borrowings:		
Secured bank borrowings	57,840	293,121
Unsecured bank borrowings	<u>9,200</u>	<u>9,600</u>
Total borrowings	<u>2,264,634</u>	<u>2,510,443</u>
The carrying amounts of the above bank borrowings are repayable based on the scheduled repayment dates set out in the loan agreements as		
– within one year	879,480	1,257,356
– more than one year, but not more than two years	156,935	508,209
– more than two years, but not more than five years	478,028	252,406
– more than five years	<u>520,942</u>	<u>220,486</u>
	2,035,385	2,238,457
Less: amount due within one year shown under current liabilities	<u>(879,480)</u>	<u>(1,257,356)</u>
Amount shown under non-current liabilities	<u>1,155,905</u>	<u>981,101</u>
The carrying amounts of the above other borrowings are repayable based on the scheduled repayment dates set out in the loan agreements as		
– within one year	73,899	216,466
– more than one year, but not more than two years	123,102	52,050
– more than two years, but not more than five years	<u>32,248</u>	<u>3,470</u>
	229,249	271,986
Less: amount due within one year shown under current liabilities	<u>(73,899)</u>	<u>(216,466)</u>
Amount shown under non-current liabilities	<u>155,350</u>	<u>55,520</u>

The ranges of effective interest rates on the Group’s borrowings are as follows:

	2025	2024
Fixed-rate borrowings		
– Bank borrowings	2.64%-4.00%	2.90%-4.20%
– Other borrowings	<u>2.26%-11.00%</u>	<u>5.45%-9.46%</u>
Variable-rate borrowings		
– Bank borrowings	3.33%-3.40%	3.30%-4.30%
– Other borrowings	<u>N/A</u>	<u>N/A</u>

During the year ended 31 December 2025, the Group experienced certain delays in repayment and breaches of loan covenants in respect of its borrowings. Notwithstanding the above, the Group has maintained ongoing communication with the lenders and the lenders have not demanded immediate repayment. The relevant banking facilities have been rolled over or renewed subsequent to the reporting date. Accordingly, no cross-default has been triggered and no material penalty interest or additional charges have been recognised in the consolidated financial statements.

The secured portion of the Group’s borrowings are secured by certain assets of the Group as detailed in note 18. Certain of the Group’s borrowings are also guaranteed personally by certain directors of the Company.

16. PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment and incurred construction costs of RMB99,983,000 (2024: RMB599,557,000).

As at 31 December 2025, the construction in progress in the property, plant and equipment includes an amount of RMB14,223,000 (2024: RMB630,132,000) related to port and port facilities.

The domestic economy continues to face significant uncertainties in current year, the Group is experiencing negative conditions including mainly decreased revenue and incurring loss for the year. The management of the Group concluded there were indications for impairment and conducted impairment assessment on the recoverable amounts of the property, plant and equipment. For the purpose of impairment assessment, the Group has identified cash-generating units (“CGUs”) based in the nature of its operations, including steel production plants and port and terminal operations.

Based on the result of the impairment assessment, the management of the Group determined that the recoverable amount of the CGU is lower than the aggregated carrying amount of the assets allocated. Based on the value in use calculation and other appropriate valuation approaches, an impairment loss of RMB288,380,000 has been recognised against the carrying amount of property, plant and equipment.

17. CAPITAL AND OPERATING LEASE COMMITMENTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Capital expenditure contracted but not provided for in the consolidated financial statements in respect of acquisition of property, plant and equipment	<u>103,306</u>	<u>112,074</u>
Operating lease commitment in respect of the office premises under short-term lease	<u>191</u>	<u>—</u>

18. PLEDGE OF ASSETS

The Group's borrowings are secured by assets of the Group and the carrying amounts of which at the end of each reporting period are stated below:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	—	9,259
Property, plant and equipment	1,224,407	1,451,558
Right-of-use assets	236,775	237,239
Restricted bank deposits	<u>11,049</u>	<u>179,431</u>
	<u>1,472,231</u>	<u>1,877,487</u>

Furthermore, bills receivables issued by third parties with full recourse that is discounted to banks for settlement of payables for purchasing of steel raw materials is disclosed in note 15.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Company is an investment holding company and the Group is a leading cold-rolled steel processor in Guangdong Province, the PRC. The Group's existing production plant located in Gujing Town, Xinhui District, Jiangmen City, Guangdong Province, the PRC has been developed into Huajin Metal Industrial Park. The Group is principally engaged in processing of hot-rolled steel coils into cold-rolled steel strips, sheets and welded steel tubes and galvanized steel products customised to the specification of the customers covering a wide range of industries, including light industrial hardware, home appliances, furniture, motorcycle/bicycle accessories, LED and lighting. The Group provides processing, cutting, slitting, warehousing and delivery services on customized cold-rolled steel products and galvanized steel products.

From 2024 onward, the Group is also engaged in terminal operation and provision of port and port-related services (including uploading and unloading of cargoes, bulk cargo handling services, container handling, storage and other services). The Group's port terminal, namely Huajin Terminal, is situated in Gujing Town, Xinhui District, Jiangmen City, in the southwestern area of the Pearl River Delta of the PRC.

As at 31 December 2025, the Group had invested approximately RMB750.0 million in constructing the Huajin Terminal. After the Spring Festival in 2025, berths No. 1, 2, and 3 at the Huajin Terminal obtained the Port Operation Licence* (港口經營許可證) and commenced operation. Huajin Terminal is having three berths with the capacity to accommodate vessels with sizes of 30,000 deadweight tonnage.

In addition to the construction of Huajin Terminal, the Group has also invested in the construction of the Huajin Metal Industrial Park. The Group is committed to building this industrial park into a steel trading and distribution center in the Greater Bay Area of South China, providing customers in places such as Zhuhai, Zhongshan, and Jiangmen with low-cost raw material supplies and distribution service. The annual processing capacity of Huajin Metal Industrial Park reaches 3.5 million tons, and its processing businesses cover flattening separation and shearing. The annual throughput of Huajin Terminal is expected to reach more than 15 million tons, mainly providing cargo consolidation services for all upstream and downstream enterprises in the Greater Bay Area.

Huajin Terminal is also equipped with containers, providing high-quality logistics services for downstream enterprises and effectively promoting the efficient operation of the industrial chain in the Greater Bay Area.

The integrated operation of Huajin Terminal and the warehousing and processing area of Huajin Metal Industrial Park has established a modern logistics industry. Raw materials and finished products can be quickly transferred along the shortest route and with the highest efficiency, and are directly transported to the processing and warehousing, where various metal processing, warehousing and distribution services are immediately carried out for the Group. This operational model has achieved seamless integration across the entire industrial chain, establishing a robust platform that enhances resource-side efficiency and reduces operational costs for regional manufacturers, while significantly amplifying our Group's industrial synergy benefits.

During the year 2025, the domestic economy remained highly uncertain, and the Group continued to face significant uncertainties and experiencing several negative conditions, including:–

(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.

Due to the above adverse factors, the Group had increased the use of toll-processing arrangements in the second half of 2025 so as to reduce the raw-material inventories and mitigate both market price-fluctuation risk and funding risk.

During the year ended 31 December 2025, the Group generated revenue of approximately RMB861.3 million, representing a decrease of RMB5,035.4 million or 85.4%, as compared to that of approximately RMB5,896.7 million during the year ended 31 December 2024. Loss attributable to owners of the Company during the year ended 31 December 2025 was approximately RMB1,271.4 million, representing an increase of RMB1,180.4 million or 1,297.1%, as compared to that of RMB91.0 million during the year ended 31 December 2024.

The Board considered that the substantial increase of the net loss of the Group for the year ended 31 December 2025 was mainly due to, among others, the drop in revenue and sales volume, as well as profit margin for the Group during the year.

The sales volume of cold-rolled steel products and galvanized steel products in aggregate was approximately 145,558 tonnes during the year of 2025, representing a decrease of approximately 1,137,516 tonnes or 88.7%, as compared to that of approximately 1,283,074 tonnes during the year of 2024.

During the year of 2025, the Group acquired property, plant and equipment and incurred construction costs of approximately RMB100.0 million.

The net current liabilities position of approximately RMB1,211.6 million (31 December 2024: RMB754.5 million) as at 31 December 2025 was primarily attributable to the fact that short-term borrowings were obtained to finance the non-current capital expenditures on property, plant and equipment, and land use rights. The Directors are of the opinion that, in the absence of any unforeseen circumstances and after taking into account (i) the internal resources of the Group, and (ii) the Group's presently available financing facilities and the intended renewal of the existing financing facilities upon maturity, the Group would have sufficient working capital to meet its current liabilities or expand its operations as anticipated.

The capital commitments towards the acquisition of property, plant and equipment, as at 31 December 2025, was approximately RMB103.3 million (31 December 2024: RMB112.1 million), which will be financed by the Group's internal resources and borrowings.

The Board does not recommend the payment of a final dividend for the year ended 31 December 2025.

As at 31 December 2025, the Group's total borrowings amounted to approximately RMB2,264.6 million. As at 31 December 2025, the gearing ratio of the Group, calculated based on total borrowings divided by total assets, was approximately 96.8%.

FINANCIAL REVIEW

Revenue

The Group primarily generates revenue from the sales of cold-rolled steel products and galvanized steel products. The revenue decreased to approximately RMB861.3 million during the year ended 31 December 2025, by approximately RMB5,035.4 million or 85.4%, as compared with that of approximately RMB5,896.7 million during the year ended 31 December 2024.

The sales volume of cold-rolled steel products decreased to approximately 91,327 tonnes during the year of 2025, by approximately 691,190 tonnes or 88.3%, as compared with that of 782,517 tonnes during the year of 2024. The sales volume of galvanized steel products decreased to approximately 54,231 tonnes during the year of 2025, by approximately 446,326 tonnes or 89.2%, as compared with that of approximately 500,557 tonnes during the year of 2024. Thus, the sales volume of cold-rolled steel products and galvanized steel products in aggregate was approximately 145,558 tonnes during the year of 2025, representing a decrease of approximately 1,137,516 tonnes or 88.7%, as compared to that of 1,283,074 tonnes during the year of 2024.

Due to the weak market demand and intense competition coupled with pressures from both domestic and international markets, as investment in downstream sectors slowed, exports were restricted, and price cuts by industry participants compressed gross profit margins. To mitigate the risks arising from fluctuations in raw material prices and reduce capital occupation pressure, the Group optimised and adjusted its business structure and, starting from around the middle of 2025, adopted “processing with supplied materials” as its main operation model. This change led to a decline in both revenue and sales volume during the year ended 31 December 2025.

The average selling price of our cold-rolled steel products decreased to RMB3,789 per tonne during the year of 2025 as compared with that of RMB3,921 per tonne during the year of 2024. The average selling price of our galvanized steel products decreased to RMB3,846 per tonne during the year of 2025 as compared with that of RMB4,121 per tonne during the year of 2024. In summary, the average selling price of our cold-rolled steel products and galvanized steel products decreased to RMB3,810 per tonne during the year of 2025 as compared with that of RMB3,999 per tonne during the year of 2024.

During the year ended 31 December 2025, the domestic sales in the PRC market, including Hong Kong, contributed over 99.7% (2024: 99.1%) of the revenue while the remaining portion was attributable to sales to the customers located in Southeast Asia.

Sales of hot-rolled steel products and others were primarily attributable to the sales of hot-rolled steel products, the sales of scrap steel residual in our manufacturing process to recycling agents, Such revenue accounted for around 9.1% (2024: 9.6%) of the Group’s total revenue during the year ended 31 December 2025.

Processing income represents the processing service to the customers who engage us to process steel products provided by them. Such revenue accounted for around 15.3% (2024: 3.2%) of the Group’s total revenue during the year ended 31 December 2025.

Revenue from terminal operations and provision of port and related services accounted for around 4.9% (2024: 0.2%) of the Group’s total revenue during the year ended 31 December 2025.

The following table sets out the breakdown of the revenue during the year of 2025 and 2024:

	Year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Sales of cold-rolled steel products	400,331	46.5	3,068,169	52.0
– steel strips and sheets	377,221	43.8	2,932,691	49.7
– welded steel tubes	23,110	2.7	135,478	2.3
Sales of galvanized steel products	208,550	24.2	2,062,604	35.0
Sales of hot-rolled steel products and others	78,350	9.1	566,262	9.6
Processing income	131,488	15.3	186,579	3.2
Terminal operations and provision of port and related services	42,554	4.9	13,055	0.2
	861,273	100.0	5,896,669	100.0

The following table sets out the sales volume and average selling price of the products for the periods indicated:

	Year ended 31 December	
	2025	2024
Sales volume of cold-rolled steel products	91,327 tonnes	782,517 tonnes
– steel strips and sheets	85,500 tonnes	750,641 tonnes
– welded steel tubes	5,827 tonnes	31,876 tonnes
Sales volume of galvanized steel products	54,231 tonnes	500,557 tonnes
	145,558 tonnes	1,283,074 tonnes
Average selling price (per tonne)		
– cold-rolled steel products	RMB3,789	RMB3,921
– galvanized steel products	RMB3,846	RMB4,121
– cold-rolled steel products and galvanized steel products	RMB3,810	RMB3,999

Cost of sales

The cost of sales decreased to approximately RMB1,500.0 million during the year ended 31 December 2025, by approximately RMB4,365.0 million or 74.4%, as compared with that of approximately RMB5,865.0 million during the year of 2024.

The following table sets out the breakdown of the cost of sales for the periods indicated:

	Year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Direct materials	1,190,090	79.4	5,373,963	91.6
Utilities	81,341	5.4	193,014	3.3
Direct labour	67,983	4.5	107,419	1.8
Depreciation expense	100,339	6.7	87,642	1.5
Consumables	33,626	2.2	87,107	1.5
Others	26,580	1.8	15,854	0.3
	1,499,959	100.0	5,864,999	100.0

Direct materials represented the cost of raw materials, primarily hot-rolled steel coils. The direct materials accounted for over 79.4% (2024: 91.6%) of the cost of sales during the year end 31 December 2025. The decrease in direct materials was mainly attributable to the decrease in the sales volume of cold-rolled steel products and galvanized steel products during the year of 2025. The direct materials also include the forfeiture of commitments fees and deposits totaling approximately RMB395.8 million. These amounts were forfeited because the Group failed to meet the minimum offtake requirements by its steel suppliers after a significant decline in sales volume. The write-down of inventories in an amount of approximately RMB12.7 million, after determining the net realisable value of inventories, as at 31 December 2025 was provided during the year of 2025.

Utilities related primarily to electricity, water, and natural gas consumed throughout the production process. Utilities expenses decreased to approximately RMB81.3 million during the year ended 31 December 2025, by approximately RMB111.7 million or 57.9%, as compared with that of approximately RMB193.0 million the year ended 31 December 2024. Such decrease was mainly due to the decrease in sales volume and production activities during the year ended 31 December 2025.

The direct labour decreased to approximately RMB68.0 million during the year ended 31 December 2025, by approximately RMB39.4 million or 36.7%, as compared with that of approximately RMB107.4 million during the year ended 31 December 2024. The decrease in direct labour was mainly attributable to decrease in production volume during the year ended 31 December 2025.

Depreciation expense experienced an increase to approximately RMB100.3 million during the year ended 31 December 2025, by approximately RMB12.7 million or 14.5%, as compared with that of approximately RMB87.6 million during the year ended 31 December 2024. Such increase was mainly due to the increase in depreciation for property, plant and equipment during the year ended 31 December 2025.

Consumables consisted of machinery spare parts and supplies consumed in the production process. Consumables decreased to approximately RMB33.6 million during the year ended 31 December 2025, by approximately RMB53.5 million or 61.4%, as compared with that of approximately RMB87.1 million during the year ended 31 December 2024 mainly due to decrease in production volume and revenue during the year ended 31 December 2025.

Other costs primarily comprised other taxes and surcharges expenses.

Gross profit

Due to the drop in the profit margin on the sales of all steel products, the Group recorded a gross loss of approximately RMB638.7 million for the year ended 31 December 2025 as compared with a gross profit of approximately RMB31.7 million for the year ended 31 December 2024.

The gross loss margin was approximately 74.2% for the year ended 31 December 2025 when compared with a gross profit margin of 0.5% for the year ended 31 December 2024. It was mainly due to punitive tariffs imposed by major importing countries around the world on steel products, which 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 also prevented the Group from meeting the minimum offtake requirements in several long-term supply contracts with steel mills, triggering non-refundable commitment fees and deposits and thereby increasing cost of sales.

Other income, other gains and (losses), net

Other income, other gains and (losses), net recorded a net loss of approximately RMB7.7 million for the year ended 31 December 2025, compared with a net gain of RMB66.6 million for year ended 31 December 2024. The change from net gain to net loss on other income, other gains and losses was mainly due to (i) a decrease in extra deduction of value added tax credit amounted to RMB47.2 million; (ii) a loss on exchange difference of RMB3.0 million for the year ended 31 December 2025 while a gain on exchange differences of RMB0.4 million recorded during the year ended 31 December 2024; (iii) a decrease in penalty income relating to the sales of scrap steel in the amount of approximately RMB3.6 million and (iv) an increase in loss on disposal of property, plant and equipment by approximately RMB8.0 million.

(Provision for) reversal of impairment losses of trade and other receivables under ECL model

During the year ended 31 December 2025, the Group provided impairment losses of trade receivables and other receivables amounted to approximately RMB14.2 million and RMB39.8 million respectively while a reversal of impairment loss of RMB1.2 million on trade receivables for the year ended 31 December 2024.

Impairment losses on property, plant and equipment

The impairment losses on property, plant and equipment mainly the write down of fixed assets of the Group's cold-rolled steel products and galvanized steel products segment amounted to approximately RMB288.4 million due to the adverse reasons outlined in the section "Business Review".

Selling expenses

Selling expenses decreased to approximately RMB29.3 million for the year ended 31 December 2025, by approximately RMB12.9 million or 30.6%, as compared with that of approximately RMB42.2 million for the year ended 31 December 2024. The decrease in selling expenses was mainly attributable to the decrease in revenue for the year ended 31 December 2025.

Administrative expenses

The administrative expenses decreased to approximately RMB65.7 million for the year ended 31 December 2025, by approximately RMB7.8 million or 10.6%, as compared with that of approximately RMB73.5 million for the year ended 31 December 2024. The decrease in administrative expenses was mainly attributable to (i) a decrease in general administrative salaries and staff welfare of approximately RMB8.8 million; (ii) a decrease in audit fee of approximately RMB1.4 million offset with (iii) an increase in legal and professional fee of approximately RMB3.5 million.

Investment gain (loss)

There was investment gain on commodity futures contracts amounting to approximately RMB3.4 million was incurred by the Group during the year ended 31 December 2025 as compared to the investment loss of that amounting to approximately RMB2.3 million during the year ended 31 December 2024.

Finance costs

Finance costs increased to approximately RMB142.2 million during the year ended 31 December 2025, by approximately RMB40.9 million or 40.4%, as compared with that of approximately RMB101.3 million during the year ended 31 December 2024. Such increase was mainly attributable to the increased level of borrowings and interest expense on overdue payables during the year ended 31 December 2025.

Income tax (expenses) credit

Income tax expenses amounted to approximately RMB50.5 million during the year ended 31 December 2025 while there was income tax credit amounted to approximately RMB25.0 million during the year ended 31 December 2024.

Loss for the year

The loss attributable to owners of the Company was approximately RMB1,271.6 million for the year ended 31 December 2025 compared to approximately RMB91.2 million for the year ended 31 December 2024.

Liquidity and financial resources

As at 31 December 2025, the Group's bank balances and cash decreased to approximately RMB5.7 million, by approximately RMB29.6 million or 83.9%, from approximately RMB35.3 million as at 31 December 2024. The Group's restricted bank deposits decreased to approximately RMB11.0 million as at 31 December 2025, by approximately RMB168.4 million or 93.9%, from approximately RMB179.4 million as at 31 December 2024.

As at 31 December 2025, the Group had the net current liabilities of RMB1,211.6 million (31 December 2024: RMB754.5 million) and had the net liabilities of approximately RMB847.9 million (31 December 2024: net assets of approximately RMB423.8 million). As at 31 December 2025, the current ratio calculated based on current assets divided by current liabilities of the Group was 29.0% as compared with that of 66.4% as at 31 December 2024.

At 31 December 2025, the Group's total borrowings amounted to approximately RMB2,264.6 million (31 December 2024: RMB2,510.4 million) and total assets amounted to approximately RMB2,340.3 million (31 December 2024: RMB3,716.7 million). The gearing ratio of the Group, calculated based on total borrowings divided by total assets, was approximately 96.8% (31 December 2024: 67.5%) as at 31 December 2025.

As at 31 December 2025, the Group had total banking facilities relating to bank borrowings (excluding those related to factoring of bills receivables) and bills payable amounted to approximately RMB2,634.5 million (31 December 2024: RMB2,931.4 million), of which approximately RMB2,634.5 million (31 December 2024: 1,604.8 million) had been utilised, and the unutilised banking facilities amounted to nil (31 December 2024: approximately RMB1,326.6 million). In addition, based on the historical experience of the directors of the Company, all of the currently utilised banking facilities would be renewed upon expiry.

As at 31 December 2025, certain of the Group's borrowings, which were secured by certain assets of the Group, were also secured by personal guarantees from Mr. Xu Songqing, Mr. Chen Chunniu and Mr. Xu Jianhong respectively. Mr. Xu also agreed to provide necessary financial support to enable the Group to meet its financial obligations as they fall due for a period of fifteen months from the date of approval of these consolidated financial statements.

Foreign currency exposure

As the functional currency of the PRC subsidiaries is Renminbi (“RMB”) and a portion of the revenue is derived from sales to overseas customers who settle in United States dollars (“USD”), we are exposed to risks associated with fluctuations in USD against RMB. In addition, we are exposed to foreign currency risk arising from certain bank balances which are denominated in USD, Hong Kong dollars and Singapore dollars. The Group currently does not have any foreign currency hedging policy. However, the management closely monitors its exposure to foreign currency risk and will consider hedging significant foreign currency exposure should the need arise.

Financial instruments

During the year ended 31 December 2025, apart from the commodity futures contracts, the Group had not entered into any financial instruments for hedging purpose.

Material acquisitions and disposal

During the year ended 31 December 2025, the Group had no material acquisitions or disposal of subsidiaries, associates and joint ventures.

Pledge of assets

Details of the pledge of assets of the Group as at 31 December 2025 are set out in note 18 to the consolidated financial statements.

Contingent liabilities

During the year ended 31 December 2025, the Company provided guarantees to banks as securities for financing facilities granted to certain subsidiaries of the Company in the PRC. In addition, for financial guarantee contract, the aggregate amount of outstanding financial guarantee issued to a bank in respect of bank facility granted to the Company’s director, Mr. Xu Jianhong for assisting the business operation of the Group that the Group could be required to pay amounted to RMB10,000,000 as at 31 December 2025 (2024: RMB10,000,000) of the outstanding credit facility amount has been utilised by the Company’s director. The Group did not provide any guarantee to any third parties and did not have contingent liabilities as at 31 December 2025 (31 December 2024: nil).

Employees

As at 31 December 2025, the Group had a total of 995 (31 December 2024: 1,492) full-time employees (including executive Directors) in mainland China, Hong Kong and Singapore. The Group’s total staff costs (including Directors’ remuneration) during the year ended 31 December amounted to approximately RMB102.6 million (2024: RMB143.2 million). The Group remunerated the employees based on their performance, experience and prevailing market practices. The Company has share option scheme in place as a means to encourage and reward the eligible employees (including the Directors) for their contributions to the Group’s results and business development based on their individual performance. Share options to certain Directors and employees granted on 2 June 2022 and resulted in the share-based payment expenses of approximately RMB0.5 million included in the above staff costs during the year ended 31 December 2024 (2025: nil).

FUTURE PROSPECTS

During the year 2025, the Group's operations encountered temporary challenges amid the combined impact of multiple adverse factors, including weak recovery in the global macroeconomy, persistent sluggishness in domestic market demand, sharp fluctuations in raw material prices, and underutilised production capacity. For the year ended 31 December 2025, the Group's revenue declined significantly year-on-year, resulting in a temporary net loss. Meanwhile, low capacity utilisation drove up unit processing costs, further intensifying overall operating pressure. Faced with such difficulties, the Group remained steadfast in its mission and actively formulated strategic responses and charted its future development path.

Looking ahead, the global manufacturing industry continues to face a complex landscape characterised by cyclical volatility and market structural adjustments. The Group's management has taken proactive actions to adjust its strategic layout, conduct in-depth reviews to learn from this experience, and develop targeted improvement measures in light of industry trends and its own core strengths. Leveraging the geographical and resource advantages of Huajin Metal Industrial Park and Huajin Wharf, the Group is determined to overcome current constraints, continuously advance the construction of a full industrial chain ecosystem, and drive the transformation of its profit model from a purely production-based approach to a diversified and integrated model. These efforts aim to enhance performance, optimise the financial position, and consolidate the foundation for sustainable development. Moving forward, the Group will focus on the following initiatives:

1. Optimise Operations of Core Business and Enhance Profitability

Concentrating on its core metal processing and manufacturing business, the Group will rely on Huajin Metal Industrial Park (with an annual processing capacity of 3 million tonnes) and existing production lines (including over 2 million tonnes of cold-rolled steel products and 900,000 tonnes of galvanised steel sheets) to continuously promote technological upgrading, process optimisation and equipment renovation. By pursuing excellence in product quality and stability, the Group will precisely meet the diversified and high-quality product demand of downstream customers. It will further deepen its presence in the core Pearl River Delta market, strengthen long-term strategic cooperative relations with major high-quality customers, strive to improve capacity utilisation, alleviate cost pressure, and aim to return to profitability.

2. Strengthen Synergy between Port and Industrial Chain to Unleash Growth Momentum

Leveraging the unique geographical location and high-quality hardware advantages of Huajin Wharf (featuring 652 metres of premium coastline, three 30,000-tonne multipurpose berths, a designed annual throughput capacity of 20 million tonnes, and professional handling capabilities for a comprehensive range of cargo types including containers, steel coils, steel sections and bulk cargo), the Group will continuously improve the functional layout of port services and orderly introduce and expand diversified value-added services such as container transshipment, cargo lightering, bonded warehousing and cross-border trade. It is committed to building a highly influential port logistics hub in the Guangdong-Hong Kong-Macao Greater Bay Area.

Meanwhile, the Group will fully capitalise on the unique river-sea intermodal advantage of the Wharf, which is located along the golden Xijiang River waterway and at the Yamen Estuary, to better serve markets nationwide. This will help reduce the comprehensive logistics costs of the Group and its upstream and downstream customers, achieving deep synergy and two-way value creation between port operations and core manufacturing businesses. Furthermore, drawing on the resource advantages of the Wharf, the Group will actively expand into commodity trading covering steel, stainless steel, timber, grain, sugar, high-calcium limestone and other varieties. By diversifying its cargo portfolio, it will mitigate operational risks associated with over-reliance on a single product category, explore cross-border trade opportunities, foster new profit growth drivers, and support the Group's overall development.

3. Optimising the Asset Portfolio and Strengthening the Financial Position

The Group is actively reviewing its asset portfolio to streamline the statement of financial position and reduce overall leverage. Where necessary, proceeds realised from disposal of selected assets will be used to repay high-cost short-term borrowings and to replenish daily working capital, thereby lowering finance costs, improving cash flow, and providing the financial flexibility needed for future operations and market expansion.

4. Expand Diversified Business Layout to Strengthen Risk Resilience

On the basis of consolidating the market position of its core businesses, the Group will proactively pursue transformation and explore a diversified business portfolio to effectively hedge against cyclical industry fluctuations and comprehensively enhance its overall risk resilience and competitiveness.

Focusing on the resource and geographical advantages of Huajin Wharf, the Group plans to build a professional metal trading market in collaboration with major domestic steel mills and high-quality steel traders, leveraging its brand influence and resource integration capabilities as a leading steel enterprise in the province. The trading varieties will cover a full range of steel products including hot-rolled steel, cold-rolled steel, galvanised steel, silicon steel, rebar, wire rods (including high-speed wire rods and coils), section steel and pipes. The Group will strive to build an integrated online-offline metal trading service platform to enhance its industry influence.

In addition, the Group will prudently evaluate opportunities in supply chain finance. Based on its existing stable business cooperation network, it will improve relevant business layout and, in compliance with regulatory requirements and risk control standards, explore businesses such as centralised steel procurement, structured trade finance and inventory financing including trust receipt arrangements, so as to improve capital utilisation efficiency.

Currently, the continuous deepening of the development of the Guangdong-Hong Kong-Macao Greater Bay Area and the coastal and riverine economic belts has brought long-term opportunities to relevant industries, accompanied by challenges such as intensified market competition and changes in the macro environment. Taking the operational difficulties encountered during the Review Period as a catalyst for improvement, the Group will summarise experiences, draw lessons, continuously optimise its operational strategies, focus on and deepen its core strengths, strengthen synergy across the full industrial chain, and actively expand diversified businesses.

Relying on its river-sea intermodal advantages, the Group will develop into a diversified and comprehensive industrial group, gradually improve its performance and core competitiveness to address market challenges and seize development opportunities, thereby creating long-term value for its shareholders.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to achieving high corporate governance standards. The Company recognises that sound and effective corporate governance practices are fundamental to the smooth, effective and transparent operation of a company and its ability to attract investment, protect the rights of the shareholders and stakeholders, and enhance shareholder value.

The corporate governance principles of the Group emphasise an effective Board, sound internal controls, appropriate independence policy, and transparency and accountability to the Shareholders. The Group is committed to striking a balance between earnings and sustainable development. The Company believes outstanding business environment, society and corporate governance are fundamental to maintaining long-term sustainable success.

The Company has applied the principles of good corporate governance and adopted the code provisions set out in the Corporate Governance Code (“CG Code”) contained in Appendix C1 to the Listing Rules as its code of corporate governance. The Company has complied with the applicable code provisions in the CG Code throughout the year ended 31 December 2025.

The Board considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those set out in the CG Code.

Further information on the Company’s corporate governance practices during the year of 2025 will be set out in the Corporate Governance Report to be contained in the Company’s 2025 annual report which will be sent to the shareholders in due course.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix C3 to the Listing Rules as the Company’s code of conduct regarding Directors’ securities transactions. Having made specific enquiry of all Directors, all the Directors confirmed that they had complied with the required standard set out in the Model Code throughout the year ended 31 December 2025.

The Company has also adopted the Model Code as the standard of dealings in the Company’s securities for relevant employees who are likely to possess unpublished inside information in relation to the Group. No incident of noncompliance by the relevant employees was noted by the Company during the year under review.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities for the year ended 31 December 2025.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the interests in share options of the Company at no time during the year ended 31 December 2025 was the Company, its holding company, or any of its subsidiaries or associated corporations, a party to any arrangement which enables the Directors and chief executives of the Company (including their respective spouse and children under 18 years of age) to acquire benefits by means of acquisition of shares or underlying shares in, or debentures of, the Company or any of its associated corporations.

DIRECTORS’ INTERESTS IN COMPETING BUSINESS

Save for their respective interests in the Company, none of the Directors and controlling shareholders of the Company (as defined under the Listing Rules) nor their respective associates were interested in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group pursuant to Rule 8.10 of the Listing Rules during the year ended 31 December 2025 and up to the date of this announcement.

NON-COMPETITION UNDERTAKINGS BY CONTROLLING SHAREHOLDERS

On 23 March 2016, each of the controlling shareholders, namely Mr. Xu, Mr. Luo, Haiyi Limited (“Haiyi”), Intrend Ventures Limited (“Intrend Ventures”) and Zhong Cheng International Limited (“Zhong Cheng”) entered into the deed of non-competition (the “Deed of Non-competition”) in favour of the Company, pursuant to which they undertook to the Company, inter alia, not to carry on, participate in, hold, engage in, acquire or operate, or to provide any form of assistance to any person, firm or company (except members of the Group) to conduct any business which, directly or indirectly, competes or may compete with the business carried on by the Group from time to time. Upon the execution of the termination deed on 16 December 2021, Mr. Luo and Zhong Cheng ceased to be controlling shareholders of the Company and would no longer be bound by the Deed of Non-competition, whereas Mr. Xu, Haiyi and Intrend Ventures will continue to be bound by the Deed of Non-competition notwithstanding the execution of the termination deed.

Details of the Deed of Non-competition are set out in the paragraph headed “Relationship with our Controlling Shareholders – Non-competition undertakings” in the prospectus of the Company dated 5 April 2016.

Each of the controlling shareholders, namely Mr. Xu, Haiyi and Intrend Ventures has provided written confirmation to the Company that, for the year ended 31 December 2025, each of the controlling shareholders has complied with the non-competition undertakings (the “Undertakings”) given under the Deed of Non-competition.

Upon receiving the above confirmations, the independent non-executive Directors of the Company had reviewed the same as part of the annual examination. In determining whether the controlling shareholders had fully complied with the Undertakings, the independent non-executive Directors noted that (a) the controlling shareholders declared that they had fully complied with the Undertakings; (b) no new competing business was reported by the controlling shareholders for the year ended 31 December 2025; and (c) there was no particular situation rendering the full compliance of the Undertakings being questionable. In view of the above, the independent non-executive Directors confirmed that the controlling shareholders had fully complied with the Deed of Non-competition for the year ended 31 December 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

As required by the Listing Rules, the Company is required to report on environmental, social and governance (“ESG”) information of the Group on an annual basis and regarding the same period covered in this announcement. The Company will publish the ESG report on the websites of the Company and the Stock Exchange in due course.

SUFFICIENCY OF PUBLIC FLOAT

Based on the publicly available information to the Company and within the knowledge of the Directors as at the date of this announcement, the Company has maintained the prescribed public float under the Listing Rules.

POST BALANCE SHEET EVENT

There are no significant post balance sheet events affecting the Company that have occurred since the end of the Year to the date of this announcement.

REVIEW OF FINANCIAL INFORMATION

The Group's annual results for the year ended 31 December 2025, including the accounting principles and practices adopted, have been reviewed by the Audit Committee in conjunction with the Company's external auditors. The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position and the related notes thereto for the year ended 31 December 2025 as set out in this preliminary results announcement have been agreed by the Company's external auditors, KTC Partners CPA Limited ("KTC"), Certified Public Accountants, Hong Kong, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by KTC in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by KTC on this preliminary results announcement.

REVIEW BY AUDIT COMMITTEE

The Company's audit committee has reviewed the accounting principles and practices adopted by the Group with the management of the Company and the Company's external auditor, and has examined the annual results of the Group for the year ended 31 December 2025.

EXTRACT OF AUDIT REPORT ON ANNUAL REPORT

The following is an extract of the audit report on annual report for the year ended 31 December 2025 from the external auditor of the Company:

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material uncertainty related to going concern

We draw attention to note 3.1 to the consolidated financial statements, which mentions that the Group reported a net loss of approximately RMB1,271,624,000 for the year ended 31 December 2025, and as at 31 December 2025, the Group was in net liabilities position of approximately RMB847,862,000 and net current liabilities position of approximately RMB1,211,601,000. These events and conditions indicate the existence of a material uncertainty which may cast doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025 ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Company (www.huajin-hk.com) and the Stock Exchange (www.hkexnews.hk). The annual report of the Company containing all information required by the Listing Rules will be despatched to the shareholders and available on the above websites in due course.

By Order of the Board
Huajin International Holdings Limited
Xu Songqing
Chairman

Hong Kong, 31 March 2026

As at the date of this announcement, the Board is comprised of Mr. Xu Songqing (Chairman) and Mr. Chen Chunniu (Chief Executive Officer) 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.