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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)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE

This announcement is made by Huajin International Holdings Limited (the “**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”) on a voluntary basis to provide the shareholders and potential investors of the Company with the latest business development of the Group.

References are made to the announcement of the Company dated 24 January 2017 in relation to purchase of the coupled pickling line and tandem cold rolling mill at the contract price of RMB83.98 million and the announcement of the Company dated 27 December 2017 in relation to acquisition of the land use rights with a total site area of approximately 284,860 sq. m. located at Gujing Town, Xinhui District, Jiangmen City, Guangdong Province, the PRC for a consideration of approximately RMB109.63 million.



SUCCESSFUL TRIAL PRODUCTION OF THE COUPLED PICKLING AND TANDEM COLD ROLLING MILL

After three years of preparation, planning and construction for the Group’s new production plant located at Gujing Town, Xinhui District, Jiangmen City, Guangdong Province, the PRC (the “**Gujing Production Plant**”), the board of directors (the “**Board**”) of the Company is pleased to announce that the 950mm coupled pickling and tandem cold rolling mill (the “**New Production Line**”) has begun the trial production and has completed production of its first qualified coil successfully on 6 June 2020. The annual processing design capacity of the New Production Line

for cold rolling processes is 600,000 tonnes. With the mass production of the New Production Line, the Group's annual processing design capacity for cold rolling processes is expected to increase from the existing 750,000 tonnes to 1,350,000 tonnes. The New Production Line is highly automatic by coupling with the pickling and cold rolling processes. The control system of the New Production Line adopts Siemens PLC (i.e. programmable logic controller) & transmission device and is well equipped with large-scale instruments such as advanced thickness gauge, laser speedometer, and tension meter. The New Production Line could promote production efficiency, product quality, and better cost control. The New Production Line allows the Group to cater the needs of a wider variety of existing and potential customers and make the Group's business more competitive.

The successful trial production of the New Production Line marks an important milestone for the Gujing Production Plant of the Group. The Board believes that the New Production Line will begin to contribute to the Group's overall performance in the second half of 2020.

The picture above shows the first qualified coil successfully rolled out from the New Production Line on 6 June 2020 and Mr. Luo Canwen (Chief Executive Officer).

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

Hong Kong, 8 June 2020

As at the date of this announcement, the Board is comprised of Mr. Xu Songqing (Chairman), Mr. Luo Canwen (Chief Executive Officer), Mr. Chen Chunniu and Mr. Xu Songman as executive Directors, Mr. Xu Jianhong as non-executive Director and Mr. Goh Choo Hwee, Mr. Tam Yuk Sang, Sammy and Mr. Wu Chi Keung as independent non-executive Directors.