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**KAM HING INTERNATIONAL HOLDINGS LIMITED**

**錦興國際控股有限公司**

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

**(Stock Code: 02307)**

## **PROFIT WARNING**

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

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2023 (the “**FY2023**”) and assessment of the information currently available, the Group is expected to record a net loss attributable to the owners of the Company in the range of about HK\$135 million to HK\$155 million for the FY2023.

The Board considers that the net loss attributable to owners of the Company for the FY2023 is primarily attributable to: (i) the pace of recovery of the demand in the textile and garment industry in the European and American markets which was slower than expected; (ii) the decline in sales volume and gross profit margin caused by a number of factors such as geopolitical issues and intense market competition; (iii) several one-time expenses such as one-off tax payment, severance costs and disposal of assets resulting from streamlining the Company’s structure respectively; and (iv) a significant increase in net interest expenses during the FY2023, all of which exacerbated the loss for the FY2023. The Board is optimistic about the positive impact that the implementation of streamlining measures and reduction of total loan balances in the end of year 2023 will have on the Group’s performance in the year of 2024.

Despite the foregoing, the Group has maintained strong working capital and normal business operations over the past months, and the Board considers that the overall financial, business and trading positions of the Group remain healthy.

The information contained in this announcement is only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for the FY2023 and the information currently available to the Board. The information in this announcement is not based on any figures or information that has been audited or reviewed by the auditor or the audit committee of the Company, and is subject to possible adjustments. Shareholders and potential investors are advised to read carefully the annual results announcement of the Group for the FY2023, which is expected to be released by the end of March 2024.

**Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Kam Hing International Holdings Limited**  
**Tai Chin Chun**  
*Chairman*

Hong Kong, 7 February 2024

*As at the date of this announcement, the Board comprises Mr. Tai Chin Chun, Mr. Tai Chin Wen, Ms. Cheung So Wan, Ms. Wong Siu Yuk and Mr. Lei Heong Man as executive Directors; and Mr. Ho Gilbert Chi Hang, Mr. Ting Kay Loong and Mr. Wu Tak Lung as independent non-executive Directors.*