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禹洲集團控股有限公司

YUZHOU GROUP HOLDINGS COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Equity Stock Code: 01628)

(Debt Security Stock Codes: 05830, 05798, 40043, 40159, 40079, 40112, 40343, 40517 and 05287)

PROFIT WARNING ANNOUNCEMENT

This announcement is made by Yuzhou Group Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and 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 of the Company that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2023 (the “**Reporting Period**”) and other information currently available to the Board, it is expected that the Group will record a total revenue of approximately RMB12,486 million for the Reporting Period, which is slightly increased compared with that of approximately RMB12,393 million recorded for the six months ended 30 June 2022, which was mainly due to the Company’s adherence to the policy objective of “guaranteeing completion and ensuring delivery” proposed by real estate market regulatory authorities during the Reporting Period. However, (1) due to the impacts of the unfavorable macro environment and the downturn in the real estate industry, the gross profit of projects delivered by the Group during the Reporting Period decreased; (2) being affected by the market environment, where there were indications of impairment on some real estate projects of the Company, the provision for impairment of inventories and other assets increased based on the principle of prudence and the fair value loss on investment properties; (3) due to the decrease in the portion of capitalised interest during the Reporting Period, the financial costs of the Group significantly increased; and (4) due to the continuous depreciation of RMB against the USD, the Group incurred an exchange loss on offshore USD-denominated notes. It is expected that the Group will record a net loss attributable to the Shareholders of approximately RMB6,000 million to RMB7,000 million during the Reporting Period, compared to the net profit attributable to the Shareholders of approximately RMB59.09 million for the same period in 2022.

As of the date of this announcement, the Company is still in the process of finalizing the interim results of the Group for the Reporting Period. The information contained in this announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group for the Reporting Period, which have not been finalized or reviewed by the Company's auditors or the audit committee of the Company. The actual financial results of the Group for the Reporting Period may be different from those disclosed in this announcement. Shareholders and potential investors of the Company are advised to read carefully the interim results announcement of the Company for the Reporting Period, which is expected to be published by the Company by the end of August 2023.

Investors are advised to read carefully the interim results announcement of the Company for the Reporting Period, and the Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Yuzhou Group Holdings Company Limited
Kwok Ying Lan
Chairman

Hong Kong, 18 August 2023

As at the date of this announcement, the executive directors of the Company are Ms. Kwok Ying Lan (Chairman) and Mr. Lin Conghui, the non-executive directors of the Company are Mr. Lam Lung On (J.P.) and Mr. Song Jiajun, and the independent non-executive directors of the Company are Mr. Lam Kwong Siu, Mr. Wee Henny Soon Chiang and Mr. Yu Shangyou.