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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: 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 year ended 31 December 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 RMB21,477 million for the Reporting Period, representing a decrease around 20% compared with that of approximately RMB26,737 million recorded for the year ended 31 December 2022, which was mainly due to lower revenue from property sales as a result of fewer delivery of property with the context of the continuing downturn of the real estate industry in the PRC. In addition, it is expected that the Group will record a net loss attributable to the Shareholders of an amount ranging from approximately RMB10,000 million to RMB11,000 million for the year, compared to the net loss attributable to the Shareholders of approximately RMB12,015 million recorded for 2022. Based on the relevant information currently available to the Company, the Board considers that the estimated decline in net profit of the Group was mainly attributable to (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 decline in the rate of capitalized interest during the Reporting Period, the financial costs recognized by the Group in profit or loss significantly increased accordingly; and (4) due to the continuous depreciation of RMB against the USD, the Group incurred an exchange loss on offshore USD-denominated notes.

As of the date of this announcement, the Company is still in the process of finalizing the annual 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 annual results announcement of the Company for the Reporting Period, which is expected to be published by the Company by the end of March 2024.

Investors are advised to read carefully the annual 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, 14 March 2024

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.