

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



DaFa Properties Group Limited **大发地产集团有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6111)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO PROFIT WARNING

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

Reference is made to the announcement of the Company dated 18 March 2022 in relation to the profit warning of the Company (the “**Announcement**”).

The board of directors (the “**Board**”) of the Company wishes to further inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the unaudited management accounts of the Group for the year ended 31 December 2021 (the “**Year**”), the Group is expected to record a consolidated net loss for the year of approximately RMB420 million for the Year, as compared to a consolidated net profit of approximately RMB715 million for the year ended 31 December 2020. As disclosed in the Announcement, the expected consolidated net loss of the Group for the Year is mainly attributable to (i) the decrease in the area of properties delivered resulting in the decrease in revenue recognised from properties sold for the Year; (ii) the decrease in the gross profit margin and the increase in impairment provision for inventory due to the lower average selling prices of property projects, which was affected by the COVID-19 pandemic and unfavourable macro market environment; (iii) the fair value losses on financial assets at fair value through profit or loss; and (iv) the decrease in foreign exchange gains.

As the Company is still in the process of preparing and finalising the annual results of the Group for the Year, the information contained in this announcement is only based on the preliminary assessment by the Company’s management according to the unaudited management accounts of the Group which have not been reviewed or audited by the auditor of the Company or the audit committee of the Company. Shareholders and potential investors of the Company should read the annual results announcement of the Company for the year ended 31 December 2021 carefully, which is expected to be published by the end of March 2022.

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

By order of the Board
DaFa Properties Group Limited
GE Yiyang
Chairman

Hong Kong, 21 March 2022

As at the date of this announcement, the Board comprises Mr. Ge Yiyang, Mr. Leng Junfeng, Mr. Chi Jingyong and Mr. Yang Yongwu as the executive Directors, and Mr. Gu Jiong, Mr. Sun Bing and Mr. Fok Ho Yin Thomas as the independent non-executive Directors.