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JiaChen Holding Group Limited

佳辰控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1937)

POSITIVE PROFIT ALERT

This announcement is made by JiaChen Holding Group Limited (the “**Company**”, and together with its subsidiaries, collectively as the “**Group**”) pursuant to Rule 13.09(2) 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).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 (the “**Year 2021**”) and the information currently available to the Board, it is expected that the Group will record a substantial increase in the net profit of the Group attributable to the owners of the Company for the Year 2021 by not less than 20 times than that of approximately RMB788,000 for the year ended 31 December 2020.

The Board considers that the substantial increase in the net profit of the Group attributable to the owners of the Company for the Year 2021 was mainly due to: (i) the surge in revenue of not less than 45% as compared to that of approximately RMB182.2 million for the year ended 31 December 2020, which was resulted from the relaxation of the control measures to combat the spread of the COVID-19 pandemic leading to the increase in the momentum of the economic activities in the domestic market of the People’s Republic of China; and (ii) the substantial reduction in the impairment of contract assets and trade receivables for the Year 2021 compared with that of approximately RMB15.5 million provided for the year ended 31 December 2020, which was determined based on the historic credit loss experiences as adjusted for forward looking estimates.

As the Company is still in the process of preparing the unaudited consolidated results of the Group for the Year 2021, this announcement is only a preliminary estimate performed by the management of the Group based on the information currently available and is not based on any figure or information audited or reviewed by the Company's auditor. The actual consolidated results of the Group for the Year 2021 may, therefore, differ from the information disclosed in this announcement. Shareholders and potential investors are advised to read carefully the results announcement for the Current Year, which will be published by the end of March 2022.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
JiaChen Holding Group Limited
SHEN Min
Executive Director and Chairman

Changzhou, the People's Republic of China, 22 March 2022

As at the date of this announcement, the executive Directors are Mr. SHEN Min (Chairman), Mr. SHEN Minghui, Mr. CHEN Shipping (Chief Executive Officer) and Ms. LIU Hui; and the independent non-executive Directors are Mr. XIE Xing, Mr. WANG Li and Ms. LONG Mei.