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JOVAN 佳源
Jiayuan International Group Limited
佳源國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2768)

ANNOUNCEMENT

PROFIT WARNING

This announcement is made by Jiayuan International Group Limited (the “**Company**”, together with its subsidiaries, 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 currently available preliminary assessment of the unaudited consolidated management accounts of the Company for the six months ended 30 June 2022 (the “**Unaudited Management Accounts**”):

- (i) the Board expects to record a decrease in revenue by approximately 25% for the six months ended 30 June 2022 as compared to the revenue for the six months ended 30 June 2021 of RMB9,364 million; and
- (ii) the Board expects to record a significant decrease in net profit by approximately 55%-75% for the six months ended 30 June 2022 as compared to the net profit for the six months ended 30 June 2021 of RMB2,170 million.

The decrease in revenue for the six months ended 30 June 2022 was primarily due to a new wave of COVID-19 pandemic outbreak in the Mainland China since the first quarter of 2022 which resulted in a citywide lockdown of Shanghai and some core cities in Yangtze River Delta region. The lockdown restrictions implemented in these cities have caused disruption to the construction work of the Group’s property development projects and the transportation of building materials and therefore resulted in a decrease of the total gross floor area delivered by the Group for the six months ended 30 June 2022.

The decrease in net profit for the six months ended 30 June 2022 was primarily due to the decrease in revenue as described above and a foreign exchange loss of approximately RMB500 million arising from the depreciation of Renminbi against U.S. Dollar as opposed to a foreign exchange gain of approximately RMB75 million for the six months ended 30 June 2021.

As at the date of this announcement, the Company is still in the process of preparing the interim results of the Group for the six months ended 30 June 2022 and is not able at this time to disclose any further details on the above factors and their impact on the Group's profit attributable to Shareholders. The information set out above is only based on a preliminary assessment by the Board on the information currently available to it, including the Unaudited Management Accounts, which have not been finalized and not been independently reviewed by the Company's auditors or the audit committee. Shareholders and potential investors should refer to the interim results of the Company for the six months ended 30 June 2022, which are expected to be published before the end of August 2022.

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

By order of the Board
Jiayuan International Group Limited
Shum Tin Ching
Chairman

Hong Kong, 8 August 2022

As at the date of this announcement, the executive Directors of the Company are Mr. Zhang Yi, Mr. Huang Fuqing and Ms. Cheuk Hiu Nam, the non-executive Directors of the Company are Mr. Shum Tin Ching, Mr. Shen Xiaodong and Mr. Yu Anqi, and the independent non-executive Directors of the Company are Dr. Cheung Wai Bun, Charles, JP, Mr. Gu Yunchang, Mr. Lin Shaoyong and Ms. Su Ling.