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## **Jiumaojiu International Holdings Limited**

**九毛九国际控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 9922)**

### **PROFIT WARNING**

This announcement is made by Jiumaojiu International Holdings Limited (九毛九国际控股有限公司) (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 the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the assessment of the latest information currently available to the Board and a preliminary review of the unaudited consolidated management accounts of the Group for the year ended December 31, 2022 (the “**Year**”), the Group is expected to record (i) revenue of approximately RMB4,005.7 million for the Year, representing a decrease of approximately 4.2% as compared to revenue of RMB4,179.7 million for the year ended December 31, 2021; and (ii) a profit attributable to equity shareholders of the Company of not less than RMB47.0 million for the Year, representing a decrease of approximately 86.2% as compared to a profit attributable to equity shareholders of the Company of RMB339.9 million for the year ended December 31, 2021. Based on the information currently available, the Board is of the view that such expected decreases are primarily attributable to the following reasons:

- (i) the Group’s restaurants being unable to achieve full operational capacity in most regions of the People’s Republic of China (the “**PRC**”) in 2022 as a result of the continued resurgence of the coronavirus disease (COVID-19) (the “**Pandemic**”) infected cases in a number of major cities in the PRC in 2022, and the Pandemic prevention and control measures being put in place to curb the surge in infected cases, such as nation-wide suspension or restriction for varying duration of dine-in services of certain restaurants, and multiple rounds of lockdowns of various scales in different PRC cities, while those restaurants still incurred certain fixed operating costs such as rental expenses and employee remunerations; and
- (ii) the recognition of net foreign exchange losses of approximately RMB78.9 million as a result of the depreciation of Renminbi against Hong Kong Dollars in 2022, which was a non-cash item.

The Group has been closely reviewing the performance of its restaurants and adjusted its business strategies from time to time to mitigate the impact of the Pandemic on the Group's business operations. To improve the operating performance of the Group, the Group implemented several cost-saving initiatives to reduce costs on rentals, raw materials and consumables used as well as other operating expenses. In view of the dismantlement of "zero-COVID control measures" in December 2022 by the PRC government authorities, the Board believes that the Group's business will rebound and has confidence in its future development.

Information contained in this announcement is based solely on the Board's preliminary assessment of the latest information available to the Board as at the date of this announcement and the unaudited consolidated management accounts of the Group for the Year, which have not been audited by the Company's auditors or reviewed by the audit committee of the Board. The Company is in the process of finalizing the consolidated financial results of the Group for the Year, and the actual results of the Group for the Year may differ from what is disclosed in this announcement. Audited financial results of the Group for the Year are expected to be published in the annual results announcement in March 2023.

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

By order of the Board  
**Jiumaojiu International Holdings Limited**  
**Guan Yihong**  
*Chairman*

Hong Kong, February 20, 2023

*As at the date of this announcement, the Board comprises Mr. Guan Yihong as chairman and executive director and Mr. Li Zhuoguang, Ms. Cui Longyu and Mr. He Chengxiao as executive directors, and Mr. Deng Tao, Ms. Tang Zhihui and Ms. Zhu Rui as independent non-executive directors.*