

[For Immediate Release]



## JY Grandmark 2021 Interim Results Announcements

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**Contracted Sales and GFA Increased Significantly  
Steady Growth in Revenue  
Successful Implementation of Development Strategy on Urban Renewal  
Forged New Business Driver**

### Financial Highlight

	For the six months ended 30 June		
RMB million	2021	2020	Change%
Revenue	1,042.8	924.7	+12.8%
Gross Profit	412.1	404.5	+1.9%
Gross Profit Margin	39.5%	43.7%	- 4.2 p.p
Core net profit *	167.5	193.8	-13.6%
Profit attributable to owners of the Company	170.8	196.9	-13.3%
The basic and diluted earnings per share ( RMB yuan )	0.10	0.12	-16.7%
Interim dividend declared per share ( RMB cents )	3.63	3.59	+ 1.1%

\*Core net profit represents profit for the period excluding the post-tax gains arising from changes in fair value of investment properties and disposals of subsidiaries.

(19 August 2021 - Hong Kong) – **JY Grandmark Holdings Limited** (“**JY Grandmark**” or the “**Company**”, which together with its subsidiaries, is referred to as the “**Group**”, stock code: 2231), a property developer and operator and property management service provider based in the People’s Republic of China (the “**PRC**”), is pleased to announce the interim results of the Company for the six months ended 30 June 2021 (the “**Period**”).

JY Grandmark positions itself as an “Eco-friendly and People-oriented Property Developer” and acquired land reserves in strategic locations with abundant natural resources, rich culture and potential for growth. The Group takes into account the natural and cultural resources of its project site in the design of properties to develop homes and communities that the Group considers to be truly liveable for buyers. This accurate positioning differentiates the Group from other property developers in the PRC.

During the Period, the Group's revenue amounted to approximately RMB1,042.8 million (1H2020: RMB924.7 million), representing a period-on-period increase of 12.8%. The Group's gross profit amounted to RMB412.1 million (1H2020: RMB404.5 million), representing a period-on-period growth of 1.9%. Core net profit amounted to RMB167.5 million (1H2020: RMB193.8 million), representing a period-on-period decrease of 13.6%. Profit attributable to owners of the Company amounted to RMB170.8 million (1H2020: RMB196.9 million), representing a period-on-period decrease of 13.3%.

The Group's board of directors declared payment of an interim dividend of RMB3.63 cents per ordinary share (1H2020: RMB3.59 per ordinary share), which accounts for approximately 35% of the profit attributable to owners of the Company.

### **New Projects Meet Market Demand, Boosting Sales Significantly**

During the first half year of 2021, the Group's properties across China recorded approximately 197,000 sq.m. of contracted sales GFA, representing a significant year-on-year growth of 97.0%, and approximately RMB2,486.4 million of contracted sales, representing a significant year-on-year growth of 128.2%. The growth was attributable to the two new projects launched by the Group in the market, first phase of both projects boosted the overall sales performance.

The Group targeted urban residents of rigid demand and highlighted transmit-oriented development and houses of high utilization rate to construct the new project located in Zengcheng Guangzhou, Jinke JY Grand Garden (金科景業雍景園). It was the first key project for the Group's layout in eastern Guangzhou, all the units of the project were sold out on the debut day of the first phase with the single-day order amount reaching RMB350 million. Another new project, JY Logan Jiuyun Mansion (景業龍光玖雲府) in Liuhe District of Nanjing, also had the superior location of core area in the downtown and enjoyed comprehensive facilities of metro, parks, commercial centers and medical services. In the first round of launch, the project offered fine decoration residence of 115-140 sq.m. floor area per unit to first-time home buyers and up-graders, and recorded satisfactory sales performance, with the single-day order amount reaching RMB454 million.

### **Market Opportunity Arise for "Urban Renewal Business"**

The Group believed that the urban renewal business based on city planning and redevelopment will remain on an upward trend, and the Group will develop the urban renewal business as an important driver of land bank expansion and business growth. Currently, the Group takes the Guangdong-Hong Kong-Macao Greater Bay Area as the core region to actively explore the development of quality urban renewal projects.

In April 2021, the first urban renewal project the Group participated in, Zhujiang Village Redevelopment Project in Huangpu District of Guangzhou, was inaugurated. Located in Huangpu District of Guangzhou, a district where the government offered strong policy support to the urban renewal, the project is at the core position of the eastern Guangzhou's urban development, has a total of approximately 785,800 sq.m. floor area and approximately 265,000 sq.m. financing area within the overall redevelopment scope, and, expectedly, will stimulate the Group's business.

While acquiring the land of core position in the Group's first urban renewal project of smooth progress, the Group will actively promote the materialisation of the other ten projects under research, further leverage its local advantages, consolidate the professional advantages of cooperation partners, and acquire property projects in core areas within reasonable costs, so as to boost the balanced growth of sales volume and operating profit in the future.

## **Diversified Business Portfolio Combined with the Concept of “Eco-friendly and People oriented Property” to Exploit Long-Term Advantages**

The Group continuously developed its long-term advantages in home upgrading and vacation property sectors and market segments. During the first half year of 2021, the Company further developed target markets by seizing the right marketing opportunities, applying the strategy of “internal consolidation and external expansion” and promoting projects to “go out”, and stimulated the sales of home upgrading and vacation property projects in Guangdong, Hainan and Yunnan provinces by improving the community experience and the added value of products with the in-depth research of residents’ demands and the innovative idea of creating the community culture. JY Uniworld in Zhaoqing and JY Gaoligong Town in Yunnan province achieved improvement in both sales and brand reputation, and brought strong branding effect to the Group.

Based on the development concept of “Eco-friendly and People-oriented Property”, the Group expanded the layout of core regions and urban projects in 2021, enriched the product portfolio and offered the market diversified choices. It also broadened the horizon and further developed the market to improve the capital turnover efficiency.

## **Sound Financial Position Gained Recognition in the Capital Market**

The Group continuously perfecting its financial structure and further broadening its financials channels, its stable financial situation and diversified financing channels enable the Group to achieve sustainable and high-quality development under the tightening industry background. In February 2021, the Company successfully issued 7.5% senior notes in an aggregate principal amount of US\$155 million, including completion of the exchange offer of the existing senior notes amounting to US\$137.5 million.

**Mr. Michael Chan, Chairman and Executive Director of JY Grandmark said,** “In the first half of 2021, a series of policies including “three red lines” and “centralised land supply” have been introduced in China with the aim of achieving stable land prices, stable home prices and stable price expectations, a new long-term property market mechanism has gradually taken shape, that regulates the supply side, the demand side and the financing side, maintains stability in the market and at the same time raises the requirements of the financing, development and capital position of real estate companies.

In such market environment, while sticking to the principle of “stability and progress”, the Group continued to meet the requirements of “three red lines” in the first half of 2021, promoted targeted marketing actions in different markets, and accelerated the sales conversion of existing land reserves. It further expanded the reserve of quality lands through diversified channels, actively sought business breakthrough, enhanced the brand effect by cooperating with strong enterprises, took effective measures to advance the upgrading of all business segments on the basis of improving the property business, and ultimately achieved the objective of quality improvement and accelerating the speed of development.

Looking into the future, the Group will further adjust and improve operation strategies, and ensure reasonable economic trend prediction and market forecast from the macro perspective; from its own perspective, it will stick to the prudent financial strategy, focus on cash flow management, improve the capital turnover efficiency and lower the leverage. In the meantime, the Group will refine the land strategy, improve the product strategy and innovate the business strategy, to build a good brand reputation and maintain the long-term development objective of “high growth, high quality and high profit”.

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### **About JY Grandmark Holdings Limited**

JY Grandmark is a property developer, operator and property management service provider based in the PRC. It runs four principal businesses, namely (i) property development and sales, (ii) hotel operations, (iii) property management and (iv) commercial property investment. The shares of JY Grandmark have been listed on the Hong Kong Stock Exchange since December 2019 and the Group has been included as a constituent of the MSCI China Small Cap Index since May 2020.

JY Grandmark has land resources in Guangdong, Hainan, Yunnan, Jiangsu and Hunan provinces for its future development. The Group positions itself as an “Eco-friendly and People-oriented Property Developer” and acquired land reserves in strategic locations with abundant natural resources, rich culture and potential for growth. The Group takes into account the natural and cultural resources of its project site in the design of properties to develop homes and communities that the Group considers to be truly liveable for buyers. This accurate positioning differentiates the Group from other property developers in the PRC.

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