

**【Immediate Release】**



## **JY Grandmark Announces 2021 Audited Annual Results**

\* \* \*

### **Prominent Advantage of “Eco-friendly and People-oriented Property” Contracted Sales and Contracted ASP Grow against the Market Trend Adhere to the “Three Red Lines” Diversified Business Strategies Demonstrate Resilience**

(21 April 2022, Hongkong) JY Grandmark Holdings Limited (“JY Grandmark” or the “Company”); together with its subsidiaries, the “Group”, stock code: 2231), a property developer, operator and property management service provider based in the People’s Republic of China, is pleased to announce its audited annual results for the year ended 31 December 2021 (the “Year”). There were no material changes in the Group’s Audited Annual Results as compared with the Unaudited Annual Results contained in the Unaudited Annual Results Announcement.

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 Year, the Group’s annual contracted sales amounted to approximately RMB4,216.0 million, representing a year-on-year growth of 19.7% as compared to RMB3,523.6 million in 2020. The contracted average selling price (“ASP”) increased by approximately 25.8% year-on-year to RMB12,631 per sq.m. in 2021. The total contracted sales GFA was approximately 334,000 sq.m.. The recognised revenue during the Year was RMB2,043.1 million. Profit attributable to owners of the Company was RMB216.4 million.

Proposed final dividend was RMB 0.97 cents per ordinary share for the year ended 31 December 2021. Together with the 2021 interim dividend of RMB3.63 cents per ordinary share, total cash dividends for the year of 2021 will be RMB 4.60 cents per ordinary share.

## **Focus on the “Traffic-Oriented” Urban Property Sector, Impressive Sales Driven by New Projects**

During the Year, the Group’s property business was restructured to continue its established strengths in home upgrading and vacation property sectors, while focusing on the expansion of the “traffic-oriented” urban property sector, which improved the comprehensive benefits of the Group.

As to urban property, the Group launched three new projects throughout the Year in two hotspot cities, namely Zengcheng District of Guangzhou (two projects) and Liuhe District of Nanjing (one project). The two projects launched in the first half of 2021 were both located in the new and old centres of the cities, above the metro and targeting urban residents with rigid demand of housing, and continued to record impressive sales throughout the year. In the second half of the year, another project of the Group in Zengcheng District of Guangzhou was fast-tracked to the market. The project, located in the core development zone of the Guangdong-Hong Kong-Macao Greater Bay Area, was recognised by the market for its new Chinese-style landscape in line with the local cultural and aesthetic trend, low density community space planning, extremely high utilisation rate of household space and higher delivery standards than surrounding competing products. Therefore, it realised hot sales despite the tightening of the property market in the second half of the year.

## **Enhancement in Revenue and Branding of Property Management Services**

In 2021, revenue from property management services of the Group amounted to RMB22.2 million, representing an increase of 21.3% as compared to 2020, benefit from the increase of GFA under management by Zhuodu Property under the Group. Through the overall increase in service level, Zhuodu Property achieved a good brand reputation in 2021, with record high customer satisfaction and a steady improvement in reputation in terms of safety service, engineering service and environmental service, etc. Among the communities served by Zhuodu Property, JY Mountain Lake Gulf Project in Zhuzhou was awarded the three-star property demonstration community of Zhuzhou.

## **Hotel Operations Revenues Grow Steadily**

Thanks to the Group’s efforts to enhance customer experience and boost its marketing campaigns, revenue from the Group’s Just Stay Hotel and Just Stay Resort under its hotel operations business amounted to RMB78.8 million in 2021, representing a growth of 28.3% from RMB61.4 million in 2020. In the face of operational challenges posed by the recurrence of the pandemic, Just Stay hotels enhanced customer experience and service quality by upgrading and improving the facilities and equipment, diversifying the operating projects, adding value to the product experience and other operational initiatives. At the same time, the hotels strengthened online marketing and promotion by seizing major nodes such as Canton Fair, holidays and themed peak seasons to increase the occupancy rate and repeated occupancy rate of new and existing customers through online marketing to attract traffic, offline experience and word-of-mouth communication, resulting in a steady growth in turnover for the year.

## **Exploit the Urban Renewal Layout, Acquire Quality Land Bank through Diversified Channels**

In 2021, the Group inaugurated the Zhujiang Village Redevelopment Project in Huangpu District of Guangzhou, which would increase approximately 268,700 sq.m. financing area in the centre of the city, thereby initiating the layout of urban renewal and bringing greater expected value to the Group's development. Urban renewal, as a channel to acquire prime land in core cities, will continue to be an important driver of land bank expansion and business growth for the Group. The Group will continue to expand into the Guangdong-Hong Kong-Macao Greater Bay Area, actively develop its urban renewal business and seek strong alliances with competent and qualified partners to enhance its comprehensive competitiveness in the same sector. In addition, the Group will continue to pursue a diversified land acquisition strategies, and increase its quality land bank with a flexible approaches through strengthened mergers and acquisitions, joint development and other models, in addition to tenders, auctions or listing-for-sale.

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

The Group has been continuously perfecting its financial structure and further broadening its financing 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 Group successfully issued 7.5% senior notes in an aggregate principal amount of US\$155,000,000, including completion of the exchange offer of the existing senior notes amounting to US\$137,500,000 due 2021. After the reporting period, in January 2022, the Group successfully issued 7.5% senior notes due January 2023 in an aggregate principal amount of US\$152,100,000 (the "2022 New Notes"). The issue of the 2022 New Notes comprised of the exchange offer of the existing 2021 Notes amounting to US\$149,600,000 and completion of concurrent new money issuance amounting to US\$2,500,000.

**Mr. Michael Chan, Chairman and Executive Director of JY Grandmark said,** "In 2021, the property market showed the characteristics of normalised regulation, intensified competition and market differentiation during the year. In the challenging market environment, JY Grandmark has achieved steady development: in terms of finance, we held tight to the cash flow and optimised our financial structure adhering to the 'three red lines'; in terms of land bank, we implemented diversified land bank strategies, and broadened the channels of land bank by both acquisition and expansion as well as strong alliances; in terms of business, we pursued diversified development, with our property development, property management, hotel and other business segments keeping pace with the market, and achieved steady growth on the basis of innovative ideas; in terms of brand, by virtue of our quality management, we continued to be listed on the 'Top 20 Creditworthy Property Developers of Guangdong (廣東地產資信 20 強)', and also selected as one of the 'Top 200 Real Estate Enterprises in China (中國房地產 200 強企業)' and the '2021 Best Real Estate Enterprises with Greatest Growing Potential in China (2021 中國房地產成長力卓越榜)'.

Looking to the future, under the current market environment, 'stability' will be the theme of the Company's development. We will optimise our investment structure based on the principles of cash utilization, debt reduction and leverage lowering, acquire projects with development potential through multiple channels and, leveraging industry trends and policy directions, explore new types of diversified businesses, including urban renewal, asset operation, leasing or old-age care and other sectors with growing demand. Meanwhile, we will strengthen the effective integration of our own diversified businesses, revitalise our assets with an operational mindset and explore new business growth points, so as to cope with market changes under the business environment with normalised regulation in a better way and pursue for long-term, stable and quality development."

### **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 sites 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.

#### **For further information, please contact:**

##### **iPR Ogilvy Ltd.**

Callis Lau / Lorraine Luk / Angela Poon

Tel: (852) 2136 6952 / 2169 0467 / 3920 76456

Fax: (852) 3170 6606

Email: [callis.lau@iprogilvy.com](mailto:callis.lau@iprogilvy.com) / [lorraine.luk@iprogilvy.com](mailto:lorraine.luk@iprogilvy.com) / [angela.poon@iprogilvy.com](mailto:angela.poon@iprogilvy.com)