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**MAJOR TRANSACTION
ACQUISITION OF LAND USE RIGHTS
IN NANJING, THE PRC**

ACQUISITION OF LAND USE RIGHTS IN NANJING, THE PRC

The Board is pleased to announce that on 17 March 2023, Chongqing Zeyue (an indirect wholly-owned subsidiary of the Company) successfully bid for the land use rights of the Land offered for sale by the Nanjing Planning and Natural Resources Bureau at the Auction for RMB1,395,000,000. The Confirmation Letter in relation to the Acquisition is expected to be obtained on or before 22 March 2023 and the Land Use Rights Grant Contract in relation to the Acquisition is expected to be entered into on or before 31 March 2023. The amount of RMB267,000,000 has been paid by Chongqing Zeyue as the security deposit for the Auction. Pursuant to the requirements of the Nanjing Planning and Natural Resources Bureau, Chongqing Zeyue will establish a project company in Nanjing, the PRC, which will hold the interests in the Land upon the completion of the Acquisition for the purpose of future development of the Land. The Land is located in Jiangning District, Nanjing, Jiangsu Province, the PRC.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Acquisition exceed 25% but are all less than 100%, the Acquisition constitutes a major transaction for the Company. As the Group's principal businesses include property development, the Company is regarded as a "Qualified Issuer" and the Acquisition involves acquisition of governmental land(s) from a PRC Governmental Body through auction governed by the PRC law and thus is regarded as a "Qualified Property Acquisition" under Rule 14.04(10B) and (10C) of the Listing Rules. As such, the Acquisition is subject to reporting and announcement requirements and is exempt from Shareholders' approval requirements pursuant to Rule 14.33A of the Listing Rules.

GENERAL

The circular containing the information required under the Listing Rules in relation to the Acquisition will be despatched to the Shareholders as soon as possible, which is expected to be on or before 25 May 2023, in order to allow sufficient time for the preparation of the financial and other information in the circular.

INTRODUCTION

The Board is pleased to announce that on 17 March 2023, Chongqing Zeyue (an indirect wholly-owned subsidiary of the Company) successfully bid for the land use rights of the Land offered for sale by the Nanjing Planning and Natural Resources Bureau at the Auction for RMB1,395,000,000. The Confirmation Letter in relation to the Acquisition is expected to be obtained on or before 22 March 2023 and the Land Use Rights Grant Contract in relation to the Acquisition is expected to be entered into on or before 31 March 2023. The amount of RMB267,000,000 has been paid by Chongqing Zeyue as the security deposit for the Auction. Pursuant to the requirements of the Nanjing Planning and Natural Resources Bureau, Chongqing Zeyue will establish a project company in Nanjing, the PRC, which will hold the interests in the Land upon the completion of the Acquisition for the purpose of future development of the Land. The Land is located in Jiangning District, Nanjing, Jiangsu Province, the PRC.

THE RESULTS OF THE BID

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| Date | : | 17 March 2023 |
| Parties to the Confirmation Letter | : | (1) Chongqing Zeyue (an indirect wholly-owned subsidiary of the Company); and (2) Nanjing Planning and Natural Resources Bureau. |
| Plot No. | : | NO.2023G07 |
| Location of the relevant Land | : | South of Hongyun Avenue and East of Mingcheng Avenue, Dongshan Sub-district, Jiangning District, Nanjing, Jiangsu Province, the PRC |
| Total site area | : | approximately 25,332.55 square meters |
| Total planned gross floor area | : | approximately 53,198.36 square meters |
| Proposed use of the Land | : | Residential |

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| Term of the land use right | : | 70 years |
| Consideration | : | RMB1,395,000,000, which was the bidding price of the Land submitted by Chongqing Zeyue at the Auction held by the Nanjing Planning and Natural Resources Bureau. According to the Auction documents, 50% of the Consideration (being the amount of RMB697,500,000) will be payable on or before 18 April 2023, which will be satisfied by the security deposit for the Auction of RMB267,000,000 already paid by Chongqing Zeyue and an additional payment of RMB430,500,000; 30% of the Consideration (being the amount of RMB418,500,000) will be payable on or before 18 September 2023; and the remaining balance of 20% of the Consideration (being the amount of RMB279,000,000) will be payable on or before 18 March 2024. |

In the event that the Acquisition is terminated or lapsed, the security deposit will be returned to Chongqing Zeyue in full.

BASIS OF THE CONSIDERATION

The Consideration was arrived at as a result of successful bidding of the Land by Chongqing Zeyue at the Auction after taking into account of the current market conditions in the vicinity of the Land, the strategic location of the Land in Jiangning District, Nanjing, Jiangsu Province, the PRC, the current land price in the surrounding area of the Land and its development potential. The costs relating to the Acquisition of the Land, including the Consideration, related tax, administration and other costs, is expected to be approximately RMB1,448,700,000 in aggregate and will be funded by the Group. The Group will finance its capital commitment for the Acquisition by capital contribution using its internal resources or loans.

Pursuant to the requirements from the Nanjing Planning and Natural Resources Bureau, Chongqing Zeyue will establish a project company in Nanjing, the PRC, which will hold the interest in the Land upon the completion of the Acquisition for the purpose of future development of the Land. The Land is located South of Hongyun Avenue and East of Mingcheng Avenue, Dongshan Sub-district, Jiangning District, Nanjing, Jiangsu Province, the PRC.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Land is located in the core urban development area of Jiangning District, Nanjing, Jiangsu Province, the PRC. It is strategically situated close to the Nanjing South Railway Station (南京南站), an important transportation hub in Eastern China and a focus of Nanjing's urban development plan. The Land enjoys various communal facilities located within its proximity including the Beijing-Shanghai high-speed railway, metro lines and major highways. The Land is also adjacent to the Jiangning Economic and Technological Development Zone* (江寧經濟技術開發區), which attracts businesses and talents, and the land supply and inventory level in this area is relatively limited. Therefore, the Land is expected to have strong development potential. The Group plans to develop town houses on the Land to attract first-time purchasers and those who wish to further improve their residential living standard. In view of the market demand and supply and the location, the surrounding infrastructure and the planned use of the Land, it is expected to achieve positive investment value after completion of development, and thus generates cash flows and stable and satisfactory revenue and profits to the Group. The Directors consider that the Acquisition is in line with the business development strategy and planning of the Group.

The Directors consider that the Acquisition is in the Group's ordinary and usual course of business and the Acquisition is in the interests of the Company and the Shareholders as a whole, and the terms thereof are on normal commercial terms, which are fair and reasonable.

INFORMATION ON THE PARTIES

The Company is an investment holding company incorporated in Bermuda. The Group is principally engaged in development, operation, sales, leasing and management of mixed-use complexes and commercial properties in the PRC. The Group develops, holds and operates various property projects in the PRC and Hong Kong.

Chongqing Zeyue is a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in property development and investment in the PRC.

The Nanjing Planning and Natural Resources Bureau is a PRC governmental authority and the seller of the Land, which falls under the definition of "PRC Governmental Body" under Rule 19A.04 of the Listing Rules.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Nanjing Planning and Natural Resources Bureau and its respective ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Acquisition exceed 25% but are all less than 100%, the Acquisition constitutes a major transaction for the Company. As the Group's principal businesses include property development, the Company is regarded as a "Qualified Issuer" and the Acquisition involves acquisition of governmental land(s) from a PRC Governmental Body through auction governed by the PRC law and thus is regarded as a "Qualified Property Acquisition" under Rule 14.04(10B) and (10C) of the Listing Rules. As such, the Acquisition is subject to reporting and announcement requirements and are exempt from Shareholders' approval requirements pursuant to Rule 14.33A of the Listing Rules.

GENERAL

The circular containing the information required under the Listing Rules in relation to the Acquisition will be despatched to the Shareholders as soon as possible, which is expected to be on or before 25 May 2023, in order to allow sufficient time for the preparation of the financial and other information in the circular.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

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| "Acquisition" | the acquisition of the land use rights of the Land through public bidding |
| "Auction" | the online public auction held by the Nanjing Planning and Natural Resources Bureau at which the Land was offered for sale |
| "Board" | the board of Directors |
| "Chongqing Zeyue" | Chongqing Zeyue Shiye Company Limited* (重慶澤悅實業有限公司), a company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company |
| "Company" | Joy City Property Limited (大悅城地產有限公司), a company incorporated under the laws of Bermuda with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange (Stock code: 207) |

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| “Confirmation Letter” | the confirmation letter (成交確認書) entered into between Chongqing Zeyue and the Nanjing Planning and Natural Resources Bureau confirming the Acquisition at the Auction |
| “Consideration” | RMB1,395,000,000, being the price for the grant of the land use rights for the Land |
| “Directors” | the directors of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Independent Third Party(ies)” | person(s) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is not a connected person of the Company pursuant to the Listing Rules |
| “Land Use Rights Grant Contract” | the land use rights grant contract (國有建設用地使用權出讓合同) to be entered into between Chongqing Zeyue and the Nanjing Planning and Natural Resources Bureau for the Land |
| “Land” | the plot of land described under the section headed “The Results of the Bid” in this announcement with plot number NO.2023G07 and a total site area of approximately 25,332.55 square meters which was offered for sale at the Auction |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “Nanjing Planning and Natural Resources Bureau” | the Nanjing Planning and Natural Resources Bureau* (南京市規劃和自然資源局) |
| “PRC” | the People’s Republic of China, which shall, for the purpose of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Shareholders” | the shareholders of the Company |

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

In this announcement, unless the context requires otherwise, the terms “connected person(s)”, “percentage ratio”, “PRC Governmental Body” and “subsidiary(ies)” shall have the meanings given to such terms in the Listing Rules.

* *English translations of the names are provided for ease of reference only and they are not official English names of the companies and authority concerned.*

By Order of the Board
JOY CITY PROPERTY LIMITED
CHEN Lang
Chairman

The PRC, 17 March 2023

As at the date of this announcement, the Board comprises Mr. CHEN Lang as Chairman and non-executive Director; Mr. CAO Ronggen as executive Director; Mr. MA Dewei, Mr. LIU Yun and Mr. ZHU Laibin as non-executive Directors; and Mr. LAU Hon Chuen, Ambrose, GBS, JP, Mr. LAM Kin Ming, Lawrence and Mr. CHAN Fan Shing as independent non-executive Directors.