

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



JOY CITY PROPERTY LIMITED
大悦城地產有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 207)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2021

HIGHLIGHTS

- For the six months ended 30 June 2021, the Group's total operating revenue was approximately RMB4,672.1 million (for the corresponding period of 2020: RMB3,525.3 million), representing a year-on-year growth of 32.5%. Of which, rental income from investment properties and related services income was approximately RMB1,987.7 million, representing a year-on-year growth of 21.9%.
- For the six months ended 30 June 2021, the profit of the Group amounted to approximately RMB950.6 million (for the corresponding period of 2020: RMB443.4 million), representing a year-on-year growth of 114.4%; of which, the profit attributable to the owners of the Company amounted to approximately RMB613.5 million, representing a year-on-year growth of 435.2%.
- Excluding the fair value change after tax of investment properties and the impacts of exchange rate changes, the core net profit attributable to the owners of the Company was approximately RMB714.0 million during this period, representing a year-on-year growth of 421.1%.
- For the six months ended 30 June 2021, the Group achieved contracted sales of approximately RMB12,216.4 million with a contracted area of 311,767.4 sq.m., representing increase of 78.6% and 54.1% respectively, over the same period of last year.
- By maintaining good bank-enterprise relationship, the average borrowing cost rate of the Group was 4.07% in the first half of 2021, which maintained a low level in the industry.

INTERIM RESULTS

The board of directors (the “**Board**”) of Joy City Property Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2021 together with the comparative figures for the six months ended 30 June 2020. The audit committee of the Board has reviewed the Group’s unaudited condensed consolidated results for the six months ended 30 June 2021.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For The Six Months Ended 30 June 2021

		Six months ended	
	<i>NOTES</i>	30.06.2021	30.06.2020
		RMB’000	RMB’000
		(Unaudited)	(Unaudited)
Revenue	4		
Contracts with customers		2,863,071	2,086,536
Leases		1,809,003	1,438,799
Total revenue		4,672,074	3,525,335
Cost of sales and services rendered		(2,532,376)	(1,419,084)
Gross profit		2,139,698	2,106,251
Other income	5	163,403	173,646
Other gains and losses	6	57,523	(26,282)
Impairment losses under expected credit loss model, net of reversal	13	(7,748)	(1,794)
Distribution and selling costs		(242,836)	(205,973)
Administrative expenses		(413,118)	(376,447)
Fair value (loss)/gain on:			
investment properties		(76,400)	37,754
financial liabilities at fair value through profit or loss		(10,223)	(8,509)
Finance costs	7	(380,533)	(512,033)
Share of profits of associates		9,292	549
Share of profits/(losses) of joint ventures		150,586	(120,251)
Profit before tax	8	1,389,644	1,066,911
Income tax expense	9	(439,019)	(623,558)
Profit for the period		950,625	443,353
Profit for the period attributable to:			
Owners of the Company		613,507	114,639
Holder of perpetual capital instruments		198,591	140,797
Non-controlling interests		138,527	187,917
		950,625	443,353
Basic and diluted earnings per share	10	RMB4.0 cents	RMB0.7 cents

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Six Months Ended 30 June 2021

	Six months ended	
	30.06.2021	30.06.2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the period	<u>950,625</u>	<u>443,353</u>
Other comprehensive income/(expense):		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation	33,246	(51,546)
Fair value gain/(loss) on hedging instruments designated in cash flow hedges	<u>107,285</u>	<u>(405,060)</u>
Other comprehensive income/(expense) for the period	<u>140,531</u>	<u>(456,606)</u>
Total comprehensive income/(expense) for the period	<u>1,091,156</u>	<u>(13,253)</u>
Total comprehensive income/(expense) for the period attributable to:		
Owners of the Company	747,176	(308,730)
Holder of perpetual capital instruments	198,591	140,797
Non-controlling interests	<u>145,389</u>	<u>154,680</u>
	<u>1,091,156</u>	<u>(13,253)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 30 June 2021

	NOTE	30.06.2021 RMB'000 (Unaudited)	31.12.2020 RMB'000 (Audited)
Non-current assets			
Investment properties		59,042,726	57,729,887
Property, plant and equipment		3,495,336	3,598,694
Right-of-use assets		1,653,650	1,686,685
Intangible assets		114,112	119,108
Interests in associates		85,431	81,572
Interests in joint ventures		6,284,199	6,069,875
Loans to associates		1,147,970	1,151,780
Financial assets at fair value through profit or loss		510	510
Goodwill		184,297	184,297
Deposits		185,112	185,112
Deferred tax assets		150,217	235,517
		<u>72,343,560</u>	<u>71,043,037</u>
Current assets			
Inventories		14,061	24,445
Properties held for sale		1,567,365	1,667,377
Properties under development for sale		38,209,089	29,280,964
Accounts receivable	12	156,236	155,967
Contract costs		72,648	69,199
Deposits, prepayments and other receivables		2,760,059	2,749,592
Amounts due from fellow subsidiaries		41,961	24,547
Amounts due from non-controlling interests		50,663	41,334
Amounts due from joint ventures		19,952	10,927
Amounts due from associates		584,208	516,606
Loans to associates		771,938	771,938
Loans to joint ventures		–	166,440
Loan to non-controlling interests		1,100,000	1,100,000
Tax recoverable		474,523	302,379
Hedging instruments		2,418	–
Restricted bank deposits		351,821	185,040
Pledged deposits		7,919	7,915
Cash and bank balances		9,967,473	16,049,627
		<u>56,152,334</u>	<u>53,124,297</u>
Total assets		<u><u>128,495,894</u></u>	<u><u>124,167,334</u></u>

	<i>NOTE</i>	30.06.2021 RMB'000 (Unaudited)	31.12.2020 RMB'000 (Audited)
Current liabilities			
Accounts payable	14	6,731,411	7,124,271
Other payables and accruals		6,051,947	6,018,042
Contract liabilities		11,851,868	10,170,298
Lease liabilities		57,265	57,648
Amount due to the ultimate holding company		28	346
Amount due to the intermediate holding company		639	674
Amount due to the immediate holding company		227,998	–
Amounts due to non-controlling interests		1,691,301	1,424,712
Amount due to an associate		202,150	201,797
Amounts due to joint ventures		26,087	19,400
Amounts due to fellow subsidiaries		206,661	152,140
Loans from fellow subsidiaries		1,313,786	573,083
Loan from non-controlling interests		879,514	559,712
Loan from a joint venture		774,800	274,800
Loans from a third party		939,330	–
Bank borrowings		5,761,633	6,069,083
Income tax and land appreciation tax payables		717,027	1,486,144
Deferred income		1,647	6,692
Bonds payable		143,964	905,098
Hedging instruments		12,487	27,056
		<u>37,591,543</u>	<u>35,070,996</u>
Net current assets		<u>18,560,791</u>	<u>18,053,301</u>
Total assets less current liabilities		<u>90,904,351</u>	<u>89,096,338</u>
Non-current liabilities			
Other payables and accruals		1,007,730	781,591
Lease liabilities		204,262	219,952
Loans from a fellow subsidiary		810,158	868,578
Loans from third parties		5,537,856	5,135,031
Bank borrowings		15,179,063	16,641,054
Deferred tax liabilities		7,861,019	7,741,084
Bonds payable		3,766,847	3,836,252
Hedging instruments		184,242	277,903
		<u>34,551,177</u>	<u>35,501,445</u>
Net assets		<u>56,353,174</u>	<u>53,594,893</u>

	<i>NOTE</i>	30.06.2021 <i>RMB'000</i> (Unaudited)	31.12.2020 <i>RMB'000</i> (Audited)
Capital and reserves			
Share capital	15	1,122,414	1,122,414
Reserves		<u>28,667,518</u>	<u>28,325,296</u>
Equity attributable to the owners of the Company		29,789,932	29,447,710
Perpetual capital instruments		8,338,774	7,158,633
Non-controlling interests		<u>18,224,468</u>	<u>16,988,550</u>
Total equity		<u><u>56,353,174</u></u>	<u><u>53,594,893</u></u>

1. GENERAL INFORMATION

Joy City Property Limited (the “**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”) was incorporated in Bermuda with limited liability and its ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The principal activity of the Company is investment holding. The Company’s subsidiaries are principally involved in investment holding, property investment and development and hotel operations.

The immediate holding company of the Company is Grandjoy Holdings Group Co., Ltd (“**Grandjoy Holdings**”, formally known as COFCO Property (Group) Co., Ltd.), a company established in the People’s Republic of China (the “**PRC**”) with its A shares listed on the Shenzhen Stock Exchange. In the opinion of the directors of the Company (the “**Directors**”), the ultimate holding company of the Company is COFCO Corporation, a company established in the PRC.

The condensed consolidated financial statements are presented in Renminbi (“**RMB**”), the currency of the primary economic environment in which most of the group entities operate (the functional currency of the Company and most of the entities comprising the Group), and all values are rounded to the nearest thousand (’000) unless otherwise indicated.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 June 2021 have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with the applicable disclosure requirements of Appendix 16 to The Rules Governing the Listing of Securities on the Stock Exchange. The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s financial statements for the year ended 31 December 2020.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

Other than changes in accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2020.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatory effective for the annual period beginning on or after 1 January 2021 for the preparation of the Group’s condensed consolidated financial statements:

Amendment to HKFRS16	<i>COVID-19 Related Rent Concessions</i>
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	<i>Interest Rate Benchmark Reform – Phase 2</i>

The application of the amendments to HKFRSs in the current period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable for goods sold and services rendered during the period.

The Group is organised into certain business units according to the nature of goods sold or services provided. The operating segments of the Group are determined by the Directors based on the business units by reference to the goods sold or services provided. These business units are the basis of internal reports provided to the Executive Directors, the chief operating decision maker (“CODM”), for the purposes of resources allocation and performance assessment.

The operating segments of the entities comprising the Group with similar economic characteristics and similar nature of goods sold or services provided have been aggregated into different reportable segments as follows:

Property investment	Property letting and related services
Property and land development	Development and sale of properties, and development of lands
Hotel operations	Hotel ownership and management
Output management project	Provision of output management services
Other services	Provision of miscellaneous services

An analysis of the Group’s revenue for the period is as follows:

	Six months ended	
	30.06.2021	30.06.2020
	<i>RMB’000</i>	<i>RMB’000</i>
	(Unaudited)	(Unaudited)
Property investment and development:		
Rental income from investment properties and related services	1,987,665	1,630,816
Sales of properties held for sale	2,138,713	1,633,258
Output management project	86,507	64,504
Other service income	26,512	26,245
	<u>4,239,397</u>	<u>3,354,823</u>
Hotel operations:		
Hotel room revenue	327,589	123,670
Other ancillary services	105,088	46,842
	<u>432,677</u>	<u>170,512</u>
Total revenue	<u><u>4,672,074</u></u>	<u><u>3,525,335</u></u>

Disaggregation of revenue from contract with customers

For the six months ended 30 June 2021

	Property investment RMB'000	Property and land development RMB'000	Hotel operations RMB'000	Output management project RMB'000	Other services RMB'000	Total RMB'000
Revenue from contracts with customers	<u>178,662</u>	<u>2,138,713</u>	<u>432,677</u>	<u>86,507</u>	<u>26,512</u>	<u>2,863,071</u>
Geographical markets						
Mainland China	175,203	2,138,713	432,677	65,613	26,453	2,838,659
Hong Kong	<u>3,459</u>	<u>–</u>	<u>–</u>	<u>20,894</u>	<u>59</u>	<u>24,412</u>
	<u>178,662</u>	<u>2,138,713</u>	<u>432,677</u>	<u>86,507</u>	<u>26,512</u>	<u>2,863,071</u>
Timing of revenue recognition						
A point in time	–	2,138,713	105,088	–	–	2,243,801
Over time	<u>178,662</u>	<u>–</u>	<u>327,589</u>	<u>86,507</u>	<u>26,512</u>	<u>619,270</u>
	<u>178,662</u>	<u>2,138,713</u>	<u>432,677</u>	<u>86,507</u>	<u>26,512</u>	<u>2,863,071</u>

Set out below is reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

For the six months ended 30 June 2021

	Property investment RMB'000	Property and land development RMB'000	Hotel operations RMB'000	Output management project RMB'000	Other services RMB'000	Total RMB'000
Revenue from contracts with customers						
External customers	178,662	2,138,713	432,677	86,507	26,512	2,863,071
Inter-segment	<u>5,894</u>	<u>–</u>	<u>–</u>	<u>54,902</u>	<u>20,746</u>	<u>81,542</u>
Total	<u>184,556</u>	<u>2,138,713</u>	<u>432,677</u>	<u>141,409</u>	<u>47,258</u>	<u>2,944,613</u>
Rental revenue	1,810,295	–	–	–	–	1,810,295
Rental adjustments	<u>(1,292)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(1,292)</u>
Revenue from rental total	<u>1,809,003</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,809,003</u>
Inter-segment elimination	<u>(5,894)</u>	<u>–</u>	<u>–</u>	<u>(54,902)</u>	<u>(20,746)</u>	<u>(81,542)</u>
Revenue disclosed in segment information	<u>1,987,665</u>	<u>2,138,713</u>	<u>432,677</u>	<u>86,507</u>	<u>26,512</u>	<u>4,672,074</u>

Disaggregation of revenue from contract with customers

For the six months ended 30 June 2020

	Property investment RMB'000	Property and land development RMB'000	Hotel operations RMB'000	Output management project RMB'000	Other services RMB'000	Total RMB'000
Revenue from contracts with customers	<u>192,017</u>	<u>1,633,258</u>	<u>170,512</u>	<u>64,504</u>	<u>26,245</u>	<u>2,086,536</u>
Geographical markets						
Mainland China	182,539	1,633,258	170,512	46,106	26,180	2,058,595
Hong Kong	<u>9,478</u>	<u>–</u>	<u>–</u>	<u>18,398</u>	<u>65</u>	<u>27,941</u>
	<u>192,017</u>	<u>1,633,258</u>	<u>170,512</u>	<u>64,504</u>	<u>26,245</u>	<u>2,086,536</u>
Timing of revenue recognition						
A point in time	–	1,633,258	46,842	–	–	1,680,100
Over time	<u>192,017</u>	<u>–</u>	<u>123,670</u>	<u>64,504</u>	<u>26,245</u>	<u>406,436</u>
	<u>192,017</u>	<u>1,633,258</u>	<u>170,512</u>	<u>64,504</u>	<u>26,245</u>	<u>2,086,536</u>

Set out below is reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

For the six months ended 30 June 2020

	Property investment RMB'000	Property and land development RMB'000	Hotel operations RMB'000	Output management project RMB'000	Other services RMB'000	Total RMB'000
Revenue from contracts with customers						
External customers	192,017	1,633,258	170,512	64,504	26,245	2,086,536
Inter-segment	<u>5,517</u>	<u>–</u>	<u>–</u>	<u>52,472</u>	<u>10,791</u>	<u>68,780</u>
Total	<u>197,534</u>	<u>1,633,258</u>	<u>170,512</u>	<u>116,976</u>	<u>37,036</u>	<u>2,155,316</u>
Rental revenue	1,440,091	–	–	–	–	1,440,091
Rental adjustments	<u>(1,292)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(1,292)</u>
Revenue from rental total	<u>1,438,799</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,438,799</u>
Inter-segment elimination	<u>(5,517)</u>	<u>–</u>	<u>–</u>	<u>(52,472)</u>	<u>(10,791)</u>	<u>(68,780)</u>
Revenue disclosed in segment information	<u>1,630,816</u>	<u>1,633,258</u>	<u>170,512</u>	<u>64,504</u>	<u>26,245</u>	<u>3,525,335</u>

Information regarding the above segments is reported below.

Segment revenue and segment results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June 2021 (Unaudited)

	Property investment RMB'000	Property and land development RMB'000	Hotel operations RMB'000	Output management project RMB'000	Other services RMB'000	Segment total RMB'000	Inter- segment elimination RMB'000	Total RMB'000
Segment revenue								
External customers	1,988,957	2,138,713	432,677	86,507	26,512	4,673,366	-	4,673,366
Inter-segment revenue	<u>5,894</u>	<u>-</u>	<u>-</u>	<u>54,902</u>	<u>20,746</u>	<u>81,542</u>	<u>(81,542)</u>	<u>-</u>
Consolidated	<u>1,994,851</u>	<u>2,138,713</u>	<u>432,677</u>	<u>141,409</u>	<u>47,258</u>	<u>4,754,908</u>	<u>(81,542)</u>	<u>4,673,366</u>
Rental adjustments								<u>(1,292)</u>
Revenue as presented in condensed consolidated statement of profit or loss								<u>4,672,074</u>
Segment results	<u>1,232,996</u>	<u>217,074</u>	<u>33,025</u>	<u>110,370</u>	<u>(4,407)</u>	<u>1,589,058</u>	-	1,589,058
Unallocated corporate income and other gains								157,154
Unallocated corporate expenses and other losses								(135,913)
Finance costs								(380,533)
Share of profits of associates								9,292
Share of profits of joint ventures								<u>150,586</u>
Profit before tax as presented in condensed consolidated statement of profit or loss and other comprehensive income								<u>1,389,644</u>

Segment revenue and segment results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June 2020 (Unaudited)

	Property investment <i>RMB'000</i>	Property and land development <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Output management project <i>RMB'000</i>	Other services <i>RMB'000</i>	Segment total <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue								
External customers	1,632,108	1,633,258	170,512	64,504	26,245	3,526,627	–	3,526,627
Inter-segment revenue	<u>5,517</u>	<u>–</u>	<u>–</u>	<u>52,472</u>	<u>10,791</u>	<u>68,780</u>	<u>(68,780)</u>	<u>–</u>
Consolidated	<u>1,637,625</u>	<u>1,633,258</u>	<u>170,512</u>	<u>116,976</u>	<u>37,036</u>	<u>3,595,407</u>	<u>(68,780)</u>	<u>3,526,627</u>
Rental adjustments								<u>(1,292)</u>
Revenue as presented in condensed consolidated statement of profit or loss								<u>3,525,335</u>
Segment results	<u>1,166,653</u>	<u>686,908</u>	<u>(99,076)</u>	<u>69,706</u>	<u>(19,045)</u>	<u>1,805,146</u>	–	1,805,146
Unallocated corporate income and other gains								126,097
Unallocated corporate expenses and other losses								(232,597)
Finance costs								(512,033)
Share of profits of associates								549
Share of losses of joint ventures								<u>(120,251)</u>
Profit before tax as presented in condensed consolidated statement of profit or loss and other comprehensive income								<u>1,066,911</u>

Inter-segment revenue was charged at prices agreed between group entities.

Segment revenue represents revenue earned by each segment without rental adjustments for property letting relating to the recognition of rental income from operating lease on a straight-line basis over the term of the relevant lease. Segment results represents the profit earned/loss incurred by each segment without allocation of certain items incurred for management purpose, including certain other income, other gains and losses, distribution and selling costs, administrative expenses, finance costs, share of results of associates and joint ventures. The above is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

Segment assets and liabilities

Segment assets and liabilities are not disclosed in the condensed consolidated financial statements as they are not regularly provided to the CODM for the purposes of resources allocation and performance assessment.

5. OTHER INCOME

An analysis of the Group's other income for the period is as follows:

	Six months ended	
	30.06.2021	30.06.2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income from:		
Banks	72,359	54,127
A non-banking financial institution (<i>Note a</i>)	8,092	4,785
Loans to joint ventures	2,574	14,686
Loans to associates	57,082	85,081
Loan to non-controlling interests	1,833	1,632
Government grants (<i>Note b</i>)	15,163	12,250
Refund of PRC value added tax and surcharges	–	545
Others	6,300	540
	<u>163,403</u>	<u>173,646</u>

Notes:

- a. *The non-banking financial institution is COFCO Finance Corporation Limited (“COFCO Finance”), a fellow subsidiary of the Group.*
- b. *Various government grants have been received for developments in certain provinces in Mainland China. The government grants mainly related to discretionary awards granted by local governments to certain subsidiaries of the Group to award their contributions to the local development. There are no unfulfilled conditions or contingencies relating to these grants.*

6. OTHER GAINS AND LOSSES

An analysis of the Group's other gains and losses, for the period are as follows:

	Six months ended	
	30.06.2021	30.06.2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss on disposal of property, plant and equipment	(881)	(845)
Exchange gain/(loss), net	49,850	(85,630)
Gain on derecognition of payables	–	38,737
Others	8,554	21,456
	<u>57,523</u>	<u>(26,282)</u>

7. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	Six months ended	
	30.06.2021	30.06.2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on:		
Bank borrowings	362,715	490,881
Loans from a non-banking financial institution (<i>Note</i>)	36,654	28,920
Loans from fellow subsidiaries	2,312	4,027
Loan from non-controlling interests	28,308	25,079
Loan from a joint venture	13,359	–
Loans from third parties	161,614	99,037
Bonds payable	74,559	100,681
Lease liabilities	6,365	3,989
Others	4,534	8,903
	<hr/>	<hr/>
Total interest expenses	690,420	761,517
	<hr/>	<hr/>
Less: interest capitalised in:		
Investment properties under development	(78,332)	(69,546)
Properties under development for sale	(231,555)	(179,938)
	<hr/>	<hr/>
	(309,887)	(249,484)
	<hr/>	<hr/>
Finance costs	380,533	512,033
	<hr/>	<hr/>

Note: The non-banking financial institution is COFCO Finance, a fellow subsidiary of the Group.

8. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	Six months ended	
	30.06.2021	30.06.2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Amortisation:		
– Intangible assets (included in cost of sales)	2,034	2,146
– Intangible assets (included in administrative expenses)	3,999	5,508
– Intangible assets (included in distribution and selling costs)	951	886
	6,984	8,540
Depreciation of property, plant and equipment	113,676	115,454
Depreciation of right-of-use assets	35,448	35,839
Total depreciation and amortisation	156,108	159,833
Cost of sales and services rendered:		
Cost of properties sold	1,812,787	860,696
Direct operating expenses incurred for investment properties that generated rental income	388,173	323,564
Direct operating expenses arising from provision of property management and related services	47,459	35,473
Direct operating expenses from hotel services provided	283,957	199,351
	2,532,376	1,419,084

9. INCOME TAX EXPENSE

	Six months ended	
	30.06.2021	30.06.2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current tax:		
PRC Enterprise Income Tax	182,343	154,499
Land Appreciation Tax	12,031	196,416
Hong Kong Profits Tax	8,534	12,076
	<u>202,908</u>	<u>362,991</u>
Under/(over) provision in prior years:		
PRC Enterprise Income Tax	1,744	(3,586)
Deferred tax	234,367	264,153
	<u>439,019</u>	<u>623,558</u>

10. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company is based on the following data:

	Six months ended	
	30.06.2021	30.06.2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Earnings		
Earnings for the purpose of basic earnings per share		
(Profit for the period attributable to owners of the Company)	<u>613,507</u>	<u>114,639</u>
Number of shares ('000)		
For the purpose of basic earnings per share:		
Number of ordinary shares	14,231,125	14,231,125
Number of non-redeemable convertible preference shares	<u>1,095,301</u>	<u>1,095,301</u>
Number of shares for the purpose of basic earnings per share	<u>15,326,426</u>	<u>15,326,426</u>

The number of shares used for the purpose of calculating basic earnings per share for the six months ended 30 June 2021 and 2020 is calculated on the basis of the number of ordinary shares of the Company and non-redeemable convertible preference shares in issue during the periods.

The calculation of the diluted earnings per share for the six months ended 30 June 2021 and 2020 did not assume the exercise of the written put option on shares of a subsidiary as the dilution effect resulting from the impact of earnings is not considered material.

11. DIVIDENDS

During the current interim period, a final dividend of HK3 cents per share in respect of the year ended 31 December 2020 (six months ended 30 June 2020: HK4 cents per share in respect of the year ended 31 December 2019) was declared to the owners of the Company. The aggregate amount of the final dividend declared in the current interim period amounted to RMB381,136,000 (six months ended 30 June 2020: RMB562,173,000).

The Directors have determined that no dividend will be paid in respect of the current interim period (six months ended 30 June 2020: nil).

12. ACCOUNTS RECEIVABLE

	30.06.2021 RMB'000 (Unaudited)	31.12.2020 RMB'000 (Audited)
Rental receivables	149,048	151,860
Property management fee receivables	8,751	3,196
Receivables from hotel operations and related services	23,833	23,631
Others	538	1,748
Less: Allowance for credit losses	(35,842)	(35,668)
	146,328	144,767
Rental adjustments*	9,908	11,200
	156,236	155,967

* *Rental adjustments relating to the recognition of rental income from operating lease on a straight-line basis over the term of the relevant lease.*

At 30 June 2021, accounts receivable with an aggregate carrying amount of RMB18,951,000 (31 December 2020: RMB9,055,000) were pledged to secure certain banking facilities granted to the Group.

The Group does not hold any collateral over the above balances.

The following is an aged analysis of accounts receivable at the end of the reporting period (excluding rental adjustments and net of allowance for credit losses) presented based on invoice date, except for the aged analysis of rental receivables which were presented based on the date of rental demand notice issued:

	30.06.2021	31.12.2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Less than 3 months	81,958	97,063
3 months to 1 year	52,110	42,148
1 to 2 years	11,029	4,190
2 to 3 years	1,231	1,366
	<u>146,328</u>	<u>144,767</u>

13. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS AND OTHER ITEMS SUBJECT TO EXPECTED CREDIT LOSS (“ECL”) MODEL

	Six months ended	
	30.06.2021	30.06.2020
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Impairment loss recognised in respect of:		
– accounts receivable	5,367	1,681
– deposits and other receivables	2,381	113
	<u>7,748</u>	<u>1,794</u>

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2020.

14. ACCOUNTS PAYABLE

	30.06.2021 <i>RMB'000</i> (Unaudited)	31.12.2020 <i>RMB'000</i> (Audited)
Trade payables	32,949	44,231
Accrued expenditure on construction	<u>6,698,462</u>	<u>7,080,040</u>
	<u>6,731,411</u>	<u>7,124,271</u>

Accounts payable, including trade payables and accrued expenditure on construction, mainly comprise construction costs and other project-related expenses in relation to properties under development for sale which are payable based on project progress measured by the Group. Trade payables are generally with credit period of 60 to 90 days, except for the retention monies of certain construction costs of which the retention period is up to 2 years.

The following is an aged analysis of trade payables at the end of the reporting period based on invoice date.

	30.06.2021 <i>RMB'000</i> (Unaudited)	31.12.2020 <i>RMB'000</i> (Audited)
Within 1 year	32,734	42,814
1 to 2 years	–	–
2 to 3 years	–	–
Over 3 years	<u>215</u>	<u>1,417</u>
	<u>32,949</u>	<u>44,231</u>

15. SHARE CAPITAL

Ordinary share capital of the Company

	Number of shares	Amount <i>HK\$'000</i>	(RMB equivalent) <i>RMB'000</i>
Authorised:			
<i>Ordinary shares of HK\$0.10 each</i>			
At 1 January 2020, 30 June 2020, 1 January 2021 and 30 June 2021	<u>28,904,699,222</u>	<u>2,890,470</u>	<u>2,293,502</u>
Issued and fully paid:			
<i>Ordinary shares of HK\$0.10 each</i>			
At 1 January 2020, 30 June 2020, 1 January 2021 and 30 June 2021	<u>14,231,124,858</u>	<u>1,423,112</u>	<u>1,122,414</u>

BUSINESS REVIEW

Market Review

During the first half of the year, China witnessed its national economy display a trajectory of consolidation and improvement amidst stability. Calculated on the basis of comparable prices, GDP experienced a year-on-year increase of 12.7% in the first half of the year. With gradual improvement of consumption, total retail sales of consumer goods saw a year-on-year uptick of 23.0% for the first half of the year. During the period under review, the Chinese real estate market remained heated. National commercial housing sales area and sales climbed to historic new highs, amounting to approximately 890 million square metres and RMB9.3 trillion, which represented year-on-year growth of 27.7% and 38.9%, respectively. With lasting price hikes in real estate, 100 cities recorded an aggregate 1.7% increase in their prices of newly built residential housing in the first half of the year, 0.4 percentage point higher than such increase in the same period of last year.

With respect to commercial real estate, thawing domestic consumption propelled the fast recovery of brick-and-mortar business, as store rental demand rebounded gradually. During the first half of 2021, store rental levels turned around across the shopping malls of key commercial districts in China, registering an average increase of 0.31% as compared to the second half of 2020 for the 100 MALL stores, which comprised 100 typical shopping malls as samples. For the period under review, insurance capital and asset management institutions proactively acquired premium commercial and office properties domestically. Meanwhile, spurred by macro policies, market environment and consumption trends, a host of fresh trends has emerged in the spectrum of commercial real estate, such as merger, acquisition and renovation, small and medium-sized shopping malls, light assets and securitisation of commercial real estate.

Business Review

During the period under review, the Group gave full play to its strengths to ensure stable development in its four business segments, namely investment properties, property development, hotel operations, output management and other services.

Business Review on Investment Properties

The Group remains committed to stable development and comprehensive operation. Over the first half of the year, the Group's shopping malls actively worked on original IP activities, propelling sales to fresh record highs. Meanwhile, with regard to commercial real estate, the Group was listed among the "TOP20 Influential Companies of Commercial Real Estate in 2020" (2020年度商業不動產影響力企業TOP20排行榜) and in "Mall China List of Commercial IP Value" (中購聯商業IP價值榜單), and obtained eminent industry awards such as ECI Awards "Most Innovative Service Provider of the Year" (年度最具創新力服務機構), all of which have cemented the Group's industry influence. With respect to the office building business, the Group ramped up the execution of its 3C operations service system to raise customer satisfaction and loyalty as well as lease renewal. During the period under review, the Group recorded rental revenue of approximately RMB1.34 billion from its shopping mall business, with a year-on-year increase of 29%.

	Six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
Rental income from investment properties and related services income (RMB million)	<u>1,987.7</u>	<u>1,630.8</u>

The table below sets forth the rental income and occupancy rate of the major investment properties of the Group for the six months ended 30 June 2021:

Project	City	Use/intended use	Rental income (RMB million)	Occupancy rate (%)
Xidan Joy City Shopping Mall	Beijing	Retail	316.7	98
Xidan Joy City Offices	Beijing	Office	22.5	92
Chaoyang Joy City Shopping Mall	Beijing	Retail	329.3	99
Tianjin Joy City Shopping Mall	Tianjin	Retail	232.4	98
Shanghai Jing'an Joy City Shopping Mall	Shanghai	Retail	85.7	84
Shenyang Joy City Shopping Mall	Shenyang	Retail	123.2	95
Yantai Joy City Shopping Mall	Yantai	Retail	59.6	88
Chengdu Joy City Shopping Mall	Chengdu	Retail	122.2	96
Hangzhou Joy City Shopping Mall	Hangzhou	Retail	75.1	93
COFCO Plaza Offices	Beijing	Office and Retail	146.7	91
Fraser Suites Top Glory Shanghai	Shanghai	Serviced apartment	63.5	91
Hong Kong COFCO Tower	Hong Kong	Office and Retail	29.4	73
COFCO • Landmark Tower	Beijing	Office and Retail	86.3	92
Total			<u>1,692.6</u>	

The table below sets forth the rental income and occupancy rate of the major investment properties of the Group for the six months ended 30 June 2020:

Project	City	Use/intended use	Rental income (RMB million)	Occupancy rate (%)
Xidan Joy City Shopping Mall	Beijing	Retail	266.9	97
Xidan Joy City Offices	Beijing	Office	21.0	87
Chaoyang Joy City Shopping Mall	Beijing	Retail	217.2	97
Tianjin Joy City Shopping Mall	Tianjin	Retail	172.2	96
Shanghai Jing'an Joy City Shopping Mall	Shanghai	Retail	73.5	88
Shenyang Joy City Shopping Mall	Shenyang	Retail	98.5	96
Yantai Joy City Shopping Mall	Yantai	Retail	50.7	91
Chengdu Joy City Shopping Mall	Chengdu	Retail	85.0	93
Hangzhou Joy City Shopping Mall	Hangzhou	Retail	79.0	90
COFCO Plaza Offices	Beijing	Office and Retail	148.5	92
Fraser Suites Top Glory Shanghai	Shanghai	Serviced apartment	59.4	88
Hong Kong COFCO Tower	Hong Kong	Office and Retail	41.0	87
COFCO • Landmark Tower	Beijing	Office and Retail	79.6	87
Total			<u>1,392.5</u>	

Business Review on Property Development

Persisting with its strategy of intensive marketing, the Group rolled out a series of marketing campaigns on the occasion of the Dragon Boat Festival and the June 18th Shopping Festival, launched a sales mini-program named “Joy Property Purchase GO” (大悦房嗨GO) as its online marketing channel, and promoted the “3H Healthy Living System” on a comprehensive scale, which yielded a positive marketing effect. For the period under review, the Group recorded approximately RMB12.2 billion in contracted sales of property development, representing a year-on-year increase of 78.6% over 2020.

For the six months ended 30 June 2021, the contracted sales amount and contracted sales area of each region achieved by the Group are as follows:

Region	Contracted sales		Contracted sales area	
	1H2021 (RMB million)	1H2020 (RMB million)	1H2021 (sq.m.)	1H2020 (sq.m.)
Shanghai	6,413.2	3,313.4	56,857.1	30,037.0
Hainan	902.0	4.8	28,478.6	130.4
Southwest China	458.8	544.0	20,762.3	26,890.5
Zhejiang	164.0	155.0	5,825.0	4,839.9
Shandong	1,169.4	582.3	82,454.8	37,041.8
Southern Jiangsu	2,645.5	1,361.4	102,002.0	56,397.0
Central China	463.5	879.9	15,387.6	47,025.4
Total	<u>12,216.4</u>	<u>6,840.8</u>	<u>311,767.4</u>	<u>202,362.0</u>

Business Review on Hotel Operation

Embracing innovative operation, the Group works to develop differentiated products by means of cross-sector cooperation and theme suites, obtaining decent revenue and market recognition. During the period under review, the Group’s hotel business recorded stellar performance with operating revenue of approximately RMB432.7 million, representing a year-on-year increase of 153.8%.

	Six months ended 30 June	
	2021 (Unaudited)	2020 (Unaudited)
Sales revenue from hotel operations (RMB million)	<u>432.7</u>	<u>170.5</u>

The table below sets forth the average occupancy rate, RevPAR and average room rate of the hotels of the Group for the six months ended 30 June 2021:

Project	City	Use/Intended use	Average occupancy rate (%)	RevPAR (RMB)	Average room rate (RMB)
The St. Regis Sanya Yalong Bay Resort	Sanya	Resort	66	1,391	2,104
MGM Grand Sanya	Sanya	Resort	91	1,259	1,380
Cactus Resort Sanya by Gloria	Sanya	Resort	46	141	307
Waldorf Astoria Beijing	Beijing	Business Inn	47	954	2,042
Joy City Hotel & Apartment Beijing	Beijing	Hotel	74	478	641

The table below sets forth the average occupancy rate, RevPAR and average room rate of the major hotels of the Group for the six months ended 30 June 2020:

Project	City	Use/Intended use	Average occupancy rate (%)	RevPAR (RMB)	Average room rate (RMB)
The St. Regis Sanya Yalong Bay Resort	Sanya	Resort	31	563	1,626
MGM Grand Sanya	Sanya	Resort	37	421	1,155
Cactus Resort Sanya by Gloria	Sanya	Resort	20	66	342
Waldorf Astoria Beijing	Beijing	Business Inn	22	548	2,643
Joy City Hotel & Apartment Beijing	Beijing	Hotel	14	114	800

Business Review on Output Management and Other Services

The Group fully leveraged the appeal and operation capability of “Joy City” as a brand, and maintained its development strategy that combined light and heavy assets. For the period under review, the Group operated such projects as Tianjin Heping Joy City, Kunming Joy City, Shanghai Parkside Joy City, Xi’an Joy City and Anshan Joy City based on a light-asset model, coupled with Shaoxing Guojin Joy City as a new project under its management output, as the brand influence continued to rise. During the “14th Five-Year” period, the Group will center on first-tier, second-tier and prominent third-tier cities, and expedite the expansion of its light-asset commercial projects.

Financial Review

Revenue

For the six months ended 30 June 2021, the Group's operating revenue was RMB4,672.1 million (same period of 2020: RMB3,525.3 million), representing a year-on-year increase of 32.5%. This was mainly because the increase of settlement area delivered, resulting in a year-on-year increase in sales revenue. Meanwhile, the COVID-19 pandemic in the first half of 2021 has been controlled in an effective manner, which had a positive impact on retail and hotel markets, and all business segments achieved year-on-year growth in revenue.

For the six months ended 30 June 2021, gross rental income from investment property and related services income of the Group was approximately RMB1,987.7 million, accounting for approximately 42.5% of the total revenue, representing an increase of 21.9% as compared with RMB1,630.8 million for the same period of 2020. In particular, the rental income from Joy City amounted to approximately RMB1,344.1 million, representing an increase of 28.9% as compared with RMB1,043.0 million for the same period of 2020.

Revenue from property development amounted to RMB2,138.7 million, accounting for approximately 45.8% of the total revenue, representing an increase of 30.9% compared with RMB1,633.3 million for the same period of 2020. In the first half of 2021, the delivery products scale in regions such as Qingdao and Chongqing increased, the settlement area was 149,719 sq.m., representing an increase of approximately 173.8% as compared with 54,672 sq.m. for the same period of 2020.

Revenue from hotel operations amounted to RMB432.7 million, accounting for approximately 9.3% of the total revenue, representing an increase of 153.8% as compared with RMB170.5 million for the same period of 2020, mainly due to the pandemic is well controlled in mainland China, especially the recovery of tourism market in Sanya, which brought positive impact on hotel market.

Total revenue from output management projects was approximately RMB86.5 million, accounting for approximately 1.9% of the total revenue, representing an increase of 34.1% as compared with the same period of 2020. The new acquisitions of Beijing Huijing Twin Towers, Wuxi Jiangnan Joy City in the previous year were successfully promoted, the good operation of these projects contributed to the stable cash flow of the Group.

Total revenue from other services was approximately RMB26.5 million, accounting for approximately 0.6% of the total revenue, representing an increase of 1.0% as compared with the same period of 2020.

Cost of Sales and Gross Profit Margin

For the six months ended 30 June 2021, the Group's cost of sales and services was approximately RMB2,532.4 million (for the same period of 2020: RMB1,419.1 million), representing a year-on-year increase of 78.5%. For the first half of 2021, the overall gross profit margin was approximately 45.8%, representing a decrease of 13.9 percentage points as compared with 59.7% for the same period of 2020. Due to the changes in the structure of products delivered, the gross profit margin of property development decreased by 32.1 percentage points from the same period last year. The gross profit margin of investment properties during the current period remained basically the same as that of the same period last year. Revenue from hotels increased significantly year-on-year, and the gross profit margin of hotel operations turned from negative to positive during the current period.

Profit

For the six months ended 30 June 2021, the Group's profit amounted to approximately RMB950.6 million (for the same period of 2020: RMB443.4 million), representing a year-on-year increase of 114.4%; of which the profit attributable to the owners of the Company amounted to approximately RMB613.5 million, representing an increase of 435.2% as compared with the same period of last year. Excluding the fair value change after tax of investment properties and the impacts of exchange rate changes, the core net profit attributable to the owners of the Company for this period amounted to approximately RMB714.0 million, representing an increase of 421.1% as compared with the same period of last year.

Business Outlook

Looking forward, new trends in consumption and working in the post-epidemic era as well as new applications of Internet technology will accelerate the formation of a new development layout in the commercial real estate industry. Operations are more important than ever while full pipeline operations will be more sought after. Digital transformation will become an important direction in the commercial real estate field, providing support and protection for corporate development. Asset-light mode will also become an important way for the leading companies in the commercial real estate field to reserve high-quality projects and achieve expansion. In this regard, the Group will continue to act as a leader of commercial operation, adhere to the development path of prioritization, accelerate the pace of asset-light expansion, facilitate urban development with responsibility and accountability, and promote continuous upgrades of urban commerce and a better life.

LIQUIDITY AND FINANCIAL POSITION

	As at 30 June 2021 RMB (million) (Unaudited)	As at 31 December 2020 RMB (million) (Audited)
Total assets	128,495.9	124,167.3
Cash and cash equivalents (including restricted bank deposits and pledged deposits)	10,327.2	16,242.6
Total borrowings*	35,107.0	34,862.7
Total equity	56,353.2	53,594.9
Current ratio	1.49	1.51
Net debt to total equity ratio**	44.0%	34.7%
Weighted average borrowing cost	4.07%	4.36%

*: *Total borrowings include bank borrowings, loans from fellow subsidiaries, joint ventures, non-controlling shareholders and third parties and corporate bonds.*

**: *The net debt to total equity ratio is calculated as net borrowings divided by total equity, in which the net borrowings are calculated as total borrowings less cash and cash equivalents.*

As at 30 June 2021, the Group had total assets of approximately RMB128,495.9 million (as at 31 December 2020: approximately RMB124,167.3 million). Total equity of the Group was approximately RMB56,353.2 million, representing an increase of approximately 5.1% as compared with RMB53,594.9 million as at 31 December 2020.

As at 30 June 2021, bank and other interest-bearing borrowings amounted to approximately RMB35,107.0 million, representing an increase of 0.7% as compared to RMB34,862.7 million as at 31 December 2020. The net debt to total equity ratio was approximately 44.0%, representing an increase of 9.3 percentage points as compared to 34.7% as at 31 December 2020. Among the interest-bearing borrowings, 61.7% were denominated in RMB while 38.3% were denominated in HKD and USD.

The Group is committed to optimizing the Company's capital structure and reducing borrowing costs. The Company has the financing advantages from multiple platforms in domestic and overseas and could be able to obtain financing at a lower cost and help the development of the Group.

As at 30 June 2021, by maintaining a good bank-enterprise relationship, the Group kept the average borrowing cost rate at 4.07%, representing a decrease of 0.29 percentage point as compared with the annual average borrowing cost rate of 4.36% in 2020, and capital cost remained at a relatively low level in the industry.

In view of the Group's current cash and bank balances, the management of the Company believes that the Group's financial resources are sufficiently available for its future development.

EMPLOYEES AND REMUNERATION POLICIES

The Group attaches great importance to the development of talents. We improve the employment mechanism, expand recruitment channels, pay equal attention to social recruitment and campus recruitment, and create a diversified talent team. The Group establish a comprehensive talent training system with core of “Golden Helmsman”, “Golden Seed”, and supplemented by “Joy Seminar”. Through the “Team Members Competition” programme, the “Team Members Swapping” programme and the “Team Members Training” programme, it opens up internal talent exchange channels. Based on the market, we continuously optimize remuneration and benefits, and establish an incentive system consisting of “Performance Commission”, “Special Award”, and “Annual Evaluation”, so as to stimulate employee creativity. Eventually, a human resource management system with the concept of “Company and employees grow together” is formed, and a streamlined and efficient staff team is built, which provide strong talent support for the realization of the Group’s strategic goals. As of 30 June 2021, the Group had 4,342 employees in total.

The Group continues to improve its remuneration and welfare policies, so as to attract and motivate professionals and create the implementation of performance-promotion strategy. We continue to reference market salary levels, provide employees with market-competitive salaries, and offer comprehensive welfare guarantees. The Group provides medical insurance for employees in Hong Kong and provides retirement benefits through the Mandatory Provident Fund Scheme (MPF Scheme). In Mainland China, employees are provided with basic pension insurance, medical insurance, maternity insurance, work injury insurance, unemployment insurance, and housing provident fund in accordance with relevant provincial and municipal laws and regulations. In addition, the Group cooperates with commercial insurance companies to provide employees with supplementary medical insurance and accident insurance; implements supplementary pension plans for “Enterprise Annuity” for eligible companies, thus establishes a multi-level pension insurance system, and better guarantees employees’ living standards after retirement. Through a comprehensive remuneration and welfare system, the Group establishes a harmonious labor relationship with its employees.

EVENTS AFTER THE END OF THE PERIOD UNDER REVIEW

On 28 July 2021, the Board announced that Mr. Zhang Jianguo is resigned as the chief financial officer of the Company and Mr. Wu Lipeng has been appointed as the chief financial officer of the Company.

INTERIM DIVIDEND

The Board resolved not to distribute any interim dividend for the six months ended 30 June 2021 (for the same period of 2020: Nil).

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with an emphasis on the principles of transparency, accountability and independence. The Company has adopted all code provisions in the CG Code as its own code on corporate governance. The Board considers that during the six months ended 30 June 2021, the Company had complied with all code provisions as set out in the CG Code except for code provision E.1.2. Code provision E.1.2 stipulates that the chairman of the board of directors should attend the annual general meeting. The Chairman of the Board was unable to attend the annual general meeting of the Company on 18 June 2021 due to travel restrictions during the COVID-19 pandemic, Mr. LAU Hon Chuen, Ambrose, the independent non-executive Director, chaired the annual general meeting on behalf of the Chairman of the Board and was available to answer questions.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as its code of conduct regarding directors’ securities transactions. After specific enquiry by the Company, all directors have confirmed that they had complied with the required standards set out in the Model Code throughout the six months ended 30 June 2021.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the six months ended 30 June 2021, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the HKEXnews website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.joy-cityproperty.com). The Interim Report 2021 of the Company will be published on the above websites and dispatched to shareholders in due course.

By Order of the Board
JOY CITY PROPERTY LIMITED
YOU Wei
Chairman

The PRC, 26 August 2021

As at the date of this announcement, the Board comprises Mr. YOU Wei (Chairman) and Mr. CAO Ronggen as executive Directors; 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.

GLOSSARY

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

“Board”	the board of Directors;
“Company”	Joy City Property Limited (formerly known as COFCO Land Holdings Limited), a company incorporated in Bermuda with limited liability, whose Shares are listed on the main board of the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“RevPAR”	revenue per available room, which is calculated by dividing the total hotel room revenue by the total number of room nights available for sale in a given period;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.