

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.



NETJOY HOLDINGS LIMITED

云想科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2131)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY

ACQUISITION

The Board is pleased to announce that on December 16, 2022 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Agreement, pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell the Property at the Consideration of RMB65,000,000.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio(s) in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

The Board is pleased to announce that on December 16, 2022 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Agreement, pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell the Property at the Consideration of RMB65,000,000.

THE AGREEMENT

Date

December 16, 2022

Parties

- (1) The Vendor: Xi'an Fengdong Free Trade Industrial Park Development Co., Ltd.
- (2) The Purchaser: Netjoy Digital (Xi'an) Information Technology Co., Ltd.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, the Vendor and its ultimate beneficial owners are Independent Third Parties.

Property to be acquired

The Property is located at Building 9, Fengdong Free Trade Industrial Park Phase II, No. 2168 Zhenghesi Road, Fengdong New City, Xixian New District, Xi'an, Shaanxi Province, China, has a total of five floors and a gross floor area of approximately 5,131.49 square meters. The Property is not and has not been used for lease. The Company intends to use the Property as the Group's office upon signing the Agreement.

Consideration and payment terms

The Consideration for the Acquisition is RMB65,000,000 and shall be payable by the Purchaser to the Vendor in the following manner:

- (a) the first installment of RMB13,000,000, representing approximately 20% of the Consideration, shall be paid by the Purchaser to the Vendor within 30 days upon signing of the Agreement;
- (b) the second installment of RMB6,500,000, representing approximately 10% of the Consideration, shall be paid by the Purchaser to the Vendor within 15 days after the Purchaser has occupied the park where the Property is located and the Property has been examined and accepted by the Purchaser;
- (c) the third installment of RMB39,000,000, representing approximately 60% of the Consideration, shall be paid by the Purchaser to the Vendor within 30 working days after the mortgage on the Property is released, the Vendor obtains the approval document for transfer and the transfer of the title of the real estate can be registered; and
- (d) the remaining balance of the Consideration is RMB6,500,000, representing approximately 10% of the Consideration, shall be paid by the Purchaser to the Vendor within 10 working days after the title of the real estate is transferred to Purchaser.

The Consideration was determined after arm's length negotiations between the Parties on normal commercial terms with reference to, among other things, (i) the prevailing market prices of properties of similar nature available in the localities; and (ii) the current property market sentiment of China. The Consideration will be funded by the Group's internal resources.

Completion

The completion shall take place on or before April 1, 2023 (in the case that the delivery date cannot be met for special reasons as agreed in the Agreement, the date of Completion will be automatically postponed).

INFORMATION ON THE GROUP AND PURCHASER

The Group is a leading one-stop short video marketing solution platform service provider in China and is principally engaged in online marketing solutions business, software-as-a-service (SaaS), and other businesses. The online marketing solutions business provides customers with integrated services covering the entire industry chain, including production, distribution, trading, and commercialization of mobile short-form video content. Software-as-a-service (SaaS) offers platform subscription and advertisement delivery services to customers. Other businesses include live streaming business, pan-entertainment business as well as the exhibition business and so on.

The Purchaser is a company incorporated in Xi'an, Shaanxi Province, the PRC, on November 18, 2022, with limited liability and is an indirect wholly-owned subsidiary of the Company and is principally engaged in various businesses of online marketing solutions.

INFORMATION ON THE VENDOR

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, the Vendor is a state-owned corporation jointly established by Xi'an Fengdong International Auto City Development Co., Ltd. (西安灃東國際車城發展有限公司) and Xi'an Fengdong Auto City Park Investment Management Partnership (西安灃東車城園區投資管理合夥企業), which own 62.5% and 37.5% equity interest in the Vendor, respectively. Xi'an Fengdong International Auto City Development Co., Ltd. is owned as to approximately 92.35% by Xi'an Fengdong Holding Co., Ltd. (西安灃東控股有限公司), which is in turn owned as to 100% by the Fengdong New City Management Committee of Xixian New District Shaanxi Province. Therefore, the Vendor is controlled by the Fengdong New City Management Committee of Xixian New District Shaanxi Province. The Fengdong New City Management Committee of Xixian New District Shaanxi Province is a government institution. The Vendor is a limited liability company incorporated on July 26, 2013 in Xi'an, Shaanxi Province, the PRC, and is principally engaged in real estate development and operation, engineering management services, park management services, and property management, etc.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, the Vendor and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Xi'an as the largest central city in northwest of China and a significant national center for scientific research and education and holds a crucial strategic position in the development of interior China. Xi'an has 63 colleges and universities, and the average salary of college graduates in 2021 is approximately 45% lower than that in first-tier cities such as Beijing, Shanghai, and Guangzhou, which has the advantages of talent concentration and low cost. Meanwhile, the Fengdong Free Trade Industrial Park is the first batch of digital economy demonstration park in Shaanxi Province, which has industrial aggregation effect and influence. The Board believes that the acquisition of the property in Xi'an will reduce future rental costs while extending the low-cost employee structure and operational capacity and optimizing the Group's future operation and management expenses, which is in the Group's best interests. To

improve its domestic business layout, the Group aims to use the Property for office purposes, including but not limited to live e-commerce and short-video marketing businesses, etc., in accordance with the rapid development and future expansion of its business.

The Board considers that the Acquisition and the terms of the Agreement including the Consideration are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio(s) in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the Agreement
“Agreement”	the sell and purchase agreement dated December 16, 2022, entered into between the Parties in relation to the Acquisition
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of China and Taiwan
“Company”	Netjoy Holdings Limited (云想科技控股有限公司), a company incorporated in the Cayman Islands with limited liability on March 29, 2019, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2131)
“Completion”	the agreed estimated delivery date under the Agreement
“Consideration”	the consideration in the sum of RMB65,000,000 payable by the Purchaser to the Vendor for the Acquisition
“Director(s)”	the director(s) of the Company
“Group”	the Company together with its subsidiaries and consolidated affiliated entities

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	a third party in person or corporation(s) independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	the parties to the Agreement, i.e., the Vendor and the Purchaser
“Property”	located at Building 9, Fengdong Free Trade Industrial Park Phase II, No. 2168 Zhenghesi Road, Fengdong New City, Xixian New District, Xi’an, Shaanxi Province, China
“Purchaser”	Netjoy Digital (Xi’an) Information Technology Co., Ltd. (云想數科(西安)信息技術有限公司), and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Xi’an Fengdong Free Trade Industrial Park Development Co., Ltd. (西安灃東自貿產業園發展有限公司), a limited liability company established in Xi’an, Shaanxi Province, China
“%”	per cent.

By order of the Board
Netjoy Holdings Limited
XU Jiaqing
Chairman of the Board

Shanghai, the PRC, December 16, 2022

As at the date of this announcement, the Board comprises Mr. XU Jiaqing, Mr. WANG Chen, Mr. LIN Qian and Ms. ZHA Lijun as executive Directors; Mr. DAI Liqun and Mr. WANG Jianshuo as non-executive Directors; and Mr. CHEN Changhua, Dr. RU Liyun and Ms. CUI Wen as independent non-executive Directors.