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JOY CITY PROPERTY LIMITED
大悦城地產有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 207)

VOLUNTARY ANNOUNCEMENT

PUBLIC TENDER PROCESS
IN RELATION TO THE POTENTIAL DISPOSAL OF
100% EQUITY INTEREST IN A SUBSIDIARY

This is a voluntary announcement made by Joy City Property Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”).

BACKGROUND

Shanghai Top Glory Real Estate Development Co., Ltd.* (上海鵬利置業發展有限公司) (“**Shanghai Top Glory**”) is a company established in the People’s Republic of China (the “**PRC**”) with limited liability and an indirect wholly-owned subsidiary of the Company. Shanghai Top Glory mainly holds the buildings no. 5, 6 and 7 at Ocean One (海景壹號), a luxury residential project, which is managed as Fraser Suites serviced apartment (輝盛閣國際公寓) and located at the CBD of Lujiazui in the Pudong New Area of Shanghai, the PRC with an aggregate saleable floor area of approximately 49,212 square meters.

The board of directors (the “**Board**”) of the Company announces that the Company intends to dispose of 100% equity interest of Shanghai Top Glory (the “**Potential Disposal**”) by way of a public tender process (the “**Public Tender**”) to be conducted through the Shanghai United Assets and Equity Exchange* (上海聯合產權交易所有限公司) (“**Shanghai Equity Exchange**”).

REASONS FOR AND BENEFITS OF THE POTENTIAL DISPOSAL

The Potential Disposal is expected to facilitate the revitalisation of the Group’s assets and to re-allocate the Group’s resources to enhance its effectiveness.

PUBLIC TENDER PROCESS FOR THE POTENTIAL DISPOSAL

The Public Tender will be conducted through the Shanghai Equity Exchange and the bidding period for the Public Tender (the “**Bidding Period**”) has not officially commenced as of the date of this announcement. Upon commencement of the Bidding Period, interested parties may apply to bid in the Public Tender in accordance with the requirements of the Shanghai Equity Exchange and applicable PRC laws and regulations. Upon the expiry of the Bidding Period, the qualified bidder who offers the highest effective bid price will be the successful bidder. For further information relating to the Potential Disposal, please refer to the announcement published by the Company’s controlling shareholder, Grandjoy Holdings Group Co., Ltd.,* (大悦城控股集团股份有限公司) (stock code: 000031.SZ) on the website designated by the China Securities Regulatory Commission on 28 July 2023 (<http://www.cninfo.com.cn>).

The minimum consideration for the Potential Disposal (the “**Minimum Consideration**”) of RMB4,142,392,300 is based on the equity value of Shanghai Top Glory as at 31 March 2023 as appraised by an independent valuer and filed with the relevant regulators of state-owned assets in the PRC. The final consideration for the Potential Disposal will depend on the final bid price offered by any successful bidder, which will be no less than the Minimum Consideration.

Taking into consideration of the Minimum Consideration, the highest applicable percentage ratio (as defined under Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) in respect of the Potential Disposal is expected to be more than 75%. Therefore, the Potential Disposal, if materialised, may constitute a very substantial disposal of the Company and may be subject to the reporting, announcement, circular and the approval by the Company’s shareholders requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, the Bidding Period has not officially commenced and no binding agreement with respect to the Potential Disposal has been entered into by the Company. As the Potential Disposal may or may not proceed, shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. The Company will make further announcement(s) in compliance with the Listing Rules if and when appropriate.

** 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, 28 July 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.