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ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

HIGHLIGHTS

- Total operating revenue amounted to RMB8,123.8 million, representing a year-on-year decrease of 5.8%, of which revenue from the property development amounted to RMB5,480.8 million, representing a year-on-year decrease of 8.3%, and the average settlement unit price was approximately RMB30,614 per sq.m., representing a year-on-year increase of 33%.
- Profit attributable to owners of the Company amounted to RMB104.7 million, representing a year-on-year decrease of 26.6%. Excluding the total losses of the after-tax fair value losses on investment properties attributable to owners of the Company and the exchange losses attributable to owners of the Company of approximately RMB139.5 million, the core net profit attributable to owners of the Company (non-HKFRS) was approximately RMB244.2 million, representing a year-on-year increase of 25.1%.
- By maintaining sound bank-enterprise relationships, actively expanding financing channels, and optimising the financing structure, the Group achieved an average financing cost of approximately 3.59% during the period, which remains at a relatively low level within the industry.

INTERIM RESULTS

The Board announces the unaudited condensed consolidated results of the Group for the six months ended 30 June 2025 together with the comparative figures for the six months ended 30 June 2024.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

	NOTES	Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	4	8,123,840	8,622,134
Cost of sales and services rendered		<u>(5,326,969)</u>	<u>(5,905,391)</u>
Gross profit		2,796,871	2,716,743
Other income	5	88,389	225,251
Other gains and losses, net	6	(181,692)	(194,630)
Impairment losses under expected credit loss model, net of reversal	13	(17,733)	(37,775)
Distribution and selling costs		(382,460)	(393,585)
Administrative expenses		(367,651)	(346,477)
Fair value gain/(losses) on investment properties		4,694	(52,356)
Finance costs	7	(563,302)	(727,990)
Share of profits/(losses) of associates		14,301	(16,387)
Share of (losses)/profits of joint ventures		<u>(7,983)</u>	<u>150,063</u>
Profit before tax	8	1,383,434	1,322,857
Income tax expense	9	<u>(711,575)</u>	<u>(564,134)</u>
Profit for the period		<u>671,859</u>	<u>758,723</u>
Profit for the period attributable to:			
Owners of the Company		104,657	142,585
Holders of perpetual capital instruments		86,754	96,010
Non-controlling interests		<u>480,448</u>	<u>520,128</u>
		<u>671,859</u>	<u>758,723</u>
Basic and diluted earnings per share	10	<u>RMB0.7 cents</u>	<u>RMB0.9 cents</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Profit for the period	<u>671,859</u>	<u>758,723</u>
Other comprehensive income/(expenses):		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation	91,193	(54,371)
Fair value gain on hedging instruments designated in cash flow hedges	<u>(3,852)</u>	<u>(66,901)</u>
Other comprehensive income/(expense) for the period	<u>87,341</u>	<u>(121,272)</u>
Total comprehensive income for the period	<u><u>759,200</u></u>	<u><u>637,451</u></u>
 Total comprehensive income for the period attributable to:		
Owners of the Company	191,998	21,313
Holders of perpetual capital instruments	86,754	96,010
Non-controlling interests	<u>480,448</u>	<u>520,128</u>
	<u><u>759,200</u></u>	<u><u>637,451</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	NOTE	30.06.2025 RMB '000 (Unaudited)	31.12.2024 RMB '000 (Audited)
Non-current assets			
Investment properties		55,885,784	55,645,208
Property, plant and equipment		2,779,150	2,765,556
Right-of-use assets		1,428,564	1,450,670
Intangible assets		71,679	103,797
Interests in associates		3,648,035	3,675,206
Interests in joint ventures		6,886,207	6,894,190
Loan to an associate		364,295	372,062
Loans to non-controlling interests		—	834,060
Amounts due from non-controlling interests		16,549	18,493
Financial assets at fair value through profit or loss		510	510
Goodwill		184,297	184,297
Deposits		152,488	151,494
Deferred tax assets		341,552	356,800
		<u>71,759,110</u>	<u>72,452,343</u>
Current assets			
Inventories		12,991	13,469
Properties held for sale		6,957,239	6,654,121
Properties under development for sale		26,150,697	29,502,092
Accounts receivable	12	71,108	81,630
Contract costs		215,153	228,615
Deposits, prepayments and other receivables		3,582,521	3,564,157
Amounts due from fellow subsidiaries		21,413	18,245
Amounts due from associates		934,616	937,447
Amounts due from joint ventures		99,224	87,224
Amounts due from non-controlling interests		54,492	39,450
Loans to associates		1,560,116	1,554,553
Loans to non-controlling interests		1,176,433	342,373
Tax recoverable		575,002	556,539
Hedging instruments		318	3,982
Restricted bank deposits		119,748	65,744
Pledged deposits		2,411	2,410
Cash and bank balances		16,778,011	19,120,129
		<u>58,311,493</u>	<u>62,772,180</u>
TOTAL ASSETS		<u>130,070,603</u>	<u>135,224,523</u>

	NOTE	30.06 2025 RMB'000 (Unaudited)	31.12 2024 RMB'000 (Audited)
Current liabilities			
Accounts payable	14	3,749,035	4,309,380
Other payables and accruals		6,285,073	6,463,911
Contract liabilities		11,746,433	14,484,718
Lease liabilities		59,232	65,703
Amount due to the ultimate holding company		4	4
Amount due to an intermediate holding company		616	690
Amounts due to fellow subsidiaries		431,174	437,144
Amounts due to associates		662,492	644,347
Amounts due to joint ventures		181,170	146,027
Amounts due to non-controlling interests		533,850	342,296
Loan from a fellow subsidiary		219,138	165,332
Loan from an associate		284,200	258,334
Loan from a joint venture		2,250,000	2,250,000
Loan from a third party		2,400,000	1,200,000
Loan from a non-controlling interest		11,515	—
Bank borrowings		3,722,951	4,465,332
Income tax and land appreciation tax payables		567,449	569,516
Deferred income		3,726	3,916
Bonds payable		1,024,371	1,881,164
Hedging instruments		1,008	—
		<u>34,133,437</u>	<u>37,687,814</u>
Net current assets		<u>24,178,056</u>	<u>25,084,366</u>
Total assets less current liabilities		<u><u>95,937,166</u></u>	<u><u>97,536,709</u></u>
Non-current liabilities			
Other payables and accruals		515,298	571,994
Lease liabilities		231,579	256,634
Amount due to a joint venture		58,800	58,800
Loan from a fellow subsidiary		2,940	60,131
Loan from an associate		1,507,822	1,547,022
Loan from a joint venture		3,574,800	3,574,800
Loan from a third party		—	1,200,000
Bank borrowings		25,803,523	25,372,083
Deferred tax liabilities		7,261,737	7,299,423
Bonds payable		1,199,050	2,198,546
		<u>40,155,549</u>	<u>42,139,433</u>
Net assets		<u><u>55,781,617</u></u>	<u><u>55,397,276</u></u>

	<i>NOTE</i>	30.06.2025 <i>RMB'000</i> (Unaudited)	31.12.2024 <i>RMB'000</i> (Audited)
Capital and reserves			
Share capital	15	1,122,414	1,122,414
Reserves		28,602,079	28,410,081
		<hr/>	<hr/>
Equity attributable to owners of the Company		29,724,493	29,532,495
Perpetual capital instruments		5,256,525	5,179,771
Non-controlling interests		20,800,599	20,685,010
		<hr/>	<hr/>
Total equity		55,781,617	55,397,276
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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL INFORMATION

Joy City Property Limited (the “**Company**”) 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, Grandjoy Holdings Group Co., Ltd (“**Grandjoy Holdings Group**”), 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 2025 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 (“**HKICPA**”) and the applicable disclosure requirements of Appendix D2 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 2024.

3. 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.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except as described below.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2025:

Amendments to HKAS21	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions 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 purpose of resource 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, which is also turnover of the Group, for the period is as follows:

	Six months ended	
	30.6.2025	30.6.2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Property investment and development:		
Rental income from investment properties and related services	2,037,959	2,090,723
Sales of properties held for sale	5,480,798	5,975,356
Output management project	107,211	72,957
Other service income	31,712	15,580
	7,657,680	8,154,616
Hotel operations	466,160	467,518
Total revenue	8,123,840	8,622,134

Disaggregation of revenue from contract with customers

For the six months ended 30 June 2025 (Unaudited)

	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	340,296	5,480,798	466,160	107,211	31,712	6,426,177
Geographical markets						
Mainland China	330,151	5,480,798	466,160	85,600	28,814	6,391,523
Hong Kong	10,145	–	–	21,611	2,898	34,654
	340,296	5,480,798	466,160	107,211	31,712	6,426,177
Timing of revenue recognition						
A point in time	–	5,480,798	111,739	–	–	5,592,537
Over time	340,296	–	354,421	107,211	31,712	833,640
	340,296	5,480,798	466,160	107,211	31,712	6,426,177

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 2025 (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>	Total <i>RMB'000</i>
Revenue from contracts with customers						
External customers	340,296	5,480,798	466,160	107,211	31,712	6,426,177
Inter-segment	29,369	—	7	48,707	14,841	92,924
Total	369,665	5,480,798	466,167	155,918	46,553	6,519,101
Revenue from rental total	1,697,663	—	—	—	—	1,697,663
Inter-segment elimination	(29,369)	—	(7)	(48,707)	(14,841)	(92,924)
Revenue disclosed in segment information	2,037,959	5,480,798	466,160	107,211	31,712	8,123,840

For the six months ended 30 June 2024 (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>	Total <i>RMB'000</i>
Revenue from contracts with customers	341,529	5,975,356	467,518	72,957	15,580	6,872,940
Geographical markets						
Mainland China	334,155	5,975,356	467,518	51,295	12,520	6,840,844
Hong Kong	7,374	—	—	21,662	3,060	32,096
	341,529	5,975,356	467,518	72,957	15,580	6,872,940
Timing of revenue recognition						
A point in time	—	5,975,356	112,781	—	—	6,088,137
Over time	341,529	—	354,737	72,957	15,580	784,803
	341,529	5,975,356	467,518	72,957	15,580	6,872,940

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 2024 (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>	Total <i>RMB'000</i>
Revenue from contracts with customers						
External customers	341,529	5,975,356	467,518	72,957	15,580	6,872,940
Inter-segment	195,744	—	4	49,291	49,207	294,246
Total	<u>537,273</u>	<u>5,975,356</u>	<u>467,522</u>	<u>122,248</u>	<u>64,787</u>	<u>7,167,186</u>
Revenue from rental total	<u>1,749,194</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,749,194</u>
Inter-segment elimination	<u>(195,744)</u>	<u>—</u>	<u>(4)</u>	<u>(49,291)</u>	<u>(49,207)</u>	<u>(294,246)</u>
Revenue disclosed in segment information	<u>2,090,723</u>	<u>5,975,356</u>	<u>467,518</u>	<u>72,957</u>	<u>15,580</u>	<u>8,622,134</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 2025 (Unaudited)

For the six months ended 30 June 2025 (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	2,037,959	5,480,798	466,160	107,211	31,712	8,123,840	–	8,123,840
Inter-segment revenue	29,369	–	7	48,707	14,841	92,924	(92,924)	–
Consolidated	<u>2,067,328</u>	<u>5,480,798</u>	<u>466,167</u>	<u>155,918</u>	<u>46,553</u>	<u>8,216,764</u>	<u>(92,924)</u>	<u>8,123,840</u>
Revenue as presented in consolidated statement of profit or loss								<u>8,123,840</u>
Segment results	<u>1,228,102</u>	<u>633,149</u>	<u>47,266</u>	<u>101,242</u>	<u>30,901</u>	<u>2,040,660</u>	<u>–</u>	<u>2,040,660</u>
Unallocated corporate income and other gains								32,655
Unallocated corporate expenses and other losses								(124,121)
Finance costs								(563,302)
Share of profits of associates								14,301
Share of losses of joint ventures								(7,983)
Impairment loss recognised on loan to associates and amount due from a joint venture and non-controlling interests								<u>(8,776)</u>
Profit before tax as presented in consolidated statement of profit or loss								<u>1,383,434</u>

Six months ended 30 June 2024 (Unaudited)

Six months ended 30 June 2024 (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	2,090,723	5,975,356	467,518	72,957	15,580	8,622,134	–	8,622,134
Inter-segment revenue	195,744	–	4	49,291	49,207	294,246	(294,246)	–
Consolidated	<u>2,286,467</u>	<u>5,975,356</u>	<u>467,522</u>	<u>122,248</u>	<u>64,787</u>	<u>8,916,380</u>	<u>(294,246)</u>	<u>8,622,134</u>
Revenue as presented in consolidated statement of profit or loss								<u>8,622,134</u>
Segment results	<u>1,211,774</u>	<u>496,354</u>	<u>41,875</u>	<u>123,905</u>	<u>64,803</u>	<u>1,938,711</u>	<u>71</u>	<u>1,938,782</u>
Unallocated corporate income and other gains								122,948
Unallocated corporate expenses and other losses								(111,633)
Finance costs								(727,990)
Share of losses of associates								(16,387)
Share of profits of joint ventures								150,063
Impairment loss recognised on loan to an associate and amount due from a joint venture								<u>(32,926)</u>
Profit before tax as presented in consolidated statement of profit or loss								<u>1,322,857</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, certain other gains and losses, certain distribution and selling costs, certain administrative expenses, finance costs, share of profits/losses of associates and joint ventures and impairment loss recognised on loan to an associate, amount due from a joint venture, amount due from a non-controlling interest.

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	
	30.06.2025	30.06.2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income from:		
Banks	50,269	117,679
A non-banking financial institution (<i>Note a</i>)	13,386	16,581
Loans to non-controlling interests	18,255	20,814
Government grants (<i>Note b</i>)	5,478	68,214
Others	1,001	1,963
	<u>88,389</u>	<u>225,251</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, NET

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

	Six months ended	
	30.06.2025	30.06.2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Gain/(loss) on disposal of property, plant and equipment	2,700	(79)
Impairment loss on properties held for sales	(135,896)	—
Impairment loss on properties under development for sale	—	(191,998)
Exchange losses, net	(59,559)	(1,145)
Others	11,063	(1,408)
	<u>(181,692)</u>	<u>(194,630)</u>

7. FINANCE COSTS

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

	Six months ended	
	30.06.2025	30.06.2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Interest on:		
Bank borrowings	522,511	559,599
Loan from a non-banking financial institution (<i>Note</i>)	—	3,678
Loans from fellow subsidiaries	6,409	7,736
Loans from non-controlling interests	12	1,628
Loan from an associate	4,803	4,993
Loans from joint ventures	33,154	106,512
Loans from third parties	62,143	176,795
Bonds payable	43,228	65,938
Lease liabilities	7,061	12,299
Others	12,472	29,920
	<hr/>	<hr/>
Total interest expenses	691,793	969,098
	<hr/>	<hr/>
Less: interest capitalised in:		
Investment properties under development	—	(5,463)
Properties under development for sale	(128,491)	(235,645)
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	(128,491)	(241,108)
	<hr/>	<hr/>
Finance costs	563,302	727,990
	<hr/>	<hr/>

Note:

The non-banking financial institution is COFCO Finance.

8. PROFIT BEFORE TAX

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

	Six months ended	
	30.06.2025	30.06.2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Amortisation:		
– Intangible assets (included in cost of sales)	2,196	2,334
– Intangible assets (included in administrative expenses)	1,707	1,940
– Intangible assets (included in distribution and selling costs)	444	304
	4,347	4,578
Depreciation of property, plant and equipment	84,095	88,367
Depreciation of right-of-use assets	40,137	38,003
Total depreciation and amortisation	128,579	130,948
Cost of sales and services rendered:		
Cost of properties sold	4,502,249	5,076,074
Direct operating expenses incurred for investment properties that generated rental income	457,549	469,843
Direct operating expenses arising from provision of property management and related services	43,974	28,205
Direct operating expenses from hotel services provided	323,197	331,269
	5,326,969	5,905,391

9. INCOME TAX EXPENSE

	Six months ended	
	30.06.2025	30.06.2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current tax:		
PRC Enterprise Income Tax	373,486	381,222
PRC Dividend Withholding Tax	213,022	—
Land Appreciation Tax	101,154	97,287
Hong Kong Profits Tax	10,803	12,866
	<u>698,465</u>	<u>491,375</u>
Under/(over) provision in prior years:		
PRC Enterprise Income Tax	35,340	(4,951)
Land Appreciation Tax	—	(138,363)
	<u>35,340</u>	<u>(143,314)</u>
Deferred tax	<u>(22,230)</u>	<u>216,073</u>
	<u><u>711,575</u></u>	<u><u>564,134</u></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	
	30.06.2025	30.06.2024
	<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>104,657</u>	<u>142,585</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><u>15,326,426</u></u>	<u><u>15,326,426</u></u>

The number of shares used for the purpose of calculating basic earnings per share for the six months ended 30 June 2025 and 2024 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.

No diluted earnings per share for the six months ended 30 June 2025 and 30 June 2024 was presented as there was no potential ordinary shares in issue.

11. DIVIDENDS

No dividend in respect of ordinary shares has been proposed, paid or declared by the Company for the current and prior periods.

12. ACCOUNTS RECEIVABLE

	30.06.2025	31.12.2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Lease receivables	62,865	69,989
Property management fee receivables	3,358	3,937
Receivables from hotel operations and related services	16,495	14,045
Others	2,613	16,740
Less: Allowance for credit losses	(14,223)	(23,081)
	71,108	81,630

At 30 June 2025, accounts receivable with an aggregate carrying amount of approximately RMB42,531,000 (31 December 2024: RMB4,347,000) 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:

	30.06.2025	31.12.2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Audited)
Less than 3 months	59,716	67,478
3 months to 1 year	7,078	6,952
1 to 2 years	3,085	5,383
2 to 3 years	1,229	1,817
	71,108	81,630

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

	Six months ended	
	30.06.2025	30.06.2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Impairment loss recognised (reversal of) in respect of:		
– accounts receivable	(338)	2,285
– deposits and other receivables	5,740	(834)
– loan to an associate	7,211	9,926
– amounts due from fellow subsidiaries	3,555	3,398
– amount due from a joint venture	1,514	23,000
– amount due from a non-controlling interest	51	–
	17,733	37,775

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 2025 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2024.

14. ACCOUNTS PAYABLE

	30.06.2025 <i>RMB'000</i> (Unaudited)	31.12.2024 <i>RMB'000</i> (Audited)
Trade payables	8,024	11,362
Accrued expenditure on construction	3,741,011	4,298,018
	<u>3,749,035</u>	<u>4,309,380</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.

	30.06.2025 <i>RMB'000</i> (Unaudited)	31.12.2024 <i>RMB'000</i> (Audited)
Within 1 year	<u>8,024</u>	<u>11,362</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 2024, 30 June 2024, 1 January 2025 and 30 June 2025	<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 2024, 30 June 2024, 1 January 2025 and 30 June 2025	<u>14,231,124,858</u>	<u>1,423,112</u>	<u>1,122,414</u>

16. EVENTS AFTER THE REPORTING PERIOD

Pursuant to the announcement of the Company dated 31 July 2025, the board of the Company resolved to put forward the proposal to the scheme shareholders for the proposed share buy-back of the Company by way of a scheme of arrangement under Section 99 of the Companies Act (the “**Scheme**”).

Assuming that there are no changes in the issued share capital of the Company from the announcement date up to and including the Scheme record date, the proposal will involve the cancellation of 4,729,765,214 scheme shares in exchange for the cancellation price of HK\$0.62 per scheme share, and the maximum cash consideration payable by the Company under the proposal is approximately HK\$2,932,454,433.

The Company proposes to finance the cash consideration payable under the proposal by internal resources and/or external debt financing.

Upon the Scheme becoming effective, all scheme shares will be cancelled and the share certificates in respect of the scheme shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange of Hong Kong for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules immediately following the scheme becoming effective.

BUSINESS REVIEW

Market Review

In the first half of 2025, China introduced a series of policies to support the expansion of domestic demand, promote production, and facilitate economic circulation. The national economy withstood pressure, and overall economic operations remained stable. In the first half of the year, the GDP reached approximately RMB66.05 trillion, representing a year-on-year increase of 5.3% at constant prices. Driven by a series of policies to boost consumption and expand domestic demand, China's consumer market has seen a rebound in sales growth, with sales of upgraded consumer goods performing well. In the first half of the year, the total retail sales of consumer goods nationwide amounted to approximately RMB24.55 trillion, representing a year-on-year increase of 5.0%.

In the real estate industry, in the first half of 2025, China's real estate industry as a whole was still in the process of bottoming out. Various regions and departments, by the decisions and requirements of the central government, implemented city-specific policies to promote the stabilization and recovery of the real estate market. From the perspective of policy effectiveness, real estate market transaction volume has improved, and the year-on-year decline in commercial housing sales has narrowed. From January to June, the sales area of newly built commercial housing nationwide was approximately 45,900 square meters, representing a year-on-year decrease of 3.5%, and the sales amounted to approximately RMB4.42 trillion, representing a year-on-year decrease of 5.5%. In terms of housing prices, the decline in market prices generally narrowed in the first half of the year. In June 2025, the price index of newly built commercial housing in 70 large and medium-sized cities in China decreased by 3.7% year on year. Sales prices of newly built commercial housing in first-tier cities decreased by 1.4% year-on-year, with the decline narrowing by 0.3 percentage points from the previous month; sales prices of newly built commercial housing in second- and third-tier cities decreased by 3.0% and 4.6% year-on-year, respectively, with the declines narrowing by 0.5 and 0.3 percentage points, respectively.

In terms of commercial real estate, national policies to promote consumption continued to show effect in the first half of the year, accelerating the recovery of the consumer market. The overall operating performance of shopping malls in key cities remained relatively stable, and the decline in rents narrowed. The increase in turnover of commercial projects in some core business districts, coupled with the introduction of high-quality brands such as first stores and flagship stores, has provided strong support for rental income. In the first half of the year, over 120 newly opened centralized commercial projects were put into operation nationwide, with a total gross floor area of approximately 9 million square meters, both representing a decrease compared to the same period last year. Looking ahead to the second half of 2025, it is expected that the country will continue to introduce more policies to expand domestic demand, boost consumption, and increase residents' income. The consumer market is likely to maintain its current steady recovery, and the demand for retail shop leasing in key cities is expected to continue to be unleashed.

Business Review

During the period under review, the Group gave full play to its strengths to ensure stable development of its four business segments, namely investment properties, property development, hotel operations, and output management and other services. The Group's operating revenue was approximately RMB8,123.8 million (corresponding period in 2024: RMB8,622.1 million), representing a year-on-year decrease of 5.8%, mainly due to a decrease in the settlement area of property development business and a year-on-year decrease in property development revenue during the period. The Group recorded cost of sales and services rendered of approximately RMB5,327.0 million (corresponding period in 2024: RMB5,905.4 million), representing a year-on-year decrease of 9.8%. The overall gross profit margin was 34.4%, representing a year-on-year increase of 2.9 percentage points, mainly due to the growth in gross profit margin from the settlement of properties for sale, leading to an overall increase in gross profit margin.

Business Review on Investment Properties

The Group's shopping malls continued to strengthen commercial operation and created multiple marketing campaigns to lead the way in consumption innovation, which had achieved satisfactory results. The Group also won various awards during the period under review, further enhancing its brand influence.

During the period under review, total rental income from investment properties and related services income amounted to approximately RMB2,038.0 million, representing a year-on-year decrease of 2.5%, mainly due to the inclusion of Chengdu Joy City in the corresponding period of last year. The gross profit margin of the investment properties business was 78%, which remained broadly stable on a year-on-year basis. Income from shopping malls and office buildings contributed approximately 88% and 9% of the total revenue, respectively.

The Group's shopping malls recorded rental income of RMB1,468.2 million, representing a year-on-year decrease of 3%. The average occupancy rate of the shopping malls was 93%, representing a year-on-year decrease of 3 percentage points.

The Group's office building business recorded rental income of approximately RMB166.9 million during the period under review.

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Rental income from investment properties and related services income (RMB million)	<u>2,038.0</u>	<u>2,090.7</u>

The table below sets forth the rental income and occupancy rates of the Group’s major investment properties for the first half of 2025:

Project	City	Use	Rental income (RMB million)	Occupancy rate (%)
Beijing Xidan Joy City Shopping Mall	Beijing	Retail	284.8	95
Beijing Chaoyang Joy City Shopping Mall	Beijing	Retail	317.8	94
Tianjin Nankai Joy City Shopping Mall	Tianjin	Retail	230.2	98
Shanghai Jing’an Joy City Shopping Mall	Shanghai	Retail	130.9	95
Shenyang Joy City Shopping Mall	Shenyang	Retail	132.8	95
Yantai Joy City Shopping Mall	Yantai	Retail	31.7	92
Hangzhou Joy City Shopping Mall	Hangzhou	Retail	86.2	91
Suzhou Joy City Shopping Mall	Suzhou	Retail	75.6	93
Chongqing Joy City Shopping Mall***	Chongqing	Retail	5.5	85
Wuhan Joy City Shopping Mall	Wuhan	Retail	60.0	96
Chengdu Tianfu Joy City	Chengdu	Retail	32.7	96
Xiamen Joy City Shopping Mall*	Xiamen	Retail	29.0	100
Sanya Joy City Shopping Mall*	Sanya	Retail	47.7	100
Nanchang Joy City Shopping Mall*	Nanchang	Retail	3.5	94
Beijing Xidan Joy Center**	Beijing	Office	18.4	86
Beijing COFCO Plaza Offices	Beijing	Office and Retail	116.7	90
Hong Kong COFCO Tower	Hong Kong	Office and Retail	31.8	85
Total			<u>1,635.3</u>	

* Xiamen Joy City opened in September 2024, Sanya Joy City opened in October 2024, and Nanchang Joy City opened in May 2025.

** “Beijing Xidan Joy City Offices” was renamed “Beijing Xidan Joy Center”.

*** Chongqing Joy City implemented a tenant rent reduction policy to support business operations in June 2025.

The table below sets forth the rental income and occupancy rates of the Group's major investment properties for the first half of 2024:

Project	City	Use	Rental income (RMB million)	Occupancy rate (%)
Beijing Xidan Joy City Shopping Mall	Beijing	Retail	294.1	95
Beijing Chaoyang Joy City Shopping Mall	Beijing	Retail	318.8	95
Tianjin Nankai Joy City Shopping Mall	Tianjin	Retail	225.5	97
Shanghai Jing'an Joy City Shopping Mall	Shanghai	Retail	113.3	97
Shenyang Joy City Shopping Mall	Shenyang	Retail	132.2	96
Yantai Joy City Shopping Mall	Yantai	Retail	35.5	96
Chengdu Joy City Shopping Mall*	Chengdu	Retail	142.7	98
Hangzhou Joy City Shopping Mall	Hangzhou	Retail	78.9	97
Suzhou Joy City Shopping Mall	Suzhou	Retail	74.0	96
Chongqing Joy City Shopping Mall	Chongqing	Retail	17.5	86
Wuhan Joy City Shopping Mall	Wuhan	Retail	57.2	96
Chengdu Tianfu Joy City Shopping Mall	Chengdu	Retail	23.0	98
Beijing Xidan Joy City Offices	Beijing	Office	18.3	87
Beijing COFCO Plaza Offices	Beijing	Office and Retail	140.2	93
Hong Kong COFCO Tower	Hong Kong	Office and Retail	30.2	88
Total			<u>1,701.4</u>	

* The financial results of Chengdu Joy City will no longer be included in the Group's financial statements after 10 September 2024.

Business Review on Property Development

During the period under review, the Group's revenue derived from property development business was RMB5,480.8 million, representing a year-on-year decrease of 8.3%. The settlement area of properties delivered was approximately 175,101 sq.m., representing a year-on-year decrease of 32%. The average settlement unit price was approximately RMB30,614 per sq.m., representing a year-on-year increase of 33%. The gross profit margin of the property development business was 18% and the gross profit margin for the period increased by 3 percentage points as compared with the corresponding period of last year.

In the face of the current adjustments and transformations in the real estate industry, to ensure stable performance, the Group actively carried out synergistic marketing campaigns, created core node activities, and enhanced customer confidence and sales performance. The Group's contracted sales for the period under review decreased by 81.4% year on year to approximately RMB2,748.9 million. Contracted sales area was 164,178.1 sq.m., representing a year-on-year decrease of 63.3%. The average unit selling price was approximately RMB16,743.4 per sq.m., representing a year-on-year decrease of 49.3%.

For the first half of 2025, the Group's contracted sales amount and contracted sales area by region are as follows:

Region*	Contracted sales amount		Contracted sales area	
	For the six months ended 30 June		For the six months ended 30 June	
	2025	2024	2025	2024
	(RMB million)	(RMB million)	(sq.m.)	(sq.m.)
Northern China	1,140.7	2,307.4	70,536.0	127,495.9
Eastern China	625.7	10,584.4	38,784.4	256,242.5
Southern China	323.6	1,291.9	12,166.4	40,048.4
Southwest China	658.9	572.4	42,691.3	23,412.2
Total	<u>2,748.9</u>	<u>14,756.1</u>	<u>164,178.1</u>	<u>447,199.0</u>

* In 2024, Northeast China, Northwest China, and the Shandong area within Nanjing region combined into Northern China, collectively referred to as Northern China; Zhejiang region and the Nanjing area within Nanjing region combined into Eastern China, collectively referred to as Eastern China; Hainan region combined into Southern China, collectively referred to as Southern China; and the Wuhan area within Central China combined into Southwest China, collectively referred to as Southwest China.

Business Review on Hotel Operations

The Group's hotel business has strengthened operations, continuously enhancing hotel customer satisfaction and product premium capabilities by refining customer needs. During the period under review, the Group's revenue from hotel operations was approximately RMB466.2 million, which remained broadly stable on a year-on-year basis. The average occupancy rate of the hotels was 84%, representing a year-on-year increase of 4 percentage points.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Sales revenue from hotel operations (RMB million)	<u>466.2</u>	<u>467.5</u>

The table below sets forth the average occupancy rate, RevPAR and average room rate of each of the Group's major hotels for the first half of 2025:

Project	City	Use	Average occupancy rate (%)	RevPAR (RMB)	Average room rate (RMB)
The St. Regis Sanya Yalong Bay Resort	Sanya	Resort	80	1,568	1,978
MGM Grand Sanya	Sanya	Resort	91	1,197	1,327
Waldorf Astoria Beijing	Beijing	Business Hotel	70	1,761	2,534
Le Joy Hotel Beijing	Beijing	Hotel	85	632	748

The table below sets forth the average occupancy rate, RevPAR and average room rate of each of the Group's major hotels for the first half of 2024:

Project	City	Use	Average occupancy rate (%)	RevPAR (RMB)	Average room rate (RMB)
The St. Regis Sanya Yalong Bay Resort	Sanya	Resort	68	1,414	2,088
MGM Grand Sanya	Sanya	Resort	91	1,300	1,428
Waldorf Astoria Beijing	Beijing	Business Hotel	70	1,783	2,627
Le Joy Hotel Beijing	Beijing	Hotel	76	578	758

Business Review on Output Management

The Group's commercial segment remains committed to deepening presence in urban markets, engaging in long-term partnerships with high-quality property holders through asset-light operations and management outputs, thereby enhancing the commercial landscape and promoting high-quality urban economic development. During the period under review, the total revenue from output management projects was RMB107.2 million, representing a year-on-year increase of 47%, mainly due to the new management revenue from the Huaxia Joy City commercial REIT.

FINANCIAL REVIEW

Profit

During the period under review, the Group recorded profit of approximately RMB671.9 million, representing a year-on-year decrease of 11.4%. Of which: profit attributable to owners of the Company amounted to approximately RMB104.7 million representing a year-on-year decrease of 26.6%, mainly due to the decrease in share of profits of joint ventures. Excluding the total losses of the after-tax fair value losses on investment properties attributable to owners of the Company and the exchange losses attributable to owners of the Company of approximately RMB139.5 million, the core net profit attributable to owners of the Company (non-HKFRS) was approximately RMB244.2 million, representing a year-on-year increase of 25.1%.

The reconciliation between the profit attributable to owners of the Company and the core net profit attributable to owners of the Company (non-HKFRSs):

	Six months ended	
	30.06.2025	30.06.2024
	RMB million	RMB million
	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the Company	104.7	142.6
Excluding:		
After-tax fair value losses on investment properties*	(69.8)	(60.7)
Exchange (losses)/gains, net**	(69.7)	8.1
	(139.5)	(52.6)
Core net profit attributable to owners of the Company (non-HKFRSs)	244.2	195.2

* The amount is calculated based on the fair value losses on the Group companies' investment properties less related deferred income tax and the Group's shareholding ratio in the respective companies.

** The amount is calculated based on the Group companies' exchange (losses)/gains and the Group's shareholding ratio in the respective companies.

LIQUIDITY AND FINANCIAL POSITION

	30 June 2025	31 December 2024
	RMB (million)	RMB (million)
	(Unaudited)	(Audited)
Total assets	130,070.6	135,224.5
Cash and cash equivalents (including restricted bank deposits and pledged deposits)	16,900.2	19,188.3
Total interest-bearing borrowings*	42,000.3	44,172.7
Total equity	55,781.6	55,397.3
Current ratio	1.71	1.67
Net debt to total equity ratio**	45.0%	45.1%
Weighted average borrowing cost	3.59%	4.10%

*: Total interest-bearing borrowings include bank borrowings, loans from fellow subsidiaries, associates, 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 is calculated as total interest-bearing borrowings less cash and bank balances, and restricted and pledged bank deposits.

As at 30 June 2025, the Group had total assets of approximately RMB130,070.6 million (31 December 2024: approximately RMB135,224.5 million). The total equity of the Company was approximately RMB55,781.6 million, which was basically the same as RMB55,397.3 million as at 31 December 2023.

As at 30 June 2025, bank and other interest-bearing borrowings amounted to approximately RMB42,000.3 million, representing an decrease of 4.9% from RMB44,172.7 million as at 31 December 2024. The net debt to total equity ratio was approximately 45.0%, representing a slight decrease from 45.1% as at 31 December 2024. Among the interest-bearing borrowings, approximately 79% were denominated in RMB while approximately 21% were denominated in HKD and USD.

During the period under review, the Group maintained good relationships with banks and actively broadened financing channels to optimize its financing structure, and the average financing cost stood at 3.59%, representing a decrease of 0.51 percentage points compared to 2024, which remained at a relatively low level in the industry.

As at 30 June 2025, the Group had banking facilities of RMB57,930 million, including utilised facilities of approximately RMB37,027 million, all of which were denominated in RMB, HKD and USD, indicating that the Group had adequate access to financing and sufficient credit facilities.

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 POLICY

The Group attaches great importance to the selection, employment, training and retainment of talents. In this regard, the Group keeps improving its selection and employment mechanisms, expands recruitment channels, and places equal emphasis on social recruitment and campus recruitment, with the aim to build a diversified talent team. At present, the Group has established core training projects, including "Core Team Training Camp", "Golden Helmsman", "Golden Seed", "Class 3040", "Sword Casting Plan", "New Joy Training Camp", "Future Star Training Camp" and "Joy Seminar", with on-going efforts to improve its online learning system and revitalize internal training resources to create an all-round talent training system. Through internal recruitment, rotation training and basic training of young beginners and other forms, the Group has opened up channels for internal talents exchange. The Group provided employees with competitive salaries and comprehensive benefits by reference to prevailing market pay levels, further optimized its incentive system and adopted a performance-oriented approach to motivate its employees. These efforts have enabled the Group to create a human resources management system with a focus on achieving "common development of employer and employees", build a competent and efficient workforce and maintain harmonious and consistent labor relations with its employees, providing strong talent support for the Group in achieving its strategic objectives. During the period under review, the Group had a total of 3,470 employees.

The employees of the Group's subsidiaries which operate in the Mainland of China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme. Further, the Group's principal retirement benefits scheme available to its Hong Kong employees, namely the Mandatory Provident Fund, is also a defined contribution scheme which is administered by independent trustees. The Group is required to contribute to the Mandatory Provident Fund based on a certain percentage of the employees' salaries. The contributions made by the Group to the defined contribution schemes above are charged to the statement of profit or loss as they become payable in accordance with the rules of the respective defined contribution schemes. The only obligation of the Group with respect to such defined contribution schemes is to make the specified contributions. During the period under review, there was no forfeited contributions under the defined contribution schemes above. Accordingly, there was no forfeited contribution used by the Group during the year or available for the Group to reduce its existing level of contributions during the period under review.

OUTLOOK

Looking ahead to the second half of 2025, with the continued effects of the preceding series of policy optimizations, the property market is expected to bottom out and stabilize gradually. The impact of these policies will further materialize, with transaction activity likely to pick up first in key cities and core areas. The overall inventory reduction process is projected to accelerate, and critical progress is anticipated in mitigating sector risks, thereby providing substantial support to the broader economy. Meanwhile, with the in-depth implementation of pro-consumption policies and the marginal improvement in residents' income expectations, the consumer market is expected to continue its recovery momentum, with service consumption maintaining strong resilience and the potential for goods consumption continuously being unleashed. In the future, the Group will anchor its strategic positioning as "an outstanding service provider of urban operation and better life", precisely grasp emerging consumption hotspots and young consumption trends, deeply integrate various local policies and resources that promote consumption, and leverage the advantages of its commercial projects to continuously enhance brand influence and commercial competitiveness, thereby promoting the high-quality development of the Group.

DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including sale of treasury shares, if any) of the Company. As at 30 June 2025, the Company did not held any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2025, the Company has applied the principles and complied with all applicable code provisions and certain recommended best practices of the CG Code, except for the separate roles of chairman and the general manager of the Company since 28 June 2024, as detailed below.

Following the resignation of Mr. CHEN Lang as the chairman of the Board of the Company (the “**Chairman**”) on 28 June 2024, Mr. YAO Changlin (“**Mr. YAO**”), who serves as the executive Director and the general manager of the Company (the “**General Manager**”), was appointed as the Chairman, thereby assuming the dual roles of the Chairman and the General Manager. While this arrangement deviates from the code provision C.2.1 that recommends these positions should not be held by the same individual to maintain a balance of power and authority, the Board justifies this decision based on Mr. YAO’s extensive experience of over 30 years with the COFCO Group and his comprehensive knowledge of the Company’s business and strategy since its listing. His leadership and managerial competencies ensure the seamless and continuous execution of the Group’s strategies, thus enhancing operational effectiveness. The Board emphasizes that power and authority are not concentrated solely in Mr. YAO’s hands, as significant decisions are collectively made with the involvement of the Board, its committees and senior management. In addition, the Board is composed of five Non-executive Directors and three Independent Non-executive Directors, thereby offering a range of expertise and unbiased perspectives to maintain a well-balanced governance structure. The Audit Committee and Remuneration Committee are overseen by Independent Non-executive Directors. While the majority of members in the Remuneration Committee and Nomination Committee consist of Independent Non-executive Directors, the Audit Committee comprises solely Independent Non-executive Directors, reinforcing oversight and ensuring checks and balances. These measures are in place to ensure that management functions are executed effectively with the appropriate level of accountability, thereby safeguarding the interests of the Company and its Shareholders. Consequently, the Board is confident that the current structure maintains a balance of power and authority while protecting the operations and governance of the Group.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct for dealings in the securities of the Company by its Directors (the “**Securities Dealings Code**”) that is based on the Model Code. The terms of the Securities Dealings Code are no less exacting than the required standards set out in the Model Code. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Securities Dealings Code throughout the six months ended 30 June 2025.

REVIEW OF INTERIM RESULTS

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 (the “**Interim Results**”) have been reviewed by the auditor of the Company, SHINEWING (HK) CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The auditor’s independent report on review of the Interim Results will be set out in the 2025 interim report. The Interim Results have also been reviewed by the Audit Committee and the senior management of the Company.

EVENTS AFTER THE END OF THE PERIOD UNDER REVIEW

Save as disclosed elsewhere in this announcement and the Company’s announcement regarding the proposed privatization of the Company by way of the Scheme dated 31 July 2025, there was no other important event or transaction affecting the Group and which is required to be disclosed by the Company to its Shareholders after 30 June 2025 and up to the date of this announcement.

DEFINITIONS

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

“Audit Committee”	the audit committee of the Company;
“Board”	the board of Directors;
“CG Code”	Corporate Governance Code contained in Part 2 of Appendix C1 to the Listing Rules;
“COFCO Corporation”	COFCO Corporation (中糧集團有限公司), a state-owned enterprise incorporated in the PRC in September 1952 under the purview of the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會), the holding company of Grandjoy Holdings Group and thus an indirect controlling shareholder 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 Shares of which are listed on the Main Board of the Stock Exchange (stock code: 207);
“Director(s)”	the director(s) of the Company;

“Grandjoy Holdings Group”	Grandjoy Holdings Group Co., Ltd.* (大悦城控股集團股份有限公司), a company established in the PRC whose A shares are listed on the Shenzhen Stock Exchange (stock code: 000031) and a controlling shareholder of the Company;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);
“PRC or China”	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)”	registered holder(s) of the Shares;
“sq.m.”	square metre(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

The English names of Chinese entities marked with “” are translations of their Chinese names and are included in this announcement for identification purpose only, and should not be regarded as their official English names. In the event of any inconsistency, the Chinese name prevails.*

By order of the Board
Joy City Property Limited
YAO Changlin
Chairman

The PRC, 28 August 2025

As at the date of this announcement, the Board comprises Mr. YAO Changlin as Chairman and executive Director; Mr. CHEN Lang, Mr. ZHANG Hongfei, Ms. DONG Baoyun, Mr. ZHANG Mingrui and Mr. WU Lipeng 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.