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恒盛地產
GLORIOUS PROPERTY

Glorious Property Holdings Limited

恒盛地產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00845)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Board, the Group is expected to record a loss attributable to the owners of the Company for the six months ended 30 June 2021 that is in the range of RMB1,200 million to RMB1,400 million, as compared to the profit attributable to the owners of the Company of RMB59.9 million for the six months ended 30 June 2020.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by Glorious Property Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Board, the Group is expected to record a loss attributable to the owners of the Company for the six months ended 30 June 2021 that is in the range of RMB1,200 million to RMB1,400 million, as compared to the profit attributable to the owners of the Company of RMB59.9 million for the six months ended 30 June 2020. The loss was primarily attributable to: (i) The Group’s recognised revenue for the six months ended 30 June 2021 decreased by approximately 17% as compared to the same period in 2020. This was mainly because the Group did not have new round of properties completed and delivered in the

current period such that the recognised revenue were all derived from the sale of the inventory properties. Although the total area of the properties with revenue recognised increased by approximately 140% as compared to the corresponding period of 2020, the average selling price decreased by more than 60% to approximately RMB10,000 per sq.m. due to larger proportion of property area attributable to the sale of stock of car park units; (ii) the Group recorded a low single digit gross profit margin for the current period, which was approximately 7 percentage points lower than that of 2020. Excluding the effect of the provision for impairment for the properties to the gross profit margin, the Group's gross profit amount recorded for the six months ended 30 June 2021 decreased by more than 40% to the gross profit amount for the corresponding period in 2020; (iii) the Group made provision for impairment of approximately RMB90 million for the Group's properties during the six months ended 30 June 2021. Although the amount of provision for impairment of properties for the current period was lower than that for the corresponding period of 2020 by more than 30%, the impairment loss continued to adversely affect the Group's results for the current period; (iv) as compared to a fair value gain of RMB1,802.2 million for the six months ended 30 June 2020, the Group is expected to record a fair value loss for the six months ended 30 June 2021 of approximately RMB300 million; and (v) the Group's gross finance costs decreased during the six months ended 30 June 2021, but it remained at a high level and a significant portion of such finance costs was not capitalised as part of the property development costs. Although the amount of finance costs not capitalised and being recorded directly as current period expenses during the six months ended 30 June 2021 decreased by approximately 30% as compared to the corresponding period in 2020, it remained as a major factor that resulted in the Group's operating loss for the current period.

As the Company is still in the process of preparing and finalising the condensed consolidated financial information of the Group for the six months ended 30 June 2021, the information contained in this announcement is only based on the preliminary assessment by the Company's management according to management accounts of the Group. Shareholders of the Company and potential investors should read the Group's results announcement for the six months ended 30 June 2021 carefully, which will be published on 30 August 2021.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
Glorious Property Holdings Limited
Ding Xiang Yang
Chairman

Hong Kong, 23 August 2021

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the executive directors of the Company are Messrs. Ding Xiang Yang, Xia Jing Hua and Yan Zhi Rong; the independent non-executive directors of the Company are Prof. Liu Tao, Dr. Hu Jinxing and Mr. Han Ping.