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Glorious Property Holdings Limited

恒盛地產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 845)

DISCLOSEABLE TRANSACTION — ACQUISITION OF EQUITY INTERESTS IN DALIAN RUNJING AND ZHONG CHENG JIAN

On 8 December 2010, Zhuoyi Dalian (an indirect wholly-owned subsidiary of the Company) and Zhong Cheng Jian entered into the Dalian Runjing Equity Transfer Agreement, pursuant to which Zhuoyi Dalian has agreed to acquire from Zhong Cheng Jian the entire equity interest in Dalian Runjing and the shareholder's loans owed by Dalian Runjing to Zhong Cheng Jian and its related parties at a total consideration of RMB299,500,000.

On 13 April 2011, Zhuoyi Dalian and Dalian Hesheng entered into the Zhong Cheng Jian Equity Transfer Agreement, pursuant to which Zhuoyi Dalian has agreed to acquire from Dalian Hesheng 70% equity interest in Zhong Cheng Jian and the shareholder's loan owed by Zhong Cheng Jian to Dalian Hesheng at a total consideration of RMB514,647,100.

All of the applicable percentage ratios in respect of the Dalian Runjing Acquisition are less than 5%, the Dalian Runjing Acquisition is therefore exempt from the announcement and shareholders' approval requirements under the Listing Rules.

However, pursuant to Rules 14.22 and 14.23 of the Listing Rules, the Dalian Runjing Acquisition and the Zhong Cheng Jian Acquisition, which were entered into within a 12-month period, would be aggregated on the basis that Dalian

Runjing and Zhong Cheng Jian are within the same group of companies. As one or more of the applicable percentage ratios in respect of the Dalian Runjing Acquisition and the Zhong Cheng Jian Acquisition, on an aggregated basis, exceed 5% but are less than 25%, the Dalian Runjing Acquisition and the Zhong Cheng Jian Acquisition, upon aggregation, constitute a discloseable transaction of the Company under the Listing Rules.

BACKGROUND

On 8 December 2010, Zhuoyi Dalian (an indirect wholly-owned subsidiary of the Company) and Zhong Cheng Jian entered into the Dalian Runjing Equity Transfer Agreement, pursuant to which Zhuoyi Dalian has agreed to acquire from Zhong Cheng Jian the equity interest in Dalian Runjing and the shareholder's loans owed by Dalian Runjing to Zhong Cheng Jian and its related parties at a total consideration of RMB299,500,000.

On 13 April 2011, Zhuoyi Dalian and Dalian Hesheng entered into the Zhong Cheng Jian Equity Transfer Agreement, pursuant to which Zhuoyi Dalian has agreed to acquire from Dalian Hesheng 70% equity interest in Zhong Cheng Jian and the shareholder's loan owed by Zhong Cheng Jian to Dalian Hesheng at a total consideration of RMB514,647,100.

The principal terms of the Dalian Runjing Equity Transfer Agreement and the Zhong Cheng Jian Equity Transfer Agreement are set out below:

DALIAN RUNJING EQUITY TRANSFER AGREEMENT

Date

8 December 2010

Parties

- (1) Zhuoyi Dalian
- (2) Zhong Cheng Jian

Subject Matter

Pursuant to the Dalian Runjing Equity Transfer Agreement, Zhuoyi Dalian has agreed to purchase from Zhong Cheng Jian the entire equity interest in Dalian Runjing and the shareholder's loans owed by Dalian Runjing to Zhong Cheng Jian and its related parties at a total consideration of RMB299,500,000, comprising the consideration for

the transfer of the equity interest in the amount of RMB133,800,000 and the consideration for the assignment of the shareholder's loans in the amount of RMB165,700,000, subject to the terms and conditions of the Dalian Runjing Equity Transfer Agreement.

Consideration and payment

The aggregate consideration of RMB payable by Zhuoyi Dalian to Zhong Cheng Jian under the Dalian Runjing Equity Transfer Agreement shall be satisfied by Zhuoyi Dalian in the following manner:

- (i) RMB20,000,000 shall be payable by Zhuoyi Dalian to Zhong Cheng Jian within 3 working days of the date of the Dalian Runjing Equity Transfer Agreement;
- (ii) within 15 working days of the date of the Dalian Runjing Equity Transfer Agreement, RMB180,000,000 shall be payable by Zhuoyi Dalian to Zhong Cheng Jian within 2 working days after the registration of the transfer of the equity interest in Dalian Runjing with the relevant Administration for Industry and Commerce; and
- (iii) after the completion of the resettlement and demolition work in respect of Project Site 1, the obtaining of the land use rights certificate of Project Site 1 by Dalian Runjing and the delivery of satisfactory payment receipts by Zhong Cheng Jian to Dalian Runjing regarding the resettlement compensation and demolition expenses, pre-construction costs, land premium, deed tax and other land development costs, the amount of RMB99,500,000 shall be payable by Zhuoyi Dalian to Zhong Cheng Jian on or before 10 January 2011.

As of 31 March 2011, Zhuoyi Dalian had paid a total consideration of RMB255,000,000 to Zhong Cheng Jian under the Dalian Runjing Equity Transfer Agreement and the remaining RMB44,500,000 will be paid upon fulfillment of condition (iii) stated above. The transfer of the entire equity interest in Dalian Runjing from Zhong Cheng Jian to Zhuoyi Dalian had been completed.

The aggregate consideration payable by Zhuoyi Dalian to Zhong Cheng Jian under the Dalian Runjing Equity Transfer Agreement was arrived at after arm's length negotiations between Zhuoyi Dalian and Zhong Cheng Jian. The consideration was principally based on the financial position of Dalian Runjing, the potential development prospects of Project Site 1 and the aggregate principal amount of the shareholder's loan to be assigned from Zhong Cheng Jian to Zhuoyi Dalian.

ZHONG CHENG JIAN EQUITY TRANSFER AGREEMENT

Date

13 April 2011

Parties

- (1) Zhuoyi Dalian
- (2) Dalian Hesheng

Subject Matter

Pursuant to the Zhong Cheng Jian Equity Transfer Agreement, Zhuoyi Dalian has agreed to purchase from Dalian Hesheng 70% equity interest in Zhong Cheng Jian and the shareholder's loan owed by Zhong Cheng Jian to Dalian Hesheng at a total consideration of RMB514,647,100, comprising the consideration for the transfer of the equity interest in the amount of RMB374,380,000 and the consideration for the assignment of the shareholder's loan in the amount of RMB140,267,100, subject to the terms and conditions of the Zhong Cheng Jian Equity Transfer Agreement.

Consideration and payment

The aggregate consideration of RMB514,647,100 payable by Zhuoyi Dalian to Dalian Hesheng under the Zhong Cheng Jian Equity Transfer Agreement shall be satisfied by Zhuoyi Dalian in the following manner:

- (i) RMB20,000,000 shall be payable by Zhuoyi Dalian to Dalian Hesheng within 5 working days of the date of the Zhong Cheng Jian Equity Transfer Agreement;
- (ii) RMB100,000,000 shall be payable by Zhuoyi Dalian to Dalian Hesheng within 5 working days after the registration of the transfer of the equity interest in Zhong Cheng Jian to Zhuoyi Dalian with the relevant Administration for Industry and Commerce;
- (iii) RMB44,647,100 shall be payable by Zhuoyi Dalian to Dalian Hesheng within 5 working days after: (a) completion of the resettlement and demolition work in respect of Project Site 2; (b) obtaining of the land use rights certificate of Project Site 2 by Zhong Cheng Jian; and (c) delivery of satisfactory payment receipts by Dalian Hesheng to Zhong Cheng Jian regarding the resettlement compensation and demolition expenses, pre-construction costs, land premium, deed tax and other land development costs;

(iv) the remaining consideration of RMB350,000,000 shall become a loan due from Zhuoyi Dalian to Dalian Hesheng, which shall be repayable by Zhuoyi Dalian to Dalian Hesheng after completion of the Zhong Cheng Jian Acquisition pursuant to a separate repayment agreement to be entered into between Zhuoyi Dalian and Dalian Hesheng.

On 13 April 2011, Zhuoyi Dalian and Dalian Hesheng entered into a repayment agreement, pursuant to which the parties have agreed that the loan of RMB350,000,000 as described in paragraph (iv) above shall be settled in the following manner:

- (i) the total management fee of RMB7,000,000 shall be payable by monthly instalments for the period from March 2011 to February 2012 by Zhuoyi Dalian to Dalian Hesheng;
- (ii) interest on the loan shall accrue on a daily basis from 1 March 2011 to 6 February 2012 at a rate of 9.5% per annum, which shall be payable by Zhuoyi Dalian to Dalian Hesheng on 20 September 2011 and 6 February 2012, respectively; and
- (iii) the principal amount of the loan of RMB350,000,000 shall be payable by Zhuoyi Dalian to Dalian Hesheng in one lump sum on or before 6 February 2012.

The said management fee, interest and principal amount are payable by Dalian Hesheng pursuant to its existing loan arrangements with Huarong Trust. Upon receipt of the management fee, interest and principal amount payable by Zhuoyi Dalian to Dalian Hesheng pursuant to the repayment agreement described above, Dalian Hesheng shall pay such amounts to Huarong Trust to discharge its obligations under its existing loan arrangements with Huarong Trust.

The aggregate consideration payable by Zhuoyi Dalian to Dalian Hesheng under the Zhong Cheng Jian Equity Transfer Agreement was arrived at after arm's length negotiations between Zhuoyi Dalian and Dalian Hesheng. The consideration was principally based on the financial position of Zhong Cheng Jian, the potential development prospects of Project Site 2 and the aggregate principal amount of the shareholder's loan to be assigned from Dalian Hesheng to Zhuoyi Dalian.

Conditions precedent to the payment of consideration

Pursuant to the Zhong Cheng Jian Equity Transfer Agreement, the payment of the full consideration for the Zhong Cheng Jian Acquisition shall be conditional upon the following:

- (i) the signing and stamping of the Zhong Cheng Jian Equity Transfer Agreement by the duly authorized representatives of Zhuoyi Dalian and Dalian Hesheng;
- (ii) the approval by the relevant governmental authorities of the Zhong Cheng Jian Acquisition (including the new articles of association of Zhong Cheng Jian) and the obtaining of the new business license and approval certificate by Zhong Cheng Jian;
- (iii) the delivery of due diligence documents on Zhong Cheng Jian required by Zhuoyi Dalian and its advisers;
- (iv) from the date of the Zhong Cheng Jian Equity Transfer Agreement to the date of completion of the Zhong Cheng Jian Acquisition, the representations, statements, guarantees and covenants made by Zhuoyi Dalian and Dalian Hesheng under the Zhong Cheng Jian Equity Transfer Agreement shall remain true, effective, accurate and complete in all material respects;
- (v) the completion of the signing by Zhong Cheng Jian of confirmations to terminate the employment of all its present employees (other than those which Zhuoyi Dalian consented to retain) and the payment by Dalian Hesheng to such employees of all employees' compensation, severance payments and/or other compensation required by laws, regulations and labour contracts;
- (vi) the completion of all resettlement and demolition work in respect of Project Site 2 by Zhong Cheng Jian on or before 30 April 2011;
- (vii) the delivery by Dalian Hesheng of all documents regarding Zhong Cheng Jian required pursuant to clause 9.3 of the Zhong Cheng Jian Equity Transfer Agreement;
- (viii) the obtaining of the requisite approval of the board of directors or shareholders of Dalian Hesheng in respect of the Zhong Cheng Jian Acquisition and the agreement of the relevant chargee to release the pledge over the equity interest in Zhong Cheng Jian;
- (ix) no material adverse change has occurred in respect of Zhong Cheng Jian's financial, commercial or trading position during the period from the date of the Zhong Cheng Jian Equity Transfer Agreement to the date of completion of the Zhong Cheng Jian Acquisition (including the date of completion).

In the event the above conditions are not fulfilled within 30 days of the signing of the Zhong Cheng Jian Equity Transfer Agreement, unless otherwise waived by the parties, the Zhong Cheng Jian Equity Transfer Agreement shall automatically terminate.

Conditions precedent to completion

Pursuant to the Zhong Cheng Jian Equity Transfer Agreement, completion of the Zhong Cheng Jian Acquisition shall be conditional upon the following:

- (i) the obtaining of the approval and authorization of the board of directors or shareholders of Zhuoyi Dalian of the Zhong Cheng Jian Acquisition;
- (ii) the obtaining of the approval and authorization of the board of directors or shareholders of Dalian Hesheng of the Zhong Cheng Jian Acquisition;
- (iii) no material adverse change has occurred in respect of Zhong Cheng Jian's financial, commercial or trading position during the period from the date of the Zhong Cheng Jian Equity Transfer Agreement to the date of completion of the Zhong Cheng Jian Acquisition (including the date of completion);
- (iv) the obtaining of all requisite consents and approvals under applicable laws for the transfer of the equity interest in Zhong Cheng Jian and its shareholder's loan, with such consents and approvals being satisfactory to Zhuoyi Dalian and Dalian Hesheng; and
- (v) the release of the pledge over the equity interest in Zhong Cheng Jian.

Completion

Subject to the fulfillment (or waiver by the parties) of the conditions precedent to completion under the Zhong Cheng Jian Equity Transfer Agreement as described above, completion of the Zhong Cheng Jian Acquisition will take place within 30 days of the date of the Zhong Cheng Jian Equity Transfer Agreement at the registered address of Zhong Cheng Jian.

INFORMATION ON THE GROUP

The Group is principally engaged in the development and sale of high quality properties in key economic cities across the PRC. As of the date of this announcement, the Group has developed or is developing projects in twelve cities

across the PRC, namely Shanghai, Beijing, Tianjin, Harbin, Wuxi, Suzhou, Hefei, Shenyang, Nanjing, Nantong, Changchun and Dalian. Zhuoyi Dalian is an indirect wholly-owned subsidiary of the Company principally engaged in investment holding in the PRC.

INFORMATION ON DALIAN RUNJING AND ZHONG CHENG JIAN

Dalian Runjing is a company established under the laws of the PRC and is principally engaged in property development. The main asset held by Dalian Runjing is Project Site 1. Based on the financial statements of Dalian Runjing prepared in accordance with PRC accounting standards, (i) Dalian Runjing had a net asset value of approximately RMB99,303,000 as of 31 December 2010; (ii) a loss before tax of RMB697,000 for the period from the date of its establishment on 19 January 2010 to 31 December 2010; and (iii) a net loss after tax of RMB697,000 for the same period. As of the date of this announcement, Dalian Runjin is indirectly wholly-owned by the Company through Zhuoyi Dalian.

Zhong Cheng Jian is a company established under the laws of the PRC and is principally engaged in real estate development and property management. The main asset held by Zhong Cheng Jian is Project Site 2. Based on the financial statements of Zhong Cheng Jian prepared in accordance with PRC accounting standards, (i) Zhong Cheng Jian had a net asset value of approximately RMB305,995,000 as of 31 December 2010; (ii) a profit before tax of RMB7,993,000 for the period from the date of its establishment on 3 November 2009 to 31 December 2010; and (iii) a net profit after tax of RMB5,995,000 for the same period. Upon completion of the Zhong Cheng Jian Acquisition, Zhong Cheng Jian will become an indirect non-wholly owned subsidiary of the Company, indirectly owned as to 70% by the Company and as to 30% by Dalian Hesheng.

INFORMATION ON DALIAN HESHENG

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) Dalian Hesheng is a company established under the laws of the PRC and is primarily engaged in project investment and general trading; and (ii) Dalian Hesheng and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

INFORMATION ON PROJECT SITE 1 AND PROJECT SITE 2

Project Site 1 and Project Site 2 are located at Eight Mile Village, Xian Jin Road, Jin Zhou District, Dalian City, PRC (中國大連金州區先進街道八里村). Project Site 1 and Project Site 2 has a gross site area of approximately 50,148 square metres and approximately 120,576 square metres, respectively. Both Project Site 1 and Project Site 2 are designated for residential use.

REASONS AND BENEFITS FOR THE DALIAN RUNJING ACQUISITION AND THE ZHONG CHENG JIAN ACQUISITION

The Group is a developer and seller of high-quality properties in key economic cities in the PRC. The Company considers that the Dalian Runjing Acquisition and the Zhong Cheng Jian Acquisition provide an excellent opportunity for the Group to acquire two parcels of land in prime location of Dalian at a reasonable price in order to expand the Group's presence in the property development market in Dalian.

The Company intends to develop high-quality residential properties on Project Site 1 and Project Site 2.

The Directors (including the independent non-executive Directors) are of the view that the Dalian Runjing Equity Transfer Agreement and the Zhong Cheng Jian Equity Transfer Agreement were entered into in the ordinary and usual course of business of the Group and that the terms of the Dalian Runjing Equity Transfer Agreement and the Zhong Cheng Jian Equity Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms which are fair and reasonable and in the best interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

All of the applicable percentage ratios in respect of the Dalian Runjing Acquisition are less than 5%, the Dalian Runjing Acquisition is therefore exempt from the announcement and shareholders' approval requirements under the Listing Rules.

However, pursuant to Rules 14.22 and 14.23 of the Listing Rules, the Dalian Runjing Acquisition and the Zhong Cheng Jian Acquisition, which were entered into within a 12-month period, would be aggregated on the basis that Dalian Runjing and Zhong Cheng Jian are within the same group of companies. As one or more of the applicable percentage ratios in respect of the Dalian Runjing Acquisition and the Zhong Cheng Jian Acquisition, on an aggregated basis, exceed 5% but are less than 25%, the Dalian Runjing Acquisition and the Zhong Cheng Jian Acquisition, upon aggregation, constitute a discloseable transaction of the Company under the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Glorious Property Holdings Limited (恒盛地產控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability and whose shares are listed on The Stock Exchange of Hong Kong Limited
“Dalian Hesheng”	大連和升控股集團有限公司 (Dalian Hesheng Holding Group Co., Ltd.*), a company established under the laws of the PRC
“Dalian Runjing”	大連潤景房地產開發有限公司 (Dalian Runjing Property Development Co., Ltd.*), a company established under the laws of the PRC
“Dalian Runjing Acquisition”	the acquisition by Zhuoyi Dalian from Zhong Cheng Jian of the entire equity interest in Dalian Runjing and the shareholder’s loans owed by Dalian Runjing to Zhong Cheng Jian and its related parties pursuant to the Dalian Runjing Equity Transfer Agreement
“Dalian Runjing Transfer Agreement”	the equity transfer agreement dated 8 December 2010 entered into between Zhong Cheng Jian and Zhuoyi Dalian in relation to the Dalian Runjing Acquisition
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Huarong Trust”	華融國際信託有限公司 (Huarong International Trust Limited Co., Ltd.*), a limited company established under the laws of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China (excluding, for the purpose of this announcement, the Hong Kong Special Administrative Region of the People’s Republic of China, the Macao Special Administrative Region of the People’s Republic of China and Taiwan)

“Project Site 1”	the site held by Dalian Runjing located at Eight Mile Village, Xian Jin Road, Jin Zhou District, Dalian City, PRC (中國大連金州區先進街道八里村) with a gross site area of 50,148 square metres
“Project Site 2”	the site held by Zhong Cheng Jian located at Eight Mile Village, Xian Jin Road, Jin Zhou District, Dalian City, PRC (中國大連金州區先進街道八里村) with a gross site area of 120,576 square metres
“RMB”	Renminbi, the lawful currency of the PRC
“Zhong Cheng Jian”	中城建(大連)房地產開發有限公司 (Zhong Cheng Jian (Dalian) Real Estate Development Co., Ltd.*), a company established under the laws of the PRC
“Zhong Cheng Jian Acquisition”	the acquisition by Zhuoyi Dalian from Dalian Hesheng of 70% equity interest in Zhong Cheng Jian and the shareholder’s loan owed by Zhong Cheng Jian to Dalian Hesheng pursuant to the Zhong Cheng Jian Equity Transfer Agreement
“Zhong Cheng Jian Equity Transfer Agreement”	the equity transfer agreement dated 13 April 2011 entered into between Zhuoyi Dalian and Dalian Hesheng in relation to the Zhong Cheng Jian Acquisition
“Zhuoyi Dalian”	恒盛卓怡地產投資(大連)有限公司 (Glorious Zhuoyi Property Investment (Dalian) Co., Ltd.*), a company established under the laws of the PRC, which is an indirect wholly-owned subsidiary of the Company

* *For identification purpose only*

By order of the Board
Glorious Property Holdings Limited
Ching Yu Lung
Company Secretary

Hong Kong, 13 April 2011

As at the date of this announcement, the executive Directors are Messrs. Zhang Zhi Rong, Ding Xiang Yang, Cheng Li Xiong, Liu Ning, Xia Jing Hua, Li Xiao Bin and Yan Zhi Rong; the independent non-executive Directors are Messrs. Yim Ping Kuen, Liu Shun Fai, Wo Rui Fang and Han Ping.