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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 Codes: 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 loss attributable to the owners of the Company for the six months ended 30 June 2016 is expected to increase by approximately 90% to 110% as compared to the same period in 2015.

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 loss attributable to the owners of the Company for the six months ended 30 June 2016 is expected to increase by approximately 90% to 110% as compared to the same period in 2015. Despite that the total area of the properties completed and delivered in the six months ended 30 June 2016 increased significantly resulting in an increase in recognised revenue by nearly 5 times as compared to the same period in 2015, the other expenses and losses for the six months ended 30 June 2016 also increased, thus resulting in a substantial increase in

the loss attributable to the owners of the Company for the six months ended 30 June 2016. The primary reasons for the increase in the Group's expenses and losses are: (i) the amount of provision for impairment for the Group's properties during the six months ended 30 June 2016 increased by approximately 120% as compared to the same period in 2015; (ii) it is expected that the fair value loss of the Group's investment properties for the six months ended 30 June 2016 will increase by approximately 2 times as compared to the same period in 2015; (iii) the Group recorded exchange loss of approximately RMB67.3 million, as compared to only RMB0.1 million for the same period in 2015. The exchange loss was mainly associated with the translation of the Company's US\$ senior notes due 2018 into RMB for accounting purpose; and (iv) interest costs of approximately RMB801.0 million was not capitalised as part of the property development costs and was being recorded directly as expenses during the six months ended 30 June 2016, which was approximately 4 times of that for the same period in 2015.

As the Company is still in the process of preparing and finalising the interim results of the Group for the six months ended 30 June 2016 (the "**Interim Results**"), the information contained in this announcement is only based on the preliminary assessment by the Company's management according to the management accounts of the Group. Shareholders of the Company and potential investors should read the Group's Interim Results announcement carefully, which is expected to be published on 31 August 2016.

Reference is made to the announcements published by the Company on 4 March 2015, 2 April 2015, 4 May 2015, 2 June 2015, 2 July 2015, 3 August 2015, 2 September 2015, 2 October 2015, 2 November 2015, 2 December 2015, 4 January 2016, 4 February 2016, 4 March 2016, 5 April 2016, 5 May 2016, 6 June 2016, 6 July 2016, 29 July 2016 and 11 August 2016 respectively in relation to a possible privatisation by the controlling shareholder of the Company (the "**Possible Privatisation**") pursuant to Rule 3.7 of The Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"). This profit warning constitutes a profit forecast under Rule 10 of the Takeovers Code and is required to be reported on by the Company's financial adviser and its auditor or consultant accountant in accordance with Rule 10.4 of the Takeovers Code. Since this announcement is required to be made pursuant to Rule 13.09(1) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO, which require the Company to issue this profit warning announcement as soon as practicable, and given the time constraints faced by the Company when issuing this announcement, the Company has encountered genuine practical difficulties (time-wise or otherwise) in meeting the requirements set out in Rule 10 of the Takeovers Code and would like to draw the attention of the shareholders of the Company and potential investors that this profit warning does not meet the standard required by Rule 10 of the Takeovers Code.

The Executive (as defined under the Takeovers Code) will normally require the forecast to be reported on as soon as reasonably practicable and the relevant reports to be contained in the next document to be sent to the shareholders of the Company. However, as mentioned above, the Interim Results announcement which will include the relevant results together with the notes to the financial statements is expected to be published on 31 August 2016 and will be included in the next shareholder's document, after which the forecast will no longer need to be reported on.

Shareholders of the Company and potential investors should note that this profit warning does not meet the standard required by Rule 10 of the Takeovers Code and should therefore exercise caution in placing reliance on such forecast in assessing the merits and demerits of the Possible Privatisation. 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
Cheng Ka Hang, Francis
Company Secretary

Hong Kong, 22 August 2016

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. Cheng Li Xiong, Ding Xiang Yang, Xia Jing Hua and Yan Zhi Rong; the independent non-executive directors of the Company are Prof. Liu Tao, Messrs. Wo Rui Fang and Han Ping.