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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: 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 continued to operate at a significant loss for the year ended 31 December 2016, and the loss attributable to the owners of the Company for the year is expected to slightly increase as compared to that for the year ended 31 December 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 Group continued to operate at a significant loss for the year ended 31 December 2016, and the loss attributable to the owners of the Company for the year is expected to slightly increase as compared to that for the year ended 31 December 2015. The significant loss was primarily attributable to: (i) The decrease of the total area of the properties completed and delivered by the Group in 2016 as compared to 2015, thus the recognised revenue of the Group remained at a very low amount for the year ended 31 December 2016; (ii) In addition, the Group continued to record a negative gross margin for the year. Excluding the effect of the provision for impairment for the properties to the gross margin, the Group’s gross loss

amount recorded for the year ended 31 December 2016 was approximately 2 times to the gross loss amount for 2015; (iii) The Group continued to make provision for impairment for the Group's properties in 2016. Despite the amount of provision for impairment attributable to the owners of the Company was 25% lower than that for 2015, the amount of such provision for impairment was still significant. Included in the provision for impairment for 2016 was an amount attributable to the owners of the Company of RMB515 million that was related to certain property development projects that the Group decided to cease or cancel, thus impairment provision had been made to reduce the carrying value of the incurred costs to their recoverable amounts; (iv) It is expected that the fair value loss of the Group's investment properties for the year ended 31 December 2016 will increase by more than 6 times as compared to 2015; (v) The Group disposed of the equity of a subsidiary and recorded a loss attributable to the owners of the Company of approximately RMB148 million; (vi) Due to the continued depreciation of the Renminbi currency in 2016, the Group continued to record a higher amount of exchange loss when converting the Company's US\$400 million senior notes due 2018, although the exchange loss recognised for 2016 was approximately 16% lower than that of 2015; and (vii) The Group's gross finance costs remained at a high level in 2016 and a significant portion of such interest costs was not capitalised as part of the property development costs, thus approximately RMB1,097 million of such interest costs was being recorded directly as current year expenses in 2016, which was approximately 17% lower than 2015.

As the Company is still in the process of preparing and finalising the consolidated financial information of the Group for the year ended 31 December 2016, the information contained in this announcement is only based on the preliminary assessment by the Company's management according to the unaudited management accounts of the Group which has not been confirmed or audited by the auditor of the Company. Shareholders of the Company and potential investors should read the Group's results announcement for the year ended 31 December 2016 carefully, which will be published on 31 March 2017.

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, 21 March 2017

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 non-executive director of the Company is Mr. Cheng Li Xiong; the independent non-executive directors of the Company are Prof. Liu Tao, Messrs. Wo Rui Fang and Han Ping.