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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 year ended 31 December 2019 as compared to the profit attributable to the owners of the Company for 2018.

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 year ended 31 December 2019 as compared to the profit attributable to the owners of the Company for 2018. The loss was primarily attributable to: (i) The total area of the properties completed and delivered by the Group in 2019 decreased by approximately 30% as compared to 2018, and the average selling price also decreased by approximately 30%. As a result, the recognised revenue of the Group decreased by more than 40% for the year ended 31 December 2019 as compared to 2018; (ii) the Group recorded a single digit gross profit margin for the year, which was 50 percentage

points lower than that of 2018. 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 year ended 31 December 2019 decreased by more than 70% to the gross profit amount for 2018; (iii) the Group continued to make significant provision for impairment for the Group's properties in 2019 and the amount of provision for impairment of properties for current year was 20% more than that for 2018; and (iv) the Group's gross finance costs remained at a high level in 2019 and a significant portion of such interest costs was not capitalised as part of the property development costs. The amount of interest costs not capitalised and being recorded directly as current year expenses in 2019 increased by more than 350% as compared to 2018.

In addition, as compared to a fair value loss of RMB374.6 million for 2018, the Group is expected to record a fair value gain for 2019. The related fair value information of the investment properties is still subject to the Company's calculation and the review of the fair value information by an independent valuer. Such fair value information is expected to have positive impact to the results for the year ended 31 December 2019.

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 2019, 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 2019 carefully, which will be published on 31 March 2020.

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 March 2020

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, Messrs. Wo Rui Fang and Han Ping.