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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: 845)

DISCLOSEABLE TRANSACTION PROJECT COOPERATION ARRANGEMENT FOR PROPERTY DEVELOPMENT PROJECT IN NANJING

On 15 October 2009, Shanghai Xintai, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with Nanjing Jiaotong in respect of the establishment of the Project Company for the development of the Project.

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Agreement exceed 5% but are less than 25%, the Agreement constitutes a discloseable transaction under Chapter 14 of the Listing Rules.

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THE AGREEMENT

Date

15 October 2009

Parties

- (1) Shanghai Xintai
- (2) Nanjing Jiaotong

To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, Nanjing Jiaotong and the ultimate beneficial owner of Nanjing Jiaotong are third parties independent of the Company and connected persons of the Company.

Subject

The Nanjing Land and Resources Bureau and Nanjing Jiaotong (as assignee) have entered into a State-owned Land Use Right Contract, pursuant to which the state-owned land use right of the Project Site will be assigned to Nanjing Jiaotong subject to the conditions and in accordance with the terms of such contract. The state-owned land use right certificate has not yet been issued to Nanjing Jiaotong.

Pursuant to the Agreement, Shanghai Xintai and Nanjing Jiaotong have agreed to establish the Project Company for the development of the Project. Within five business days after completion of the business registration of the Project Company, Nanjing Jiaotong and the Project Company will apply to the Nanjing Land and Resources Bureau for the change of the assignee of the Project Site from Nanjing Jiaotong to the Project Company. It is expected that the business registration of the Project Company will be completed in November 2009.

Registered capital and capital commitment

The total investment of the Project is estimated to be approximately RMB6,000,000,000 (equivalent to approximately HK\$6,811,500,000).

The initial registered capital of the Project Company will be RMB100,000,000 (equivalent to approximately HK\$113,525,000), to which Nanjing Jiaotong and Shanghai Xintai will contribute RMB51,000,000 (equivalent to approximately HK\$57,897,750) and RMB49,000,000 (equivalent to approximately HK\$55,627,250), respectively. Upon the establishment of the Project Company, Nanjing Jiaotong and Shanghai Xintai will hold 51% and 49%, respectively, of the equity interest of the Project Company.

According to the Agreement, Nanjing Jiaotong and Shanghai Xintai have agreed that the total preliminary cost (“**Preliminary Cost**”) of the Project incurred or to be incurred up to issue of the state-owned land use right certificate of the Project Site will amount to RMB3,086,759,100 (equivalent to approximately HK\$3,504,243,268), comprising (1) a sum of approximately RMB2,155,059,100 (equivalent to approximately HK\$2,446,530,843) contributed by Nanjing Jiaotong as at 31 August 2009 for the development of the Project; and (2) a further capital commitment of RMB931,700,000 (equivalent to approximately HK\$1,057,712,425) to be made by Nanjing Jiaotong before issue of the state-owned land use right certificate of the Project Site in the name of the Project Company.

Shanghai Xintai has agreed to invest RMB1,512,512,000 (equivalent to approximately HK\$1,717,079,248), representing 49% of the Preliminary Cost, in the Project Company upon the establishment of the Project Company by way of shareholder's loan or capital contribution in accordance with the following timetable:

- (i) Shanghai Xintai will invest RMB931,700,000 (equivalent to approximately HK\$1,057,712,425) in the Project Company within 10 business days of completion of the change of name of the assignee of the Project Site to the Project Company; and
- (ii) Shanghai Xintai will invest RMB580,812,000 (equivalent to approximately HK\$659,366,823) in the Project Company within five business days of issue of the state-owned land use right certificate of the Project Site in the name of the Project Company.

The Directors intends to finance the above registered capital contribution of RMB49,000,000 and the further capital commitment of RMB1,512,512,000 of Shanghai Xintai from the proceeds of the Global Offering.

Acquisition of additional 11% equity interest in the Project Company

Upon issue of the state-owned land use right certificate of the Project Site in the name of the Project Company, Nanjing Jiaotong will transfer 11% equity interest in the Project Company to Shanghai Xintai at a consideration of RMB350,543,500 (equivalent to approximately HK\$397,954,508), representing 11% of the aggregate of the Preliminary Cost of RMB3,086,759,100 and the initial registered capital of the Project Company of RMB100,000,000.

Upon completion of the transfer of the 11% equity interest in the Project Company, the equity interest in the Project Company will be held as to 60% by Shanghai Xintai and as to 40% by Nanjing Jiaotong.

The Directors intends to finance the cost of acquisition of the additional 11% equity interest in the Project Company from the proceeds of the Global Offering.

Board Composition and General Manager

The board of the Project Company will comprise seven directors, of which four directors will be nominated by the controlling equity holder (that is, the equity holder holding more than 50% equity interest in the Project Company) and three directors will be nominated by the other equity holder.

The chairman of the Project Company will be nominated by Nanjing Jiaotong.

The general manager of the Project Company will be nominated by Shanghai Xintai, who will also be the legal representative of the Project Company.

Distribution

The Project Company will declare and make distributions to its equity holders in accordance with the proportion of their respective equity holdings.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

The Project is located in the southern part of Xiaguan District, Nanjing City, Jiangsu Province, the PRC with a total area of approximately 213,008.5 square metres, of which a potential floor area of 309,700 square metres is permitted for residential use. The Directors consider that the Project is located at prime location in the Nanjing City and the Agreement presents an excellent opportunity to the Group in expanding its business into the Nanjing City.

The terms of the Agreement were determined based on arm's length negotiations between the parties. The Directors consider that the Agreement is on normal commercial terms and the terms of the Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Agreement exceed 5% but are less than 25%, the Agreement constitutes a discloseable transaction under Chapter 14 of the Listing Rules.

GENERAL INFORMATION

The Group is principally engaged in the development and sale of high quality properties in key economic cities in the PRC.

As far as the Company is aware after making reasonable enquiries, Nanjing Jiaotong is principally engaged in the investment, operation and development of property development projects in Nanjing.

DEFINITIONS

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

“Agreement”	the project cooperation agreement dated 15 October 2009 entered into between Shanghai Xintai and Nanjing Jiaotong in relation to the establishment of the Project Company
“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
“connected person(s)”	shall have the meanings ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Global Offering”	the initial public offering of the shares of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Nanjing Jiaotong”	南京交通投資置業有限公司 (Nanjing Jiaotong Investment Development Limited*), a wholly state-owned limited liability company established under the laws of the PRC
“Nanjing Land and Resources Bureau”	南京市國土資源局 (Nanjing Municipal Bureau of Land and Resources*)
“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”	a property development project located at the Project Site

“Project Company”	the project company to be established by Nanjing Jiaotong and Shanghai Xintai under the Agreement
“Project Site”	the site area located in the southern part of Xiaguan District (下關區), Nanjing City, Jiangsu Province, the PRC with a total area of approximately 213,008.5 square metres
“Shanghai Xintai”	上海鑫泰房地產發展有限公司 (Shanghai Xintai Property Development Co., Ltd.*), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

* *For identification purposes only.*

For the purposes of illustration only and unless otherwise stated, the conversion of Renminbi (“RMB”) into Hong Kong dollars (“HK\$”) is based on the exchange rate of RMB1.0 = HK\$1.13525. Such conversion should not be construed as a representation that the amount in question has been, could have been or could be converted at any particular rate at all.

By order of the Board
Glorious Property Holdings Limited
Zhang Zhi Rong
Chairman

Hong Kong, 15 October 2009

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