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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 substantial loss attributable to the owners of the Company for the year ended 31 December 2014 as compared to the profit attributable to the owners of the Company for 2013.

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 (Cap.571, 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 substantial loss attributable to the owners of the Company for the year ended 31 December 2014 as compared to the profit attributable to the owners of the Company for 2013. The loss was primarily attributable to: (i) the total area of the properties completed and delivered in 2014 decreased significantly resulting in a decrease of 48.1% in the recognised revenue as compared to 2013; (ii) the lower consolidated gross profit margin as a result of the change of the product mix and increasing project costs for the properties delivered in 2014; (iii) the amount of provision for impairment for the Group’s properties in 2014

increased significantly as compared to 2013; (iv) in 2014, it is expected to record a provision for impairment for certain of the Group's other receivables, while the provision for impairment for 2013 was RMB45,000,000; (v) the Group is expected to record a fair value loss of investment properties for 2014, as compared to a fair value gain of RMB188,000,000 for 2013; (vi) the Group recorded an exchange loss of RMB21,000,000 for 2014, as compared to an exchange gain of RMB111,000,000 for 2013, for which the exchange gain/loss is mainly associated with the Company's US\$ senior notes due 2015 and 2018 respectively; (vii) interest costs of RMB141,000,000 was not capitalised as part of the property development costs and was being recorded directly as current year expenses in 2014, while for 2013 substantially all interest costs were capitalised; and (viii) income tax expenses increased for 2014 as compared to 2013 due to a reversal of overprovided income tax of RMB151,000,000 during 2013 but no such reversal exists for 2014; at the same time in 2014 the Group had to make a further provision for deferred tax liability as a result of reclassification adjustment related to certain of the Group's properties.

The exact amount of provision for impairment of the Group's properties for 2014 is still in the process of calculation. In addition, the fair value loss of investment properties for the 2014 is still subject to the Company's calculation and review of the fair value information by an independent valuer.

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 2014, 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 2014 carefully, which will be published on 27 March 2015.

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
Tai Wing Kwan, Catherine
Company Secretary

Hong Kong, 18 March 2015

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; and the independent non-executive directors of the Company are Messrs. Liu Shun Fai, Wo Rui Fang and Han Ping.