TALENT PROPERTY GROUP LIMITED
新天地產集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 760)

ANNOUNCEMENT
PROFIT WARNING

This announcement is made by Talent Property Group Limited (the "**Company**" and, together with its subsidiaries, the "**Group**") pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

The board of directors of the Company (the "**Board**") wishes to inform shareholders of the Company (the "**Shareholders**") and potential investors that the Group is expected to record a significant increase in loss attributable to Shareholders for the six months ended 30 June 2016 (the "**Reporting Period**") as compared with a loss of approximately RMB27.7 million for the six months ended 30 June 2015 (the "**Preceding Period**"). Such increase in loss is primarily attributable to the record of: (i) a share of loss of an associate of approximately RMB25 million for the Reporting Period instead of a share of profit of approximately RMB33.4 million in the Preceding Period; (ii) a fair value deficit on derivative financial instruments of approximately RMB5 million in the Reporting Period instead of a fair value surplus of approximately RMB45.1 million in the Preceding Period; (iii) an increase in fair value deficit on investment properties of approximately RMB35 million; and (iv) a reduction of gross profit by around 50% as compared to that of RMB45.7 million in the Preceding Period. The above unfavorable factors are partly offset by a reversal of impairment loss in the range of approximately RMB15 million to RMB20 million on properties under development in the Reporting Period instead of provision of impairment loss of approximately RMB77.0 million in the Preceding Period.

The Company is in the course of preparing its interim results for the six months ended 30 June 2016. The information set out above represents only a preliminary assessment made by the Board on the information currently available to it, including the consolidated management accounts of the Group for the six months ended 30 June 2016, which is in the course of review by the auditors of the Company, and have not yet been finalized.

Shareholders and potential investors are advised to refer to the interim results of the Company for the six months ended 30 June 2016, which are expected to be published on 31 August 2016.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

* *For identification purposes only*

By Order of the Board
You Xiaofei
Chairman

Hong Kong, 24 August 2016

As at the date hereof, the Board comprises Mr. You Xiaofei and Mr. Luo Zhangguan as Executive Directors and Mr. Lo Wai Hung, Mr. Chan Chi Mong, Hopkins and Mr. Mak Yiu Tong as Independent Non-executive Directors.