众安房产
ZHONG AN REAL ESTATE

ZHONG AN REAL ESTATE LIMITED
眾安房產有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 672)

PROFIT WARNING

The announcement is made by Zhong An Real Estate Limited (the "**Company**" and, together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the Group expects to record a substantial decrease in its profit attributable to the equity holders of the Company for the year ended 31 December 2016 ("**2016**") as compared to the corresponding period in 2015 ("**2015**").

The Board considers that the expected decline in results performance is mainly attributable to, among other things:

(i) an interest income of approximately RMB116 million from interest-bearing loans to a joint venture in 2015;

(ii) a gain on disposal of 33% indirect equity interest in a joint venture for approximately RMB126 million in 2015; and

(iii) a fair value gain upon transfer to investment properties of approximately RMB797 million in 2015

which accounted for one-off contribution to 2015 results and there were no such items in 2016.

In 2016, the Group's overall operating business performance was encouraging and its financial position remains sound and healthy. The Company will strive to fortify its operation and business layout to enhance return to its shareholders.

Based on the information currently available to the Company, the Board expects, as a result of the increase in recognized property sales in 2016:

(i) revenue in 2016 increased by more than 70%; and

(ii) gross profit in 2016 increased by more than 30%.

This announcement is only based on the preliminary assessment of the information currently available to the Company. The Company is in the process of finalizing the annual results of the Group for 2016, which are still being audited by the external auditors of the Company, and the overall results for 2016 is still to be ascertained. Details of the Group's results and performance for 2016 will be disclosed when the annual results of the Group for 2016 is announced by the end of March 2017.

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

By Order of the Board
Zhong An Real Estate Limited
Shi Kancheng
Chairman

The PRC, 13 March 2017

As at the date of this announcement, the executive Directors are Mr Shi Kancheng, Ms Shen Tiaojuan, Mr Zhang Jiangang and Mr Jin Jianrong and the independent non-executive Directors are Professor Pei Ker Wei, Dr Loke Yu and Mr Zhang Huaqiao.