SHANGHAI ZENDAI PROPERTY LIMITED

上海証大房地產有限公司*****

(Incorporated in Bermuda with limited liability)

(Stock code: 755)

PROFIT WARNING

This announcement is made by Shanghai Zendai Property Limited (the "**Company**", which 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) (the "**SFO**") and Rule 13.09(2)(a) of the Listing Rules.

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform shareholders and investors of the Company that the Group is expected to record a loss for the year ended 31 December 2018 ("**Reporting Period**") as compared to a profit for the year ended 31 December 2017. Based on the preliminary review of the information currently available, the loss of the Group for the Reporting Period was mainly attributed to the absence of the one-off gain of HK$1,193 million from the fair value re-measurement of a former joint venture, whose remaining equity interests were acquired by the Group in 2017 which constituted a business combination, recorded in the previous financial year.

The information contained in this announcement is only based on the preliminary review of the management accounts of the Group, which have not been reviewed and approved by the Company's audit committee and are still being reviewed by the Company's auditors. Further details of the Group's performance will be disclosed when the Group announces its annual results for the year ended 31 December 2018.

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

By order of the Board
Shanghai Zendai Property Limited
Mr. Qiu Haibin
Chairman

Hong Kong, 12 March 2019

As at the date of this announcement, the executive Directors are Mr. Qiu Haibin, Mr. Qin Renzhong, Mr. Zhang Huagang and Mr. Tang Jian. The non-executive Directors are Ms. Wang Zheng, Mr. Gong Ping and Ms. Jiang Zhengyan. The independent non-executive Directors are Mr. Chow Alexander Yue Nong, Dr. Xu Changsheng, Mr. Ng Man Kung, Mr. How Sze Ming and Dr. Di Ruipeng.

* *For identification purpose only*