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 the shareholders (the "**Shareholders**") and potential investors of the Company that the Group is expected to record a loss of not less than approximately RMB150 million for the six months ended 30 June 2020 (the "**Reporting Period**") as compared with a loss of approximately RMB8.2 million for the six months ended 30 June 2019 (the "**Preceding Period**").

The material increase in loss during the Reporting Period is attributable to various reasons. During the Reporting Period, in order to facilitate an increase in cash back, the Group provided discount to pre-sale prices regarding projects under development in Yangzhou and Xuzhou after the COVID-19 pandemic outbreak (the "**Pandemic**"). After consideration of the property market conditions in the region, construction progress and quantities of projects under development, an expected provision for impairment loss totalling not less than approximately RMB125 million is expected to be recorded by reference to revaluation by the Company's independent property valuer. The Pandemic and the on-going Sino-US trade friction have created further challenges against the shoe and footwear industry. As such, as a result of decreased occupancy and provision of short term concession to the tenants in the shoe and footwear industry in our Talent Shoes Trading Center, an unfavourable fair value change on investment properties of approximately RMB20 million is expected to be recorded by reference to revaluation by the Company's independent property valuer. Furthermore, the Group's finance costs for the Reporting Period increased by approximately RMB20 million as the Group's aggregate borrowings increased significantly as compared to the Preceding Period.

The Company is in the course of preparing its financial results for the Reporting Period. The information contained in this announcement is based on the preliminary assessment of the Group's unaudited management accounts for the six months ended 30 June 2020 and the information currently available to the Board. Such information has not been reviewed by the audit committee of the Board or the Company's independent auditors and is subject to finalisation and necessary adjustments upon further review.

Shareholders and potential investors are advised to refer to further details on the interim results of the Company for the Reporting Period, which are expected to be announced on 31 August 2020.

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

By Order of the Board
Talent Property Group Limited
Zhang Gao Bin
Chairman

Hong Kong, 26 August 2020

As at the date hereof, the Board comprises Mr. Zhang Gao Bin and Mr. Luo Zhangguan as Executive Directors and Mr. Lo Wai Hung, Mr. Mak Yiu Tong and Mr. Fok Chi Tat Michael as Independent Non-executive Directors.

* *For identification purposes only*