

Sino-Ocean Land (Perpetual Finance) Limited

(Incorporated in British Virgin Island with limited liability)

The Board of Directors of Sino-Ocean Land (Perpetual Finance) Limited (the “**Company**”) announces that Sino-Ocean Land Holdings Limited, the Company’s parent company, has released an announcement of Discloseable Transaction and the announcement as attached has been posted on the websites of The Stock Exchange of Hong Kong Limited and Sino-Ocean Land Holdings Limited.

By Order of the Board

Sino-Ocean Land (Perpetual Finance) Limited

SUM Pui Ying

Director

9 February 2015

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远洋地产

遠洋地產控股有限公司

Sino-Ocean Land Holdings Limited

(incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance)

(Stock Code: 03377)

**DISCLOSEABLE TRANSACTION -
ACQUISITION OF EQUITY INTEREST IN PROJECT COMPANY**

The Board is pleased to announce that on 6 February 2015 (after trading hours), Thrive Path, Yuandong (both of which are subsidiaries of the Company), the Vendor and Chengpin entered into the Shuiwan Framework Agreement, pursuant to which, among other things, the parties agreed to the following in respect of the proposed acquisition of 80% equity interest in Chengpin by Yuandong from the Vendor: (i) Yuandong shall pay the earnest money of RMB90 million to the Vendor; (ii) Yuandong and Thrive Path shall provide the Bridging Loans of RMB910 million to Chengpin and the Vendor or its designated group affiliate(s); and (iii) the Vendor shall transfer 80% equity interest in Chengpin to Yuandong as security for the due repayment of the earnest money and Bridging Loans.

On 25 September 2014, SOL (a subsidiary of the Company) and Long Chengda entered into the Lishan Framework Agreement, pursuant to which, among other things, SOL agreed to pay the earnest money in the amount of RMB14 million to Long Chengda in respect of the proposed acquisition of certain equity interest in Jinluan, and Long Chengda agreed to transfer 20% equity interest in Jinluan to SOL as security for the due repayment of the earnest money.

On 5 November 2014, Yuanjing (a subsidiary of the Company) and the Vendor entered into the Le An Agreement, pursuant to which, among other things, the Vendor agreed to sell and Yuanjing agreed to acquire 30% equity interest in Le An and the Vendor agreed to surrender its property rights under part of the Shengping Project.

As the Group has entered into the Agreements with the Vendor within a 12-month period, the transactions under the Agreements are required to be aggregated pursuant to Rule 14.22 of the Listing Rules. Since the applicable percentage ratios in respect of the transactions under the Agreements, on an aggregated basis, exceeds 5% but are below 25%, the entering into of the Shuiwan Framework Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 6 February 2015 (after trading hours), Thrive Path, Yuandong (both of which are subsidiaries of the Company), the Vendor and Chengpin entered into the Shuiwan Framework Agreement, pursuant to which, among other things, the parties agreed to the following in respect of the proposed acquisition of 80% equity interest in Chengpin by Yuandong from the Vendor: (i) Yuandong shall pay the earnest money of RMB90 million to the Vendor; (ii) Yuandong and Thrive Path shall provide the Bridging Loans of RMB910 million to Chengpin and the Vendor or its designated group affiliate(s); and (iii) the Vendor shall transfer 80% equity interest in Chengpin to Yuandong as security for the due repayment of the earnest money and Bridging Loans.

On 25 September 2014, SOL (a subsidiary of the Company) and Long Chengda entered into the Lishan Framework Agreement, pursuant to which, among other things, SOL agreed to pay the earnest money in the amount of RMB14 million to Long Chengda in respect of the proposed acquisition of certain equity interest in Jinluan, and Long Chengda agreed to transfer 20% equity interest in Jinluan to SOL as security for the due repayment of the earnest money.

On 5 November 2014, Yuanjing (a subsidiary of the Company) and the Vendor entered into the Le An Agreement, pursuant to which, among other things, the Vendor agreed to sell and Yuanjing agreed to acquire 30% equity interest in Le An and the Vendor agreed to surrender its property rights under part of the Shengping Project.

SHUIWAN FRAMEWORK AGREEMENT

The principal terms of the Shuiwan Framework Agreement are as follows:

- Date** : 6 February 2015
- Parties** : (1) Thrive Path
(2) Yuandong
(3) The Vendor
(4) Chengpin
- Proposed acquisition** : Yuandong proposed to acquire and the Vendor proposed to sell 80% equity interest in Chengpin subject to, among other things, the due diligence and valuation on Chengpin to be conducted by Yuandong and the negotiations of Yuandong and the Vendor with respect to the terms and conditions of the Shuiwan Acquisition. During the Negotiation Period, the parties (other than Chengpin) shall determine the consideration based on the due diligence and valuation result of Chengpin and the negotiation results, and enter into the relevant final transaction documents in respect of the Shuiwan Acquisition.
- Payment of earnest money** : Yuandong agreed to pay the earnest money of RMB90 million to the Vendor, and the Vendor shall transfer 80% equity interest in Chengpin to Yuandong as security for the due repayment of the earnest money and Bridging Loans. The transfer of the 80% equity interest in Chengpin from the Vendor to Yuandong shall be completed within 10 days from the signing of the Shuiwan Framework Agreement.

Subject to the fulfilment of the following principal conditions precedent (or waiver thereof by Yuandong in writing), among others, Yuandong shall pay the earnest money of RMB90 million to the Vendor within 10 working days:

- (i) the consent by the Individual Shareholders to the waiver of the first right of refusal to acquire the equity interest in Chengpin;
- (ii) the release of the equity pledge in respect of 80% equity interest in Chengpin granted in favour of CMB;
- (iii) the completion of the registration of the transfer of the 80% equity interest in Chengpin with the relevant industry and commerce department and tax authority and the grant of new business license and tax registration certificate to Chengpin; and
- (iv) no occurrence of any material adverse change to Chengpin.

Bridging Loans : Upon completion of the transfer of the 80% equity interest in Chengpin, Yuandong and Thrive Path shall provide the Bridging Loans of RMB910 million to Chengpin and the Vendor or its designated group affiliate(s), subject to the execution of the relevant loan agreements (with agreed terms including the interest rate, principal amount, term, purposes and repayment), payment of the earnest money of RMB90 million by Yuandong to the Vendor and the fulfilment (or waiver thereof by Yuandong in writing) of the conditions precedent specified in the sub-section headed “Payment of earnest money” above, among others.

Guarantee and release of equity pledge : The 80% equity interest in Chengpin is subject to an equity pledge in favour of CMB as security for a loan facility to Chengpin. To release the equity pledge, Yuandong agreed that it or its designated related party shall provide a guarantee in favour of CMB pursuant to which Yuandong or its designated related party shall guarantee the due payment of the debt owed by Chengpin to CMB up to an aggregate principal amount of RMB1,000 million.

Upon the completion of the transfer of the 80% equity interest in Chengpin, Yuandong or its designated related party shall pledge the 80% equity interest in Chengpin in favour of CMB as guarantee for the debt of Chengpin up to the aggregate principal amount of RMB500 million, and the guarantee provided by Yuandong in favour of CMB shall be released.

Termination : In the event that the parties fail to reach a final agreement in respect of the Shuiwan Acquisition on or before the end of the Negotiation Period, within three working days, (i) the Vendor shall return the earnest money of RMB90 million to Yuandong, together with interest at the rate of 15% per annum; and (ii) Chengpin and the Vendor or its designated group affiliate(s) shall repay the Bridging Loans of RMB910 million to Yuandong and Thrive Path, together with interest at the rate of 15% per annum. Upon the repayment of the amounts specified in (i) and (ii), the 80% equity interest in Chengpin shall be transferred back to the Vendor within eight working days of the end of the Negotiation Period.

In the event of the termination of the Shuiwan Framework Agreement upon the occurrence of certain specified events, including but not limited to material litigation, material claims resulting from major quality problems or accident or the imposition of restrictive measures (such as the locking of units) affecting the Shuiwan Project and/or Chengpin or a change in the actual control of the Vendor, the earnest money and Bridging Loans would also be repayable and the 80% equity interest in Chengpin would also be transferred back to the Vendor in the same manner as described above.

Composition of the board of directors of Chengpin

Upon completion of the transfer of the 80% equity interest in Chengpin pursuant to the Shuiwan Framework Agreement, the shareholders of Chengpin shall comprise Yuandong and the Individual Shareholders, and the board of directors of Chengpin shall comprise five directors, of which four directors will be nominated by Yuandong (of which two will be designated by the Vendor) and one director will be nominated by the Individual Shareholders. Yuandong shall have the right to appoint the finance representative of Chengpin.

THE LE AN AGREEMENT

The principal terms of the Le An Agreement are as follows:

Date	:	5 November 2014
Parties	:	(a) Yuanjing, as purchaser (b) The Vendor, as vendor
Subject matter	:	Yuanjing shall acquire 30% equity interest in Le An from the Vendor and the Vendor shall surrender its property rights to the 18,000 square metres of residential properties and 180 car parking spaces in the Shengping Project for a total consideration (including overall demolition compensation and relocation cost) of RMB225,000,000, subject to certain deduction conditions in pursuant to the Le An Agreement.

Consideration and payment : Within five business days of the business registration of the transfer of the 30% equity interest in Le An to Yuanjing, Yuanjing shall pay the first instalment of the consideration of RMB14 million to the Vendor.

From the date of the Le An Agreement to 30 September 2015, Yuanjing shall pay to the Vendor the remainder of the consideration in the amount of RMB211 million by separate instalments, subject to certain deduction conditions in pursuant to the Le An Agreement.

The consideration was determined with reference to the registered capital of Le An, amount of tax to be borne by Yuanjing, the pre-development cost incurred by the Vendor and market value of property development projects adjacent to the Shengping Project.

Completion

The business registration of the Le An Acquisition was completed on 15 December 2014, and the first instalment of the consideration under the Le An Agreement was fully settled by Yuanjing.

LISHAN FRAMEWORK AGREEMENT

The principal terms of the Lishan Framework Agreement are as follows:

Date : 25 September 2014

Parties : (1) SOL
(2) Long Chengda

Subject matters : SOL proposed to acquire and Long Chengda proposed to sell certain equity interest in Jinluan subject to, among other things, the due diligence on Jinluan to be conducted by SOL and the negotiations of SOL and the Vendor with respect to the terms and conditions of the Lishan Acquisition.

The earnest money of RMB14 million shall be paid by SOL to Long Chengda upon the signing of the Lishan Framework Agreement and the Vendor shall simultaneously transfer 20% equity interest in Jinluan to Yuandong as security for the due repayment of the earnest money.

After receipt of the earnest money of RMB14 million, SOL shall conduct due diligence on Jinluan and the Lishan Project, and the parties shall determine the consideration, percentage of equity interest to be transferred and other terms and conditions in a formal binding agreement in relation to the Lishan Acquisition.

If SOL discovers any major issue in its due diligence process which would affect the Lishan Acquisition, SOL shall have the right to terminate the Lishan Framework Agreement, upon which the earnest money of RMB14 million shall be returned to SOL, and the equity interest in Jinluan shall be returned to the Vendor.

REASONS FOR AND BENEFITS OF THE AGREEMENTS

As at the date of the Le An Agreement, the Group held 55% equity interest in Le An and Le An was a subsidiary of the Company. Upon completion of the Le An Acquisition, the Group holds 85% equity interest in Le An, allowing the Group to gain greater control of the Shengping Project, which would improve the management and operational efficiency of the Group in implementing business decisions and developing strategies and enhancing the competitiveness of the Group.

Pursuant to the Shuiwan Framework Agreement, the final agreement in respect of the Shuiwan Acquisition (which includes the consideration) has not been reached and is subject to due diligence and valuation results on the Shuiwan Project being satisfactory to the Group and further negotiations between the parties. Pursuant to the Lishan Framework Agreement, the final agreement in respect of the Lishan Acquisition (which includes the consideration and percentage of equity interest) has not been reached and is subject to due diligence results on the Lishan Project being satisfactory to the Group and further negotiations between the parties. Further announcement(s) will be made by the Company as and when required in accordance with the Listing Rules in the event final agreements are reached by the Group in respect of the Shuiwan Acquisition and the Lishan Acquisition.

The Board believes that the Shuiwan Acquisition and Lishan Acquisition will allow the Group to gain control of the Shuiwan Project and influence in the Lishan Project, respectively, which are located in a prime area in Shenzhen, the PRC and would strengthen the Group's presence in the Pearl River Delta property market with well-established management team and expertise. It is expected that Shuiwan Project and Lishan Project are in the focus of the Group's business development plan and will benefit the Group with better asset turnover and pre-sales schedule. The entering into of the Shuiwan Framework Agreement and the Lishan Framework Agreement facilitate the Shuiwan Acquisition and the Lishan Acquisition by allowing the Group to conduct preliminary due diligence and valuation on the relevant projects and the target companies.

The amount of earnest money and the Bridging Loans under the Shuiwan Framework Agreement was determined by reference to the registered capital representing 80% equity interest in Chengpin, the outstanding amount of the shareholder's loan owed by Chengpin to the Vendor and the capital requirements of Chengpin for the development of the Shuiwan Project. The Company will finance the earnest money and the Bridging Loans under the Shuiwan Framework Agreement from internal resources of the Group.

DIRECTORS' CONFIRMATION

The Directors (including the independent non-executive Directors) are of the view that the Agreements have been entered into on normal commercial terms that are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

None of the Directors has a material interest in the Agreements or was required to abstain from voting from the relevant board resolutions approving the Agreements and the transactions contemplated thereby.

INFORMATION OF CHENGPIN, JINLUAN AND LE AN

Chengpin

Chengpin is a company established in the PRC and a non-wholly owned subsidiary of the Vendor held as to 80% by the Vendor and 20% by the Individual Shareholder as at the date of the Shuiwan Framework Agreement. It is principally engaged in property development. Chengpin directly holds a 100% interest in the Shuiwan Project. Upon the transfer of the 80% equity interest in Chengpin to Yuandong, Chengpin will become a subsidiary of the Company.

The unaudited financial information of Chengpin is set out as follows:

	For the year ended 31 December 2013 (RMB'000)	For the year ended 31 December 2014 (RMB'000)
Net loss before taxation	(5,340)	(24,020)
Net loss after taxation	(5,340)	(24,020)
		As at 31 December 2014 (RMB'000)
Net asset		59,330

Details of the Shuiwan Project are set out below:

Location of the project	Project description	Total GFA (planned)
Shuiwan Village, Shekou, Nanshan District, Shenzhen	Residential and commercial properties	Approximately 317,000 square metres

Jinluan

Jinluan is a company established in the PRC. It is principally engaged in property development. Jinluan directly holds a 100% interest in the Lishan Project and is held as 40% by Long Chengda and 60% by other independent third parties immediately prior to the signing of the Lishan Framework Agreement.

The unaudited financial information of Jinluan is set out as follows:

	For the year ended 31 December 2013 (RMB'000)	For the year ended 31 December 2014 (RMB'000)
Net loss before taxation	(2,040)	(580)
Net loss after taxation	(2,040)	(580)
		As at 31 December 2014 (RMB'000)
Net asset		64,614

Details of the Lishan Project are set out below:

Location of the project	Project description	Total GFA (planned)
Lishan Industrial Area, Nanshan District, Shenzhen	Residential and commercial properties	Approximately 230,000 square metres

Le An

Upon completion of the Le An Acquisition on 15 December 2014, the Group holds 85% equity interest in Le An, which in turn holds a 100% indirect interest in Shengping Project.

The unaudited financial information of Le An is set out as follows:

	For the year ended 31 December 2013 (RMB'000)	For the year ended 31 December 2014 (RMB'000)
Net profit before taxation	11	72
Net profit after taxation	11	72
		As at 31 December 2014 (RMB'000)
Net asset		9,597

Details of Shengping Project are set out below:

Location of the project	Project description	Total GFA (planned)
Crossings of Shenglong Road and Neihuan West Road, Shengping Community, Longcheng Street, Longgang District, Shenzhen	Residential and commercial properties	Approximately 391,000 square metres

INFORMATION ABOUT THE GROUP

The Company is a company incorporated under the laws of Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. The principal business activity of the Company is investment holding. The Group is one of the leading property developers with developments in key economic regions in the PRC and actively accomplishing the Group's national strategic plan with a coastal and riparian focus. The Group focuses on developing mid-to-high-end residential properties, high-end office premises and retail properties.

Thrive Path is a company incorporated under the laws of British Virgin Islands with limited liability, and a wholly-owned subsidiary of the Company. It is principally engaged in investment holding.

SOL is a company established in the PRC and a wholly-owned subsidiary of the Company. It is principally engaged in property development and investment holding.

Yuandong is a company established in the PRC and a wholly-owned subsidiary of the Company. It is principally engaged in property development.

Yuanjing is a company established in the PRC and a wholly owned subsidiary of the Company. It is principally engaged in property development.

INFORMATION ABOUT THE VENDOR

Long Chengda is a company established in PRC and is a wholly-owned subsidiary of the Vendor. It is principally engaged in property development and investment holding.

The Vendor is a company established in the PRC. It is principally engaged in property development and property management. The Vendor is a substantial shareholder holding 30% equity interest in Le An (a subsidiary of the Company) and the holding company of the Vendor, Geluosida Science and Technology (Shenzhen) Limited* (格羅思達科技(深圳)有限公司), is a substantial shareholder holding 45% equity interest in Shenzhen Yuanshengye Investment Limited* (深圳市遠盛業投資有限公司) (“**Yuanshengye**”) (a subsidiary of the Company). Pursuant to Rule 14A.31(9), since Le An and Yuanshengye are qualified as insignificant subsidiaries of the Company, each of the Vendor and Long Chengda is not considered as a connected person of the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, saved as aforementioned, the Vendor and its ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

LISTING RULES IMPLICATIONS

As the Group has entered into the Agreements with the Vendor within a 12-month period, the transactions under the Agreements are required to be aggregated pursuant to Rule 14.22 of the Listing Rules. Since the applicable percentage ratios in respect of the transactions under the Agreements, on an aggregated basis, exceeds 5% but are below 25%, the entering into of the Shuiwan Framework Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Acquisitions”	the Shuiwan Acquisition, the Lishan Acquisition and the Le An Acquisition
“Agreements”	the Shuiwan Framework Agreement, the Lishan Framework Agreement and the Le An Agreement
“Board”	the board of Directors
“Bridging Loan(s)”	a loan of RMB600 million to be provided by Yuandong to Chengpin through a designated commercial bank and a loan of RMB310 million (or its equivalent in US\$ or HK\$) to be provided by Thrive Path to the Vendor or its designated group affiliate(s)
“Chengpin”	Shenzhen Chengpin Property Limited* (深圳市誠品地產有限公司), a company established with limited liability under the laws of the PRC
“CMB”	China Merchants Bank Corporation Limited, Shenzhen Gaoxin Yuan Branch (招商銀行股份有限公司深圳高新園支行)
“Company”	Sino-Ocean Land Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code : 03377)
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Individual Shareholders”	individual shareholders who hold a total of 20% equity interest in Chengpin as at the date of the Shuiwan Framework Agreement
“Jinluan”	Jinluan Shangwan Property Development Company Limited* (金鑾尚灣房地產開發有限公司), a company established with limited liability under the laws of the PRC
“Le An”	Shenzhen Le'an Property Limited* (深圳市樂安房地產有限公司), a company established with limited liability under the laws of the PRC
“Le An Acquisition”	acquisition of 30% equity interest in Le An from the Vendor by Yuanjing under the Le An Agreement
“Le An Agreement”	the agreement dated 5 November 2014 entered into between Yuanjing and the Vendor in respect of, inter alia, the Le An Acquisition
“Lishan Acquisition”	the proposed acquisition of certain equity interest in Jinluan as contemplated by the Lishan Framework Agreement
“Lishan Framework Agreement”	the co-operation framework agreement dated 25 September 2014 entered into between SOL and the Vendor in relation to, inter alia, the Lishan Acquisition
“Lishan Project”	the project located at Lishan Industrial Area, Nanshan District, Shenzhen being developed by Jinluan
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Chengda”	Shenzhen Long Chengda Investment Company Limited* (深圳市龍晟達投資有限公司), a company established with limited liability under the laws of the PRC and a wholly-owned subsidiary of the Vendor

“Negotiation Period”	the period from the date of the Shuiwan Framework Agreement to 20 December 2015 (or such later date as the parties may agree)
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shengping Project”	the project located at Crossings of Shenglong Road and Neihuan West Road, Shengping Community, Longcheng Street, Longgang District, Shenzhen being developed by Le An
“Shuiwan Acquisition”	the proposed acquisition of 80% equity interest in Chengpin from the Vendor by Yuandong under the Shuiwan Framework Agreement
“Shuiwan Framework Agreement”	the co-operation framework agreement dated 6 February 2015 entered into between Thrive Path, Yuandong, the Vendor and Chengpin in relation to, inter alia, the Shuiwan Acquisition
“Shuiwan Project”	the property project located at Shuiwan Village, Shekou, Nanshan District, Shenzhen, the PRC which is currently being developed by Chengpin
“SOL”	Sino-Ocean Land Limited* (遠洋地產有限公司), a company established with limited liability under the laws of the PRC and a wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Thrive Path”	Thrive Path Investments Limited, a company incorporated under the laws of British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“US\$”	United States dollars, the lawful currency of the United States of America

“Vendor”	Shenzhen Diye Property Co. Ltd.* (深圳市地業房地產有限公司), a company established with limited liability under the laws of the PRC
“Yuandong”	Beijing Yuandong Xindi Property Limited* (北京遠東新地置業有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
“Yuanjing”	Shenzhen Yuanjing Property Limited* (深圳市遠景置業有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
“%”	per cent

* For identification purposes only

By Order of the Board
Sino-Ocean Land Holdings Limited
LAM Tsz Kin
Company Secretary

Hong Kong, 9 February 2015

As at the date of this announcement, the directors of the Company are:

<i>Executive directors:</i>	<i>Non-executive directors:</i>	<i>Independent non-executive directors:</i>
Mr. LI Ming	Mr. YANG Zheng	Mr. TSANG Hing Lun
Ms. LIU Hui	Mr. FANG Jun	Mr. GU Yunchang
Mr. CHEUNG Vincent Sai Sing	Mr. CHUNG Chun Kwong, Eric	Mr. HAN Xiaojing
Mr. CHEN Runfu		Mr. ZHAO Kang
Mr. WEN Haicheng		