

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 – Cornerstone Investment in Huarong 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

CHUNG Kai Cheong

Director

14 October 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 —
CORNERSTONE INVESTMENT IN HUARONG**

The Board is pleased to announce that on 14 October 2015, the Company through Fabulous (a wholly-owned subsidiary of SOL Investment Fund LP) as an investor entered into the Cornerstone Investment Agreement with, amongst other parties, Huarong, pursuant to which Fabulous has agreed to subscribe for the Investor Shares of Huarong at the Offer Price. The aggregate Offer Price for the Investor Shares payable by Fabulous under the Cornerstone Investment Agreement shall be HKD5,304,000,000.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios exceeds 5% but are all less than 25%, the transactions contemplated under the Cornerstone Investment Agreement constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 14 October 2015, the Company through Fabulous (a wholly-owned subsidiary of SOL Investment Fund LP) as an investor entered into the Cornerstone Investment Agreement with, amongst other parties, Huarong, pursuant to which Fabulous has agreed to subscribe for the Investor Shares of Huarong at the Offer Price. The aggregate Offer Price for the Investor Shares payable by Fabulous under the Cornerstone Investment Agreement shall be HKD5,304,000,000.

CORNERSTONE INVESTMENT AGREEMENT

The principal terms of the Cornerstone Investment Agreement are as follows:

- Date** : 14 October 2015
- Parties** : (1) Fabulous, as investor;
- (2) Huarong, as issuer; and
- (3) Underwriters, as representatives of the underwriters of the Global Offering
- Subject matters** : Fabulous has agreed to subscribe for, and Huarong has agreed to allot to Fabulous, the Investor Shares at the Offer Price.

The number of the Investor Shares will be equal to the amount of HKD5,304,000,000 divided by the Offer Price, rounded to the nearest whole board lot of 1,000 H Shares. The number of Investor Shares will not be affected by any re-allocation of H Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering nor affected by any exercise of the over-allotment option.

The Investor Shares will, when delivered to Fabulous or its nominee, will be fully paid and free from all options, liens, charges, mortgages, pledges, claims, equities, encumbrances and other third party rights and shall rank pari passu with the H Shares then in issue and to be listed on the Stock Exchange.

Huarong is seeking a listing on the Main Board of the Stock Exchange by way of a Global Offering comprising (i) the Hong Kong Public Offering and (ii) the International Offering. The Cornerstone Investment forms part of the International Offering.

Huarong has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, among other things, the Investor Shares.

- Consideration and payment** : The aggregate consideration payable by Fabulous comprises (i) the aggregate Offer Price of the Investor Shares, being HKD5,304,000,000, and (ii) the related brokerage and levies in respect of the Investor Shares, being approximately HKD53,448,408.

The aggregate Offer Price and the related brokerage and levies in respect of the Investor Shares are payable to the Underwriters by same day value credit at or before 9:30 a.m. Hong Kong time on the Listing Date in Hong Kong Dollars.

The aggregate Offer Price was agreed between the parties to the Cornerstone Investment Agreement after arm's length negotiations with reference to the prospect of Huarong and current market conditions.

The aggregate Offer Price of the Investor Shares payable by Fabulous will be financed out of the internal resources of the Group and external financing.

Conditions precedent

The obligations of Fabulous under the Cornerstone Investment Agreement to acquire, and the obligations of Huarong and the Underwriters (or their affiliates) to issue, place, allocate and/or deliver (as the case may be), the Investor Shares are conditional upon, among other things, the following conditions having been satisfied at or prior to the closing:

- (a) the underwriting agreement for the Hong Kong Public Offering and the underwriting agreement for the International Offering having been entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the underwriting agreements;
- (b) neither of the aforesaid underwriting agreements having been terminated;
- (c) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the H Shares (including the Investor Shares) and that such approval or permission having not been revoked; and
- (d) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Hong Kong Public Offering, the International Offering or in the Cornerstone Investment Agreement and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions.

If any of the conditions set out above have not been fulfilled or if such conditions have not been waived by the parties (except that the conditions (c) and (d) above cannot be waived) on or before the date that is 180 days after the date of the Cornerstone Investment Agreement (or such other date as may be agreed among Huarong, Fabulous and the Underwriters), the obligation of Fabulous to acquire, and the obligations of Huarong and the Underwriters to issue, place and/or allocate and deliver (as the case may be), the Investor Shares shall cease and any amount paid by Fabulous under the Cornerstone Investor Agreement will be repaid to Fabulous without interest and the Cornerstone Investment Agreement will terminate.

Nomination of Investor

Fabulous may elect to acquire the Investor Shares through one of its wholly-owned subsidiaries that is a “professional investor” (as defined in Section 1 of Schedule 1 to the SFO) and subject to other conditions as set out in the Cornerstone Investment Agreement by giving notice in writing to Huarong and the Underwriters not later than two business days prior to the Listing Date.

Restrictions on Disposal

Fabulous and its nominee shall be subject to, among other restrictions, a lock up period of 6 months following the Listing Date in accordance with the terms of the Cornerstone Investment Agreement.

Closing

The Investor Shares will be acquired contemporaneously with the closing of the International Offering at such time and in such manner as shall be determined by the joint global coordinators.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CORNERSTONE INVESTMENT AGREEMENT

The Board considers that the Cornerstone Investment may bring a promising investment return to the Group and is in line with the Group’s investment strategy.

The Group believes it shares similar philosophy with Huarong on strategic planning and business layout, and have complementary advantages to each other on business capacity and resources allocation with organic synergy effects. Currently, both parties are enthusiastic over the development of various scopes of business, in particular:

Cooperation on Acquisition and Disposal of Real Estate Asset

The Group intends to establish closer business cooperative relationship with Huarong on the acquisition and disposal of real estate assets. The Group, in a long run, has focused on the land market in first and second tier cities, and increasingly expanded the proportion of projects cooperating with other parties on acquisition of real estate assets. The projects under the category of acquisition accounted for over 70% of the new projects obtained this year. The distressed asset management business of Huarong is of a large scale and fast expanding, with some real estate assets possessing greater appreciation potential. The strategic cooperation between both parties in the real estate business can provide the Group with project resources. Meanwhile, the Group believes that the operation and management capacity of distressed assets of Huarong will enhance the Group’s capacity in mergers and acquisitions of real estate projects.

Cooperation on Development of Real Estate Projects

The Group believes that it will seek intensified cooperation with Huarong Real Estate Co., Ltd. (華融置業有限責任公司), a property platform of Huarong, by leveraging real estate resources of its parent. On the one hand, both parties would enjoy comparable advantages by the joint development of real estate projects. On the other hand, the Group would provide development and management services to Huarong. The efforts put in such business cooperation on, among other things, project development will enhance the capacity for sustainable development and competitiveness of both parties.

Cooperation on Property Financial Business

Huarong holds licenses required for engaging various financial businesses, such as banking, trust, securities, futures and financial leasing, allowing the Group a large-scale cooperation with Huarong on property finance sector. Real estate funds will be one of the businesses of the Group for development, and the Group will seek to invest in third-party real estate projects through means such as jointly establishing real estate funds with Huarong.

The Directors (including the independent non-executive Directors) are of the view that the Cornerstone Investment Agreement has 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.

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.

Fabulous is a limited liability company incorporated in British Virgin Islands, and wholly-owned by SOL Investment Fund LP, of which a subsidiary of the Company is a general partner. The limited partner of SOL Investment Fund LP is an indirect subsidiary of the Company.

INFORMATION ABOUT PARTIES TO THE CORNERSTONE INVESTMENT AGREEMENT

Huarong is a joint stock limited liability company established in the PRC. It is principally engaged in distressed asset management, financial services and asset management and investment.

Based on the post hearing information pack of prospectus of Huarong posted on the Stock Exchange's website on 2 October 2015, set out below are certain audited financial information of Huarong for the financial years ended 31 December 2013 and 2014 and the six months ended 30 June 2015:

	For the year ended 31 December 2013 <i>RMB million</i>	For the year ended 31 December 2014 <i>RMB million</i>	For the six months ended 30 June 2015 <i>RMB million</i>
Profit before taxation	13,640	16,774	12,824
Profit after taxation	10,093	13,031	9,868
	As of 31 December 2013 <i>RMB million</i>	As of 31 December 2014 <i>RMB million</i>	As of 30 June 2015 <i>RMB million</i>
Total Assets	408,367	600,521	734,556
Net Assets	52,534	83,532	97,149

HSBC is a corporation licensed under the SFO to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities as defined under the SFO.

ABCI is a corporation licensed under the SFO to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO.

CMBI is a corporation licensed under the SFO to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO.

CICC is a corporation licensed under the SFO to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign change trading), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities as defined under the SFO.

Based on the post hearing information pack of prospectus of Huarong posted on the Stock Exchange's website on 2 October 2015, China Life Group is a shareholder of Huarong holding approximately 5.05% of its total issued share capital. As at the date of this announcement, China Life Group, through China Life Insurance Company Limited, indirectly held 2,203,284,743 Shares, representing approximately 29.33% of the total

number of Shares in issue. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, except as disclosed above, Huarong, the Underwriters and their ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios exceeds 5% but are all less than 25%, the transactions contemplated under the Cornerstone Investment Agreement constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“ABCI”	ABCI Capital Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Agricultural Bank of China Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1288)
“Board”	the board of Directors
“China Life Group”	China Life Insurance (Group) Company (中國人壽保險(集團)有限公司), a company incorporated in the PRC and an indirect substantial shareholder of the Company
“CICC”	China International Capital Corporation Hong Kong Securities Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of China International Capital Corporation Limited
“CMBI”	CMB International Capital Limited is incorporated in Hong Kong and it is a wholly-owned subsidiary of China Merchants Bank Co., Ltd., the shares of which are listed on the Main Board of Shanghai Stock Exchange and Hong Kong Stock Exchange (Stock Code: 600036.SH, 03968.HK)
“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 (Stock Code: 03377)
“Cornerstone Investment”	the subscription of the Investor Shares contemplated under the Cornerstone Investment Agreement
“Cornerstone Investment Agreement”	the cornerstone investment agreement dated 14 October 2015 entered into among Fabulous, Huarong and the Underwriters in relation to the Cornerstone Investment

“Director(s)”	the director(s) of the Company
“Fabulous”	Fabulous Treasure Investments Limited (巨寶投資有限公司), a limited liability company incorporated in British Virgin Islands and wholly-owned by SOL Investment Fund LP
“Global Offering”	the global offering of H Shares of Huarong comprising the Hong Kong Public Offering and the International Offering
“Group”	the Company and its subsidiaries
“H Shares”	the overseas foreign invested ordinary shares in the share capital of Huarong having a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong Dollars and proposed to be listed on the Stock Exchange
“HKD” or “HK Dollars”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Public Offering”	the offer for subscription of the H Shares of Huarong by the public in Hong Kong
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of HSBC Holdings plc, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0005)
“Huarong”	China Huarong Asset Management Co., Ltd.* (中國華融資產管理股份有限公司), a joint stock limited liability company established in the PRC
“International Offering”	a conditional placing outside the United States (including placing to professional and institutional investors in Hong Kong) in reliance on Regulation S under the Securities Act and in the United States to qualified institutional buyers (the QIBs) in accordance with Rule 144A under the United States Securities Act of 1933 or any other available exemption from registration under the United States Securities Act of 1933
“Investor Shares”	the H Shares of Huarong to be acquired by Fabulous pursuant to the Cornerstone Investment Agreement, the number of which shall be equal to HKD5,304,000,000 divided by the Offer Price, rounded to the nearest whole board lot of 1,000 H Shares (excluding brokerage and the levies which the Investor will pay in respect of the Investor Shares)
“Listing Date”	the date on which the H Shares of Huarong are first listed on the Hong Kong Stock Exchange

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Offer Price”	the final Hong Kong dollar price per H Share (exclusive of brokerage and levies) at which the H Shares of Huarong are to be offered and sold pursuant to the Global Offering
“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
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares”	ordinary shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Underwriters”	HSBC, ABCI, CMBI and CICC
“USD”	the lawful currency of the United States of America
“%”	per cent

* *For identification purposes only*

By Order of the Board
Sino-Ocean Land Holdings Limited
CHUNG Kai Cheong
Company Secretary

Hong Kong, 14 October 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. KWOK Kin Ho	Mr. YANG Leyu	Mr. HAN Xiaojing
Mr. CHEN Runfu		Mr. ZHAO Kang
Mr. WEN Haicheng		