

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 - Provision of Financial Assistance to an Affiliated Company 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

29 December 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
PROVISION OF FINANCIAL ASSISTANCE TO AN AFFILIATED COMPANY
AND
ANNOUNCEMENT PURSUANT TO RULE 13.16 OF THE LISTING RULES**

On 29 December 2015, the Company entered into the Deed of Guarantee with the Bank, pursuant to which the Company agreed to guarantee up to 40% of the Guaranteed Indebtedness of the Borrower under the Facility Agreement in favour of the Bank.

As the highest applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the provision of the guarantee under the Deed of Guarantee exceeds 5% but is below 25%, the provision of the guarantee by the Company under the Deed of Guarantee constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

Given that the Borrower is an affiliated company of the Company as defined under Rule 13.11(2) of the Listing Rules and the financial assistances to the Company's affiliated companies and guarantees given for facilities granted to affiliated companies had in aggregate exceeded 8% of the assets ratio as defined under Rule 14.07(1) of the Listing Rules as a result of the provision of the guarantee under the Deed of Guarantee, this announcement is also made by the Company pursuant to Rule 13.16 of the Listing Rules.

INTRODUCTION

Expedient is an affiliated company of the Company owned as to 40% and 60% by Prosper Lead (a wholly-owned subsidiary of the Company) and Complete Honour (a member of the NF Group), respectively. To facilitate the development of the Project, the Borrower (a wholly-owned subsidiary of Expedient) obtained term loan facilities of up to the principal amount of HK\$9,441,720,000 from various lenders (with the Bank as agent and security

trustee) and in connection therewith, the Company has entered into the Deed of Guarantee to provide a guarantee in favour of the Bank as security agent in respect of the amounts due and owing by the Borrower under the Facility.

As the Company is an indirect 40% shareholder of Expedient, the liability of the Company in respect of any sum payable under the Deed of Guarantee shall be limited to 40%.

THE DEED OF GUARANTEE

The salient terms of the Deed of Guarantee are summarized below:

Date

29 December 2015

Parties

- (a) the Company (as guarantor); and
- (b) the Bank (as security agent).

Subject matter

The Company shall be liable for every payment to be made by the Borrower in respect of the Guaranteed Indebtedness as if the guarantor was the principal debtor and obligor in respect of such amount, provided that the liability of the Company in respect of the Deed of Guarantee shall be limited to 40%.

The Company will not receive any fee or commission from providing the guarantee under the Deed of Guarantee.

REASONS FOR AND BENEFITS OF THE PROVISION OF GUARANTEE

The Borrower has entered into the Facility Agreement pursuant to which term loan facilities of up to an aggregate principal amount of HK\$9,441,720,000 shall be provided to the Borrower. The Facility will be primarily used towards the financing of the premium for the site and construction costs for the Project. Nan Fung International as guarantor has provided a separate guarantee in respect of the Guaranteed Indebtedness in favour of the Bank as security agent, which is limited to 60%. As the Company is an indirect 40% shareholder of Expedient, the Board considers it to be fair and reasonable that the Group provides a several guarantee (and not joint and several guarantee) up to the portion of its equity interest in Expedient to facilitate the development of the Project.

In view of the above and the terms of the Deed of Guarantee, the Directors (including the independent non-executive Directors) consider that the terms of the Deed of Guarantee are on normal commercial terms determined after arm's length negotiations between the parties and are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

INFORMATION OF 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.

INFORMATION OF THE BORROWER

The Borrower is a limited liability company incorporated in Hong Kong and as of the date of this announcement, it is wholly-owned by Expedient, which in turn is indirectly held as to 40% by the Company (through Prosper Lead) and 60% by the NF Group (through Complete Honour). The principal business activity of the Borrower is the development of the Project, with the primary objective of selling the residential units and car parking spaces of the Project.

INFORMATION OF THE BANK

To the best of Directors' knowledge, information and belief, the Bank is a Hong Kong incorporated licensed bank and as of the date of this announcement, it is wholly-owned by BOC Hong Kong (Holdings) Limited. It provides a variety of financial products and services to corporate and personal banking customers. To the best of the Directors' knowledge, information and belief, having made all reasonable inquiries, the Bank and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the provision of the guarantee under the Deed of Guarantee exceeds 5% but is below 25%, the provision of the guarantee by the Company under the Deed of Guarantee constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

INFORMATION UNDER RULE 13.16 OF THE LISTING RULES

Given that the Borrower is an affiliated company of the Company as defined under Rule 13.11(2) of the Listing Rules and the financial assistances to the Company's affiliated companies and guarantees given for facilities granted to affiliated companies had in aggregate exceeded 8% of the assets ratio as defined under Rule 14.07(1) of the Listing Rules as a result of the provision of the guarantee under the Deed of Guarantee, the Company is required under Rule 13.16 of the Listing Rules to set out the details of such financial assistances and guarantees as follows:

Name of affiliated company	Attributable interest held by the Group	Amount of entrusted loan made by the Group (A) (Note 1) RMB million	Interest rate per annum	Amount of guarantee given by the Group (B) RMB million	Guaranteed facilities utilized RMB million	Total (A+B) RMB million
The Borrower	40%	—	—	HK\$3,776.7 million (approximately RMB3,158.4 million)	Nil	3,158.4
Shanghai Yuan Xin Properties Co., Ltd	35%	1,207.5 (Note 3)	3.50%	207.2	207.2	1,414.7
Shanghai Yuan Zheng Properties Co., Ltd	35%	649.7 (Note 3)	3.50%	—	—	649.7
Sino-Ocean Land (Zhenjian) Limited* (遠洋地產鎮江有限公司)	19.25%	384.8 (Note 3)	8.00%	—	—	384.8
Qinhuangdao Ocean Real Estate Development Ltd* (秦皇島市海洋置業房地產開發有限公司)	35%	380.0 (Note 3)	3.50%	42.0	42.0	422.0
Qinhuangdao Yuanhao Real Estate Development Ltd* (秦皇島市遠豪房地產開發有限公司)	35%	338.3 (Note 3)	3.50%	—	—	338.3
Qinhuangdao Yuanlian Real Estate Development Ltd* (秦皇島市遠聯房地產開發有限公司)	35%	97.3 (Note 3)	3.50%	—	—	97.3
Fushun Dechuang Real Estate Co., Ltd* (撫順德創置業有限公司)	22.75%	20.9 (Note 3)	15.00%	86.5	86.5	107.4
Sino-Ocean Decoration Engineering Co., Limited	28%	—	—	14.0	14.0	14.0
Guangzhou Yuanxiang Real Estate Development Company Limited* (廣州市遠翔房地產開發有限公司)	30%	303.0 (Note 3)	9.00%	480.0	480.0	783.0
Ningbo Juxin Huiyuan Investment & Management Partnership* (寧波聚信匯遠投資管理合夥企業)	50%	1,225.0 (Note 3)	10.00%	—	—	1,225.0
Chengdu Qianhao Real Estate Company Limited	50%	317.0 (Note 2)	7.50%	—	—	317.0
Beijing Linlian Property Company Limited	50%	105.0 (Note 3)	3.38%	—	—	105.0
Hongji Weiye (Beijing) Real Estate Development Limited* (鴻基偉業(北京)房地產開發有限公司)	50%	98.0 (Note 3)	10.00%	—	—	98.0
Shanghai Yuanhui Property Development Company Limited	40%	347.0 (Note 3)	3.50%	600.0	600.0	947.0

Name of affiliated company	Attributable interest held by the Group	Amount of entrusted loan made by the Group (A) (Note 1) RMB million	Interest rate per annum	Amount of guarantee given by the Group (B) RMB million	Guaranteed facilities utilized RMB million	Total (A+B) RMB million
Beijing Central Business District Development and Construction Company Limited	47%	490.0 (Note 3)	5.31%	—	—	490.0
Hubei Fuxinghuiyu Changqing Real Estate Company Limited	38%	1,207.0 (Note 3)	12.00%	757.3	757.3	1,964.3
Beijing Yuan Sheng Land Development Company, Limited	49%	—	—	490.0	490.0	490.0
		<u>7,170.5</u>		<u>5,835.4</u>	<u>2,677.0</u>	<u>13,005.9</u>

* for translation purposes only

Notes:

- (1) All entrusted loan given to the affiliated companies are unsecured and funded by the internal resources of the Group
- (2) The entrusted loan are repayable on demand
- (3) The entrusted loan are repayable after one year

DEFINITIONS

“Bank”	Bank of China (Hong Kong) Limited, a Hong Kong incorporated licensed bank and a wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited
“Borrower”	Great Team Development Limited, a limited liability company incorporated in Hong Kong and a wholly-owned subsidiary of Expedient
“Company”	Sino-Ocean Land Holdings Limited, a limited liability company incorporated in Hong Kong, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03377)
“Complete Honour”	Complete Honour Investments Limited, a limited liability company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the NF Group
“Deed of Guarantee”	the guarantee dated 29 December 2015 executed by the Company as guarantor in favour of the Bank as security agent in respect of the Facility, pursuant to which the Company agreed to guarantee up to 40% of the Guaranteed Indebtedness of the Borrower under the Facility Agreement

“Director(s)”	the director(s) of the Company
“Expedient”	Expedient Group Limited, a limited liability company incorporated in the British Virgin Islands and the holding company of the Borrower
“Facility”	the term loan facilities of up to an aggregate principal amount of HK\$9,441,720,000 extended to the Borrower under the Facility Agreement
“Facility Agreement”	the loan facility agreement dated 29 December 2015 entered into by, amongst other parties, the Borrower and the Bank in respect of the Facility
“Group”	the Company and its subsidiaries
“Guaranteed Indebtedness”	all moneys and sums whatsoever (including, without limitation, all principal, interest, commitment fee, any other sums, fees, costs, charges and expenses) from time to time owing, due or payable or to become owing, due or payable by the Borrower under or pursuant to the Facility Agreement and other relevant finance documents to which it is a party
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Nan Fung International”	Nan Fung International Holdings Limited, a limited liability company incorporated in the British Virgin Islands and a member of NF Group
“NF Group”	a privately owned group of companies and business interests under the control of the estate of Mr. Chen Din Hwa (deceased) carrying on business under the trade name of “Nan Fung” and is principally engaged in the business of property development, property investment, construction, property management, investment and financing and “a member of the NF Group” shall mean any of them
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement

“Project”	the development of residential accommodation at Site N of the Remaining Portion of Tseung Kwan O Town Lot No.70, Tseung Kwan O, Sai Kung, Hong Kong, which is known as the “MTRCL LOHAS Park Package Six Property Development”
“Prosper Lead”	Prosper Lead Holdings Limited, a limited liability company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Shareholder(s)”	holder(s) of the ordinary shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 29 December 2015

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

Executive Directors:

Mr. LI Ming
Ms. LIU Hui
Mr. KWOK Kin Ho
Mr. SUM Pui Ying
Mr. WEN Haicheng

Non-executive Directors:

Mr. YANG Zheng
Mr. FANG Jun
Mr. YANG Leyu

Independent non-executive Directors:

Mr. TSANG Hing Lun
Mr. GU Yunchang
Mr. HAN Xiaojing
Mr. SUEN Man Tak