

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 Connected Transactions 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

15 September 2014

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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)

**CONNECTED TRANSACTIONS —
ACQUISITIONS**

The Board announces that:

- (i) on 23 June 2014, Daxin Real Estate and the Purchaser (a wholly-owned subsidiary of the Company) entered into the Yuanjian Agreement, pursuant to which Daxin Real Estate agreed to sell to the Purchaser and the Purchaser agreed to purchase from Daxin Real Estate 20% of the equity interest in Yuanjian held by Daxin Real Estate.
- (ii) on 15 September 2014, the Vendor and the Purchaser entered into the Daxin Cooperation Agreement in respect of the development of the Caihong Project through Daxin, pursuant to which the Vendor agreed to sell to the Purchaser and the Purchaser agreed to purchase from the Vendor 51% of the equity interest in Daxin held by the Vendor.

LISTING RULES IMPLICATIONS

The Vendor, which is a substantial shareholder of Zhongshan Shengxin Real Estate Development Company Limited* (中山市盛信房地產開發有限公司) (a subsidiary of the Company) and Daxin Real Estate, which is a non-wholly owned subsidiary of the Vendor, constitute connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions under each of the Yuanjian Agreement and the Daxin Cooperation Agreement constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the applicable ratios are below 1%, the Yuanjian Agreement by itself was a de minimis transaction exempt from announcement and independent shareholders' approval requirements under Rule 14A.76 of the Listing Rules.

Since the Daxin Cooperation Agreement was signed within 12 months of the 2014 Agreements (which were disclosed in the Announcement) and the Yuanjian Agreement, and the counterparties to each of the aforementioned agreements were the Vendor or Daxin Real Estate (a non wholly-owned subsidiary of the Vendor), they are therefore required to be aggregated pursuant to the Listing Rules. Since the applicable ratios for the Yuanjian Agreement and the Daxin Cooperation Agreement, on an aggregated basis, exceed 1% but are below 5%, the Yuanjian Agreement and the Daxin Cooperation Agreement constitute a connected transaction subject to the reporting and announcement requirements of the Listing Rules. The applicable ratios for the 2014 Agreements, the Yuanjian Agreement and the Daxin Cooperation Agreement, on an aggregated basis, are below 5% and are exempted from the independent shareholders' approval requirement under the Listing Rules.

INTRODUCTION

The Board announces that:

- (i) on 23 June 2014, Daxin Real Estate and the Purchaser (a wholly-owned subsidiary of the Company) entered into the Yuanjian Agreement, pursuant to which Daxin Real Estate agreed to sell to the Purchaser and the Purchaser agreed to purchase from Daxin Real Estate 20% of the equity interest in Yuanjian held by Daxin Real Estate.
- (ii) on 15 September 2014, the Vendor and the Purchaser entered into the Daxin Cooperation Agreement in respect of the development of the Caihong Project through Daxin, pursuant to which the Vendor agreed to sell to the Purchaser and the Purchaser agreed to purchase from the Vendor 51% of the equity interest in Daxin held by the Vendor.

(I) THE YUANJIAN AGREEMENT

Date : 23 June 2014

Parties : (i) Daxin Real Estate as vendor
(ii) The Purchaser as purchaser

Acquisition of 20% equity interest in Yuanjian

Daxin Real Estate agreed to sell and the Purchaser agreed to purchase from Daxin Real Estate 20% of the equity interest in Yuanjian held by Daxin Real Estate for a consideration of RMB72,530,000.

Upon completion of the sale and purchase of 20% equity interest in Yuanjian, which occurred on 27 June 2014, the Purchaser held 100% of the equity interest in Yuanjian, and Yuanjian became an indirect wholly-owned subsidiary of the Company.

(II) THE DAXIN COOPERATION AGREEMENT

The principal terms of the Daxin Cooperation Agreement are set out below:

Date : 15 September 2014

Parties : (i) The Vendor as vendor
(ii) The Purchaser as purchaser
(iii) Daxin as the target company

Acquisition of 51% equity interest in Daxin

The Vendor agreed to sell to the Purchaser and the Purchaser agreed to purchase from the Vendor 51% of the equity interest in Daxin held by the Vendor. The relevant equity transfer agreement will be entered into within five business days after the signing of the Daxin Cooperation Agreement. Upon completion of the sale and purchase of 51% equity interest in Daxin, the Vendor and the Purchaser will hold 49% and 51% respectively of the equity interest in Daxin and Daxin will become a non-wholly owned subsidiary of the Company.

Consideration

The total consideration payable by the Purchaser to the Vendor for 51% equity interest in Daxin is RMB10,200,000. In addition, the Purchaser undertook to provide RMB199,350,000 in cash to Daxin within three business days after the date of the Daxin Cooperation Agreement whereby each of the Purchaser, the Vendor and Daxin undertook to convert such amount into an entrusted loan within 60 business days after completion of the Daxin Cooperation Agreement.

Payment of consideration

The Purchaser agreed to pay the Vendor the consideration of RMB10,200,000 in cash within ten business days after signing of the relevant equity transfer agreement.

Put option

Pursuant to the Daxin Cooperation Agreement, an option was granted to the Purchaser pursuant to which the Purchaser has the right to sell the equity interest held by the Purchaser in Daxin to the Vendor in accordance with the Daxin Cooperation Agreement from the date on which 90% of the above-ground total residential saleable area of the Caihong Project has been sold. The Company will comply with the requirements under the Listing Rules as and when appropriate upon the exercise of the put option.

Board composition and management of Daxin

The board of Daxin will comprise five directors, of which three directors will be nominated by the Purchaser and two directors will be nominated by Vendor. The chairman of the board of Daxin will also be the legal representative of Daxin and will be a director nominated by the Purchaser. The remuneration of each of the directors shall be responsible by the party nominating the director.

Daxin will have two supervisors, of which one supervisor will be nominated by the Purchaser and one supervisor will be nominated by the Vendor. Each supervisor will be appointed for an initial term of three years and may be reappointed upon expiry of the initial term. The remuneration of each of the supervisors shall be responsible by the party nominating the supervisor.

Daxin will have one general manager, several vice general managers and one financial controller, all of which will be nominated by the Purchaser. The other senior management of Daxin will be appointed by the board of Daxin.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENTS

After completion of the Yuanjian Agreement, Yuanjian became an indirect wholly-owned subsidiary of the Group, and the Group gained complete control of the Ocean New Era, which will improve the management and operational efficiency of the Group in implementing business decisions and developing strategies and enhancing the competitiveness of the Group.

The consideration payable by the Purchaser under the Yuanjian Agreement was determined after arm's length negotiations between the parties by referencing internal valuation of the property project and its net asset value based on its unaudited management accounts as at 31 December 2013. The consideration will be financed by the Group's internal funding.

The entering into of the Daxin Cooperation Agreement and the transactions contemplated thereby allow the Group to gain control of the Caihong Project which is located in a prime area in Zhongshan City, the PRC and would strengthen the Group's presence in the Zhongshan property market with well-established management team and expertise.

The consideration payable by the Purchaser under the Daxin Cooperation Agreement was determined after arm's length negotiations between the parties by referencing the market value of lands adjacent to the Caihong Project, all of which are located in the proximity of Caihong Road, Zhongshan City West, the PRC. The consideration will be financed by the Group's internal funding.

INFORMATION ON THE GROUP

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.

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

INFORMATION ON THE VENDOR AND DAXIN REAL ESTATE

The Vendor is a private enterprise established in the PRC which is mainly engaged in property development and operation. The Vendor's business activities include property development, property management, commerce and indoor decoration. Its subsidiaries and projects are located at various areas of Zhongshan City.

Daxin Real Estate is a company established in the PRC and is a non-wholly owned subsidiary of the Vendor. It is principally engaged in property investments.

INFORMATION ON THE TARGET COMPANIES

Details of Ocean New Era and the Caihong Project which is held by Yuanjian and Daxin, respectively are set out as follows:

	Location	Description	Total GFA (planned)
Ocean New Era	San Sha Village, Henglan Town, Zhongshan City, the PRC	Residential and commercial properties	Approximately 493,000 sq.m.
Caihong Project	Side of Caihong Road, Zhongshan City West, the PRC	Residential and commercial properties	Approximately 169,000 sq.m.

Depending on the future working capital requirements for developing the Caihong Project, the Group and the Vendor may provide financial assistance by way of shareholders' loans or corporate guarantees with respect to bank loans in relation to the Caihong Project.

The unaudited consolidated financial information of Yuanjian and Daxin are as follows:

	Net profit for the year ended 31 December 2013 (RMB'000)	Net profit/(loss) for the year ended 31 December 2012 (RMB'000)	Net asset value as at 30 June 2014 (RMB'000)
Yuanjian	168,607 (before taxation) 126,107 (after taxation)	(3,811) (before taxation) (2,167) (after taxation)	216,369
Daxin	0 (before taxation) 0 (after taxation)	0 (before taxation) 0 (after taxation)	20,000

LISTING RULES IMPLICATIONS

The Vendor, which is a substantial shareholder of Zhongshan Shengxin Real Estate Development Company Limited * (中山市盛信房地產開發有限公司) (a subsidiary of the Company) and Daxin Real Estate, which is a non-wholly owned subsidiary of the Vendor, constitute connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions under each of the Yuanjian Agreement and the Daxin Cooperation Agreement constitute connected transaction of the Company under Chapter 14A of the Listing Rules. As the applicable ratios are below 1%, the Yuanjian Agreement by itself was a de minimis transaction exempt from announcement and independent shareholders' approval requirements under Rule 14A.76 of the Listing Rules.

Since the Daxin Cooperation Agreement was signed within 12 months of the 2014 Agreements (which were disclosed in the Announcement) and the Yuanjian Agreement, and the counterparties to each of the aforementioned agreements were the Vendor or Daxin Real Estate (a non wholly-owned subsidiary of the Vendor), they are therefore required to be aggregated. Since the applicable ratios for the Yuanjian

Agreement and the Daxin Cooperation Agreement, on an aggregated basis, exceed 1% but are below 5%, the Yuanjian Agreement and the Daxin Cooperation Agreement constitute connected transactions subject to the reporting and announcement requirements of the Listing Rules. The applicable ratios for the 2014 Agreements, the Yuanjian Agreement and the Daxin Cooperation Agreement, on an aggregated basis, are below 5% and are exempted from the independent shareholders' approval requirement under the Listing Rules.

DIRECTORS' CONFIRMATION

The Directors (including the independent non-executive Directors) are of the view that the terms of each of the Agreements are on normal commercial terms which are fair and reasonable and in the interest of the Company and its shareholders as a whole.

The Board confirms that none of the Directors had any material interest in each of the Agreements and accordingly none of the Directors was required to abstain from voting on the board resolutions in relation to each of the Agreements.

DEFINITIONS

Unless otherwise defined, the following expressions in this announcement have the following meanings:-

“2014 Agreements”	the Yuanheng Cooperation Agreement, the Second Yuanheng Equity Transfer Agreement, the Dongfeng Cooperation Agreement and the Shengxin Cooperation Agreement, further details of which have been disclosed in the Announcement
“Agreements”	the Yuanjian Agreement and the Daxin Cooperation Agreement
“Announcement”	the announcement of the Company dated 3 April 2014 in relation to, among other things, the 2014 Agreements
“Board”	the board of Directors
“Caihong Project”	a residential and commercial development project with a site area of approximately 169,000 sq.m. located at the side of Caihong Road, Zhongshan City West, the PRC

“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
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules
“Daxin”	Zhongshan Daxin Caihong Homes Real Estate Development Company Limited* (中山市大信彩虹家園房地產開發有限公司), a company established in the PRC on 7 June 2012 with limited liability
“Daxin Cooperation Agreement”	the cooperation agreement dated 15 September 2014 entered into between the Vendor, the Purchaser and Daxin
“Daxin Real Estate”	Zhongshan Daxin Real Estate Investment Company Limited* (中山市大信房地產投資有限公司), a company established in the PRC with limited liability
“Director(s)”	director(s) of the Company
“Dongfeng Cooperation Agreement”	the cooperation agreement dated 30 December 2013 entered into between the Vendor and the Purchaser in relation to, among other things, the acquisition by the Purchaser of a 51% equity interest in Zhongshan Boxin Real Estate Development Company Limited* (中山市博信房地產開發有限公司), further details of which have been disclosed in the Announcement for further information
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Ocean New Era”	a residential and commercial development project with a site area of approximately 493,000 sq.m. located at San Sha Village, Henglan Town, Zhongshan City, the PRC

“PRC”	the People’s Republic of China, which for the purpose of this announcement and unless the context suggests otherwise, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“Purchaser”	Beijing Yuandong Xindi Property Limited* (北京遠東新地置業有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Second Yuanheng Equity Transfer Agreement”	the equity transfer agreement dated 31 August 2013 entered into between the Vendor and Beijing Yuansheng Ruitong Investment Management Center (Limited Partnership)* (北京遠盛瑞通投資管理中心(有限合夥)), further details of which have been disclosed in the Announcement
“Shengxin Cooperation Agreement”	the cooperation agreement dated 3 April 2014 entered into between the Vendor, the Purchaser and Zhongshan Shengxin Real Estate Development Company Limited* (中山市盛信房地產開發有限公司), further details of which have been disclosed in the Announcement
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed to it in the Listing Rules
“Vendor”	Zhongshan City Realty, Ltd* (中山市大信置業有限公司), a company established in the PRC with limited liability
“Yuanheng Cooperation Agreement”	the cooperation agreement dated 5 August 2013 entered into between the Vendor, the Purchaser and Yuanheng Real Estate Development Company Limited* (中山市遠恒房地產開發有限公司), further details of which have been disclosed in the Announcement

“Yuanjian”	Zhongshan Yuanjian Real Estate Development Company Limited* (中山市遠見房地產開發有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Yuanjian Agreement”	the equity transfer agreement dated 23 June 2014 entered into between Daxin Real Estate and the Purchaser

* *For identification purposes only*

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

Hong Kong, 15 September 2014

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

<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		