

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 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

31 October 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)

**DISCLOSEABLE AND CONNECTED TRANSACTION —
ACQUISITION OF 24.5% OF ISSUED SHARE CAPITAL OF
POLY LINK MANAGEMENT LIMITED**

Reference is made to the Announcement in relation to the First Agreement.

The Board is pleased to announce that on 31 October 2014, the Vendor and the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Agreement, pursuant to which, among other things, the Vendor agreed to sell and the Purchaser agreed to purchase 24.5% issued share capital of Poly Link (an indirect non-wholly owned subsidiary of the Company) and the Shareholder's Loan.

As at the date of this announcement, Poly Link is held as to 75.5% and 24.5% by the Purchaser and the Vendor, respectively. Upon Completion, Poly Link will become an indirect wholly-owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

Since the Agreement was signed within 12 months of the First Agreement (which was disclosed in the Announcement) and both agreements involve the acquisition by the Purchaser of Poly Link, they are therefore required to be aggregated pursuant to the Listing Rules. Since one or more of the applicable percentage ratios in respect of the transactions contemplated under the Agreements, on an aggregated basis, exceed 5% but are less than 25%, such transactions constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to announcement and reporting requirements.

As at the date of this announcement, the Vendor holds 24.5% issued share capital of Poly Link, an indirect non-wholly owned subsidiary of the Company. Therefore, the Vendor is the Company's connected person at the subsidiary level and the Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. By virtue of Rule 14A.101 of the Listing Rules, the Agreement as a connected transaction of the Company is only subject to the reporting and announcement requirements, and is exempt from the circular, independent financial advice and independent shareholders' approval requirements.

INTRODUCTION

Reference is made to the Announcement in relation to the First Agreement.

The Board is pleased to announce that on 31 October 2014, the Vendor and the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Agreement, pursuant to which, among other things, the Vendor agreed to sell and the Purchaser agreed to purchase 24.5% issued share capital of Poly Link (an indirect non-wholly owned subsidiary of the Company) and the Shareholder's Loan.

As at the date of this announcement, Poly Link is held as to 75.5% and 24.5% by the Purchaser and the Vendor, respectively. Upon Completion, Poly Link will become an indirect wholly-owned subsidiary of the Company.

THE AGREEMENT

The principal terms of the Agreement are as follows:

- Date** : 31 October 2014
- Parties** : (i) The Vendor, as vendor
(ii) The Purchaser, as purchaser
- Assets to be acquired** : (i) 24.5% issued share capital of Poly Link
(ii) the Shareholder's Loan

Consideration and payment : The total consideration payable by the Purchaser to the Vendor under the Agreement is the equivalent of RMB1,090,000,000 in US\$ (approximately US\$177,500,000), inclusive of the consideration of the assignment of the Shareholder's Loan and upon payment of which the Vendor and its associates no longer holds any rights or claims to the Shareholder's Loan.

As the Purchaser previously provided the Earnest Monies to the Vendor, the parties agreed that the Earnest Monies and the Security Deposit shall be set off against the consideration payable and the Purchaser shall deposit the outstanding amount of the consideration, being approximately US\$6,500,000 (equivalent to approximately RMB39,900,000) to the Vendor's designated bank account on or before 7 November 2014.

The total consideration was determined with reference to the Group's internal valuation of the Target Project and the net asset value of Poly Link based on its management accounts as at 31 December 2013. The consideration will be funded from internal resources of the Group.

Conditions precedent

Completion is conditional upon each of the following conditions precedent having been fulfilled to the satisfaction of the Purchaser or waived by the Purchaser in writing:

- (a) all representations, warranties and undertakings made under the Agreement shall remain true and accurate in all material respects from the date of the Agreement and up to (and including) the date of Completion;
- (b) the Vendor having delivered the closing documents pursuant to the Agreement to the Purchaser on the date of Completion; and
- (c) Completion is not restricted, prohibited or otherwise prevented by any applicable law (including any order, injunction or judgment from any court or other governmental agencies).

Completion

The parties shall agree to use reasonable endeavours to procure fulfilment of the conditions precedent to Completion as soon as possible and no later than 31 December 2014.

Completion of the Agreement will take place on the third working day following the date on which all conditions precedent under the Agreement as mentioned above are fulfilled or waived or such other date as the parties may agree.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

As at the date of this announcement, Poly Link is held as to 75.5% and 24.5% by the Purchaser and the Vendor, respectively. Upon Completion, Poly Link will become an indirect wholly-owned subsidiary of the Company. The Group will then gain full control of the Target Project, 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.

DIRECTORS' CONFIRMATION

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

None of the Directors has a material interest in the Agreement or is required to abstain from voting from such board resolutions.

INFORMATION ON POLY LINK

Poly Link is a company incorporated under the laws of the British Virgin Islands with limited liability. As at the date of this announcement, Poly Link is an indirect non-wholly owned subsidiary of the Company and is held as to 75.5% and 24.5% by the Purchaser and the Vendor, respectively. Poly Link is an investment holding company that indirectly holds 100% equity interest in the Project Companies through Moral Wealth and Sky Charter. Each of Moral Wealth and Sky Charter is an investment holding company and a wholly-owned subsidiary of Poly Link. The Project Companies are the developers of the Target Project.

To the best of the Company's knowledge and after making reasonable enquiries, the Vendor acquired 24.5% of the issued share capital in Poly Link on 31 December 2010 at the original acquisition cost of approximately RMB923 million.

Upon Completion, the Group will effectively acquire from the Vendor its 24.5% indirect interest in the Target Project held through Poly Link.

Details of the Target Project are set out below:

	Location of the project	Project description	Total GFA
Target Project	Land Lot No. HZCC(2007)73, Daguan Road, Gongshu District, Hangzhou	Commercial and residential property development project	Approximately 937,000 square metres

Financial information of the Poly Link Group

Based on the unaudited consolidated accounts of the Poly Link Group prepared in accordance with the generally accepted accounting principles in Hong Kong, the unaudited consolidated net assets or liabilities as at 30 June 2014 and unaudited profit or loss of the Poly Link Group for the years ended 31 December 2012 and 2013 and the six months ended 30 June 2014 were as follows:

	For the year ended 31 December 2012	For the year ended 31 December 2013	For the six months ended 30 June 2014
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
Net profit/(loss) before taxation	(11,156)	1,018,724	19,543
Net profit/(loss) after taxation	(8,383)	764,036	14,652

As at 30 June 2014, the unaudited consolidated total asset value and net asset value of the Poly Link Group amounted to approximately RMB 6,155 million and RMB 631 million, respectively.

INFORMATION ON THE GROUP AND PARTIES INVOLVED IN THE AGREEMENT

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 an investment holding company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company.

The Vendor is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding.

LISTING RULES IMPLICATIONS

Since the Agreement was signed within 12 months of the First Agreement (which was disclosed in the Announcement) and both agreements involve the acquisition by the Purchaser of Poly Link, they are therefore required to be aggregated pursuant to the Listing Rules. Since one or more of the applicable percentage ratios in respect of the transactions contemplated under the Agreements, on an aggregated basis, exceed 5% but are less than 25%, such transactions constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to announcement and reporting requirements.

As at the date of this announcement, the Vendor holds 24.5% issued share capital of Poly Link, an indirect non-wholly owned subsidiary of the Company. Therefore, the Vendor is the Company's connected person at the subsidiary level and the Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. By virtue of Rule 14A.101 of the Listing Rules, the Agreement as a connected transaction of the Company is only subject to the reporting and announcement requirements, and is exempt from the circular, independent financial advice and independent shareholders' approval requirements.

DEFINITIONS

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

“Agreement”	the equity and shareholder's loan transfer agreement dated 31 October 2014 entered into between the Purchaser and the Vendor in relation to Poly Link
“Agreements”	the Agreement and the First Agreement

“Announcement”	the announcement of the Company dated 13 October 2014 in relation to, among other things, the First Agreement
“associate(s)”	has the same meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“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)
“Completion”	completion of the Agreement in accordance with the terms and conditions as set out therein
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“Earnest Monies”	consisting of (i) US\$60,000,000 (equivalent to approximately RMB368,400,000) provided by the Purchaser to the Vendor on 28 August 2014; and (ii) US\$65,000,000 (equivalent to approximately RMB 399,200,000) provided by the Purchaser to the Vendor on 19 September 2014 as earnest monies in relation to the acquisition of 24.5% issued share capital in Poly Link and the Shareholder’s Loan from the Vendor
“First Agreement”	the equity and shareholder’s loan transfer agreement dated 13 October 2014 entered into between the Purchaser, Richwise Holdings Limited and Greentown China Holdings Limited (綠城中國控股有限公司*) in relation to Poly Link, further details of which have been disclosed in the Announcement
“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
“Moral Wealth”	Moral Wealth International Limited (德發國際有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Poly Link

“Poly Link”	Poly Link Management Limited (盛聯管理有限公司), a company incorporated in the British Virgin Islands with limited liability, and an indirect non-wholly owned subsidiary of the Company
“Poly Link Group”	Poly Link and its subsidiaries, including Moral Wealth, Sky Charter and the Project Companies
“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
“Project Companies”	Hangzhou Sino-Ocean Tian Qi Properties Limited* (杭州遠洋天祺置業有限公司), Hangzhou Sino-Ocean New River Hotel Properties Limited* (杭州遠洋新河酒店置業有限公司) and Hangzhou Sino-Ocean Canal Business District Development Limited* (杭州遠洋運河商務區開發有限公司), each a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of Poly Link
“Purchaser”	Sino-Ocean Land (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Security Deposit”	consisting of US\$46,000,000 (equivalent to approximately RMB282,500,000) provided by the Purchaser to the Zhejiang Property and Stock Exchange Limited* (浙江產權交易所有限公司) on 28 October 2014 as security deposit in relation to the acquisition of 24.5% issued share capital in Poly Link from the Vendor
“Shareholder’s Loan”	the shareholder’s loan due and owing by the Poly Link Group, to the Vendor
“Sky Charter”	Sky Charter Development Limited (天澤發展有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Poly Link
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed to it in the Listing Rules

“Target Project”	the property project located at Land Lot No. HZCC(2007)73, Daguan Road, Gongshu District, Hangzhou, the PRC, which is held by the Project Companies
“US\$”	United State dollars, the lawful currency of the United States of America
“Vendor”	Sanca (H.K.) Limited (信加(香港)有限公司), a company incorporated in Hong Kong with limited liability

* *For identification purposes only*

For the purposes of this announcement, the exchange rate of US\$1 = RMB6.1408 has been used, where applicable, for purpose of illustration only and does not constitute a representation that any amounts has been, could have been or may be exchanged at any particular rate on the date or dates in question or any other date.

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

Hong Kong, 31 October 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		