

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

13 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)

CONNECTED TRANSACTION —

**ACQUISITION OF 24.5% OF ISSUED SHARE CAPITAL OF
POLY LINK MANAGEMENT LIMITED**

The Board is pleased to announce on 13 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 51%, 24.5% and 24.5% by the Purchaser, the Vendor and Sanca, respectively. Upon Completion, Poly Link will be owned as to 75.5% and 24.5% by the Purchaser and Sanca, respectively and will remain an indirect non-wholly owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Vendor holds 24.5% issued share capital of Poly Link and Poly Link is an indirect non-wholly owned subsidiary of the Company. The Vendor is therefore a substantial shareholder of an indirect non-wholly owned subsidiary of the Company and a connected person of the Company. Accordingly, the Agreement constitutes a connected transaction of the Company.

As one or more of the applicable percentage ratios in respect of the transaction contemplated under the Agreement exceed 1% but are less than 5%, such transaction is subject to announcement requirement but is exempt from the independent shareholders' approval requirement under the Listing Rules.

INTRODUCTION

The Board is pleased to announce on 13 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 51%, 24.5% and 24.5% by the Purchaser, the Vendor and Sanca, respectively. Upon Completion, Poly Link will be owned as to 75.5% and 24.5% by the Purchaser and Sanca, respectively and will remain an indirect non-wholly owned subsidiary of the Company.

THE AGREEMENT

The principal terms of the Agreement are as follows:

Date	:	13 October 2014
Parties	:	(i) The Vendor, as vendor (ii) The Purchaser, as purchaser (iii) Greentown China, as guarantor for the Vendor
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 RMB1,090,000,000, inclusive of the consideration of the assignment of the Shareholder's Loan and upon payment of which the Vendor no longer holds any rights or claims to the Shareholder's Loan.

The consideration shall be paid in the following manner:

- (a) The Purchaser shall deposit RMB1,060,000,000 of the total consideration in US\$ (approximately US\$172,248,000) into the Vendor's designated bank account within two days after the date of Completion; and

(b) The Purchaser shall deposit the remaining RMB30,000,000 of the total consideration in US\$ (approximately US\$4,874,000), less any bill of quantities not attributable to the Vendor, into the Vendor's designated bank account after the following:

- (i) paragraph (a) above is fulfilled;
- (ii) Greentown Real Estate, a wholly-owned subsidiary of Greentown China, returns RMB15,315,568.87 (representing a dividend Greentown Real Estate received from Hangzhou Tian Qi) to Hangzhou Tian Qi on the same date as the payment as stated in paragraph (a) above is made; and
- (iii) the Vendor having delivered materials relating to the bill of quantities relating to the construction of certain sites of the Target Project and the Purchaser or an independent party appointed by the Purchaser, having verified the actual bill of quantities.

The total consideration was determined by the parties after arm's length negotiations 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.

Guarantee : Greentown China undertook to guarantee the Vendor's obligations and liabilities under the Agreement.

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 agreed to use reasonable endeavours to procure fulfilment of the conditions precedent to Completion as soon as possible and no later than 20 October 2014.

Completion will take place on the third business 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

Upon Completion, the Group will gain greater 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 has 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 51%, 24.5% and 24.5% by the Purchaser, the Vendor and Sanca, respectively. Poly Link is an investment holding company that indirectly holds 100% equity interests in the Project Companies. 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 (unaudited) (RMB'000)	For the year ended 31 December 2013 (unaudited) (RMB'000)	For the six months ended 30 June 2014 (unaudited) (RMB'000)
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 TRANSACTION

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.

Greentown China is a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. Greentown China and its subsidiaries are one of the leading property developers in the PRC with business operations in various major PRC cities and is principally engaged in developing quality properties targeting middle and high income residents in the PRC. The Vendor is a company incorporated in British Virgin Islands with limited liability and a wholly-owned subsidiary of Greentown China. It is principally engaged in investment holding.

LISTING RULES IMPLICATIONS

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As one or more of the applicable percentage ratios in respect of the transaction contemplated under the Agreement exceed 1% but are less than 5%, such transaction is subject to announcement requirement but is exempt from the independent shareholders' approval requirement under the Listing Rules.

DEFINITIONS

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

“Agreement”	the equity and shareholder's loan transfer agreement dated 13 October 2014 entered into between the Purchaser, the Vendor and Greentown China in relation to Poly Link
“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
“Greentown China”	Greentown China Holdings Limited (綠城中國控股有限公司*), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03900)
“Greentown Real Estate”	Greentown Real Estate Group Co., Ltd.* (綠城房地產集團有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of Greentown China
“Group”	the Company and its subsidiaries
“Hangzhou Tian Qi”	Hangzhou Sino-Ocean Tian Qi Properties Limited* (杭州遠洋天祺置業有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of Poly Link
“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
“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 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 Tian Qi, 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
“Sanca”	Sanca (H.K.) Limited (信加(香港)有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Zhejiang Railway Group
“Shareholder’s Loan”	the shareholder’s loan due and owing by Poly Link to the Vendor
“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 States dollars, the lawful currency of the United States of America
“Vendor”	Richwise Holdings Limited (才智控股有限公司), a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of Greentown China

“Zhejiang Railway
Group”

Zhejiang Railway Investment Group Limited* (浙江省鐵路投資集團有限公司), a state-owned company established under the laws of the PRC with limited liability

For the purposes of this announcement, the exchange rate of US\$1 = RMB6.1539 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, 13 October 2014

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

Executive directors:

Mr. LI Ming
Ms. LIU Hui
Mr. CHEUNG Vincent Sai Sing
Mr. CHEN Runfu
Mr. WEN Haicheng

Non-executive directors:

Mr. YANG Zheng
Mr. FANG Jun
Mr. CHUNG Chun Kwong, Eric

Independent

non-executive directors:

Mr. TSANG Hing Lun
Mr. GU Yunchang
Mr. HAN Xiaojing
Mr. ZHAO Kang

** For identification purposes only*