



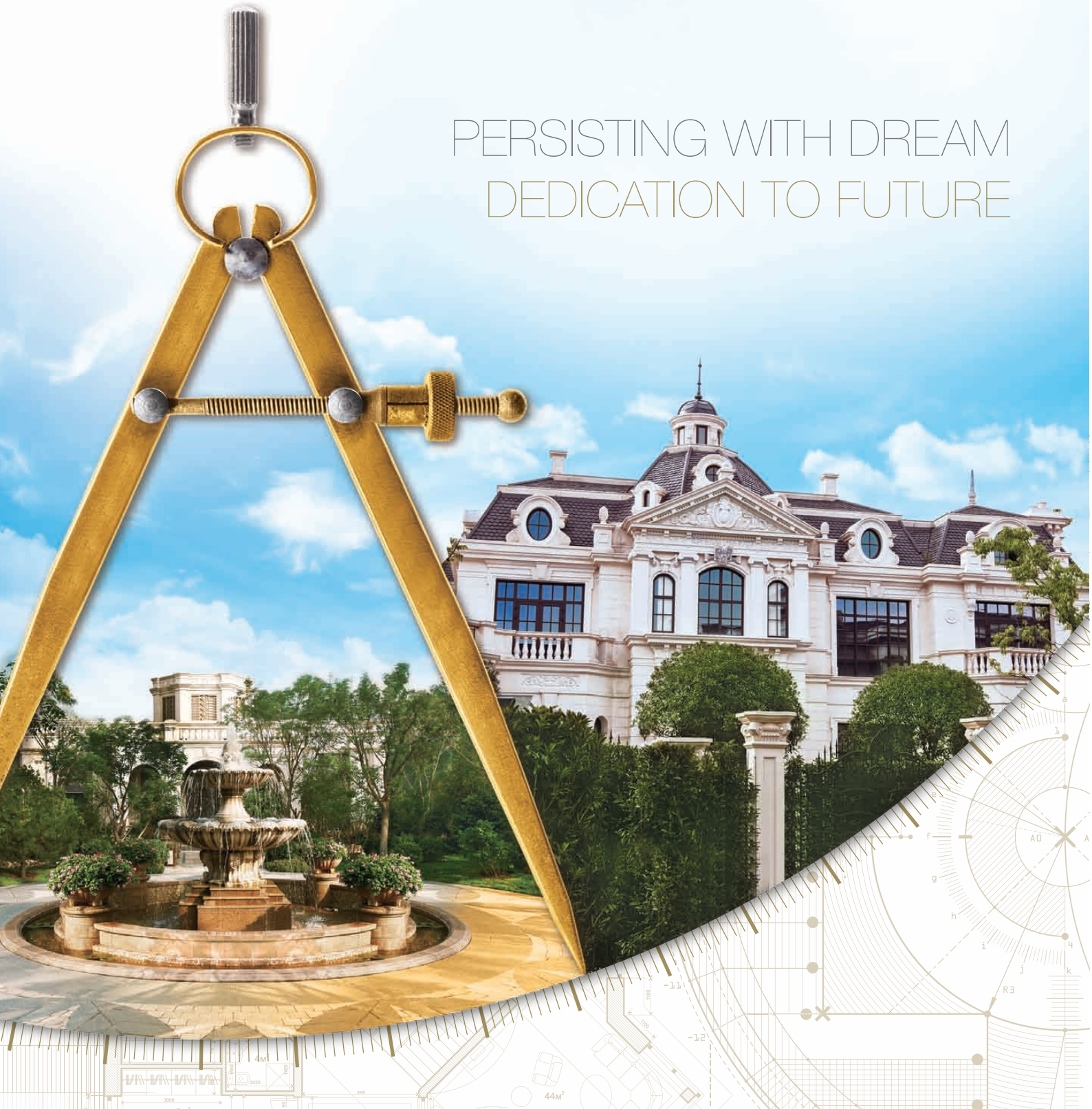
远洋地产

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)

Interim Report 2014

PERSISTING WITH DREAM  
DEDICATION TO FUTURE



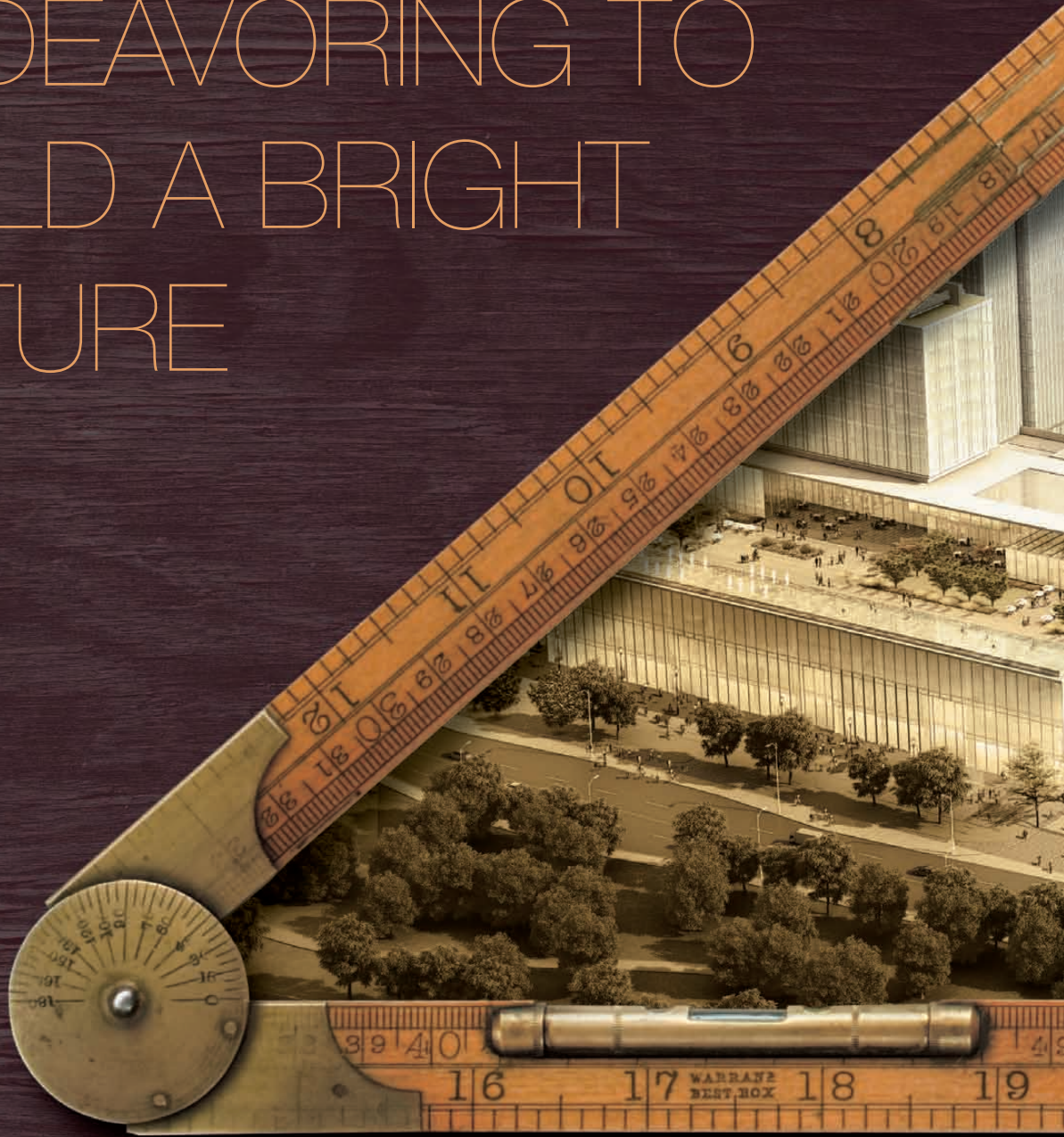




# WE WORK ON OUR DREAM WITH DEDICATION TODAY TO ENSURE DELIVERY TOMORROW

Bringing dreams into reality requires uncompromising execution. In the past year, our technical lines systematically formed in full coordination with the control requirements of frontline management. We strive to enhance our management execution to achieve breakthroughs in terms of accuracy, efficiency and effectiveness, hence stepping closer to the realization of the blueprint for our future.

DARING TO DREAM  
ENDEAVORING TO  
BUILD A BRIGHT  
FUTURE





■ Sino-Ocean Land is determined to assume our mission and uphold the dream of achieving new heights and marching to the forefront while reflecting our strategy and vision in the next decade on a foothold eyeing for changes.

## ABOUT US

Sino-Ocean Land is one of the leading property developers with developments in key economic regions in the PRC and is actively accomplishing our national strategic plan with a coastal and riparian focus. We focus on developing mid-to high-end residential properties, high-end office premises and retail properties. We have over 50 development projects in various stages of development in 19 high growth cities across the country, including Beijing; Dalian, Tianjin, Qingdao and Qinhuangdao in the Pan-Bohai Rim; Shanghai, Hangzhou, Zhenjiang and Huangshan in Yangtze River Delta; Shenzhen, Zhongshan, Haikou and Sanya in the Pearl River Delta; Wuhan, Chengdu, Chongqing, Shenyang, Changchun and Fushun in Other Regions.

On the back of our dedication to provide high-quality products and professional services, Sino-Ocean Land has built up a strong brand in Beijing, the Pan-Bohai Rim, the Yangtze River Delta and the Pearl River Delta. As at 30 June 2014, we had approximately 22,434,000 sq.m. of landbank, in which projects located in first and second-tier cities accounted for about 80% of our total landbank.

Currently, Sino-Ocean has been selected as a constituent of the Hang Seng Composite Index ("HSCI"), the Hang Seng Composite Industry Index — Properties and Construction, Hang Seng Mainland 100 Index, Hang Seng Composite Mid Cap Index, Hang Seng Global Composite Index and was newly selected as a constituent of the Hang Seng High Dividend Yield Index in 2014.





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Sino-Ocean Land has successfully developed from a regional property-developer to a nationwide corporation. Our project coverage has expanded to 19 cities all over the PRC.

**OTHER REGIONS**

Wuhan, Chengdu, Chongqing, Shenyang, Changchun, Fushun  
 Total remaining landbank 5.39 million sq.m.  
 No. of projects 9

**BEIJING**

Total remaining landbank 2.15 million sq.m.  
 No. of projects 14

**PAN-BOHAI RIM**

Dalian, Tianjin, Qingdao, Qinhuangdao  
 Total remaining landbank 9.54 million sq.m.  
 No. of projects 22

Chengdu

Chongqing

Wuhan

Zhenjiang

Shanghai

Huangshan

Hangzhou

**YANGTZE RIVER DELTA**

Shanghai, Hangzhou, Zhenjiang, Huangshan  
 Total remaining landbank 2.49 million sq.m.  
 No. of projects 10

**PEARL RIVER DELTA**

Shenzhen, Zhongshan, Haikou, Sanya  
 Total remaining landbank 2.87 million sq.m.  
 No. of projects 9

Zhongshan

Shenzhen

Haikou

Sanya

Changchun

Fushun

Shenyang

Beijing

Qinhuangdao

Tianjin

Dalian

Qingdao

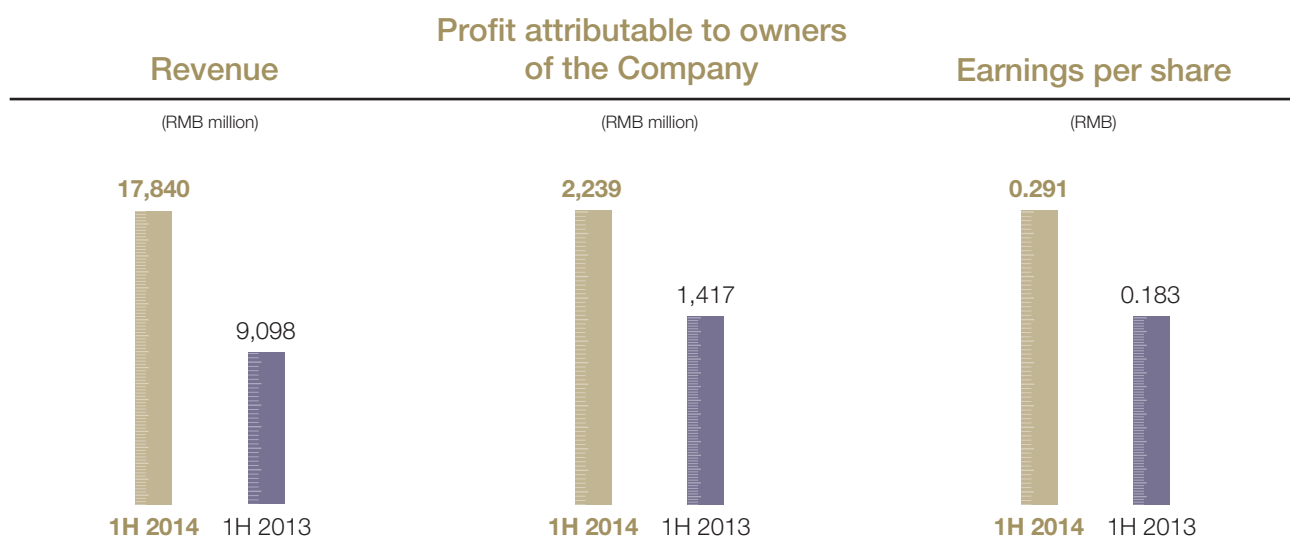


# FINANCIAL & OPERATION HIGHLIGHTS

(RMB million)	Six months ended 30 June (unaudited)		
	2014	2013	% changes
Revenue	17,840	9,098	96%
Gross profit	3,518	2,187	61%
Profit before income tax	3,299	2,427	36%
Profit for the period	2,341	1,567	49%
Profit attributable to owners of the Company	2,239	1,417	58%
Core profit	1,944	904	115%
Earnings per share (RMB)			
— Basic	0.291	0.183	59%
— Diluted	0.290	0.182	59%
Dividend per share (HKD)	0.075	0.070	7%
Dividend payout ratio	20%	23%	-3% pts
Gross profit margin	20%	24%	-4% pts
Net profit margin	13%	16%	-3% pts
Core profit margin	11%	10%	1% pts
Contracted sales	13,228	17,813	-26%
Saleable GFA sold (sq.m.)	1,016,000	1,336,000	-24%
Saleable GFA delivered (sq.m.)	1,120,000	644,000	74%

(RMB million)	As at	As at	% changes
	30 June 2014 (unaudited)	31 December 2013 (audited)	
Total assets	141,427	137,869	3%
Equity attributable to owners of the Company	41,753	40,058	4%
Cash resources*	16,791	16,050	5%
Net Gearing ratio*	60%	44%	16% pts
Landbank (sq.m.)	22,434,000	21,353,000	5%

\* Including the restricted bank deposits



# CHAIRMAN'S STATEMENT



On behalf of our Board of Directors (the “Board”), I have the pleasure to present the interim results of Sino-Ocean Land Holdings Limited (“Sino-Ocean Land” or the “Company”) and its subsidiaries (together referred to as “our Group” or “we”) for the six months ended 30 June 2014.



## 2014 INTERIM RESULTS

For the six months ended 30 June 2014, our Group recorded revenue of RMB17,840 million and gross profit of RMB3,518 million, representing a year-on-year (“YoY”) increase of about 96% and 61%, respectively. Profit attributable to owners of the Company and core profit reached RMB2,239 million and RMB1,944 million respectively, representing a 58% and 115% rise YoY respectively, and earning per share was RMB0.291. Based on the profit attributable to owners of the Company in the period, the Board is pleased to propose an interim dividend of HKD0.075 per share for the six months ended 30 June 2014. The Board also recommends offering shareholders the option to receive the 2014 interim dividend wholly or partly in the form of new shares allotted and credited as fully paid up in lieu of cash, subject to approval by the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) of the listing of, and permission to deal in, the new shares to be issued.

## MARKET REVIEW AND OUTLOOK

In the first half of 2014, the PRC property market went through a period of adjustment as commodity housing throughout the country recorded a negative growth. The data from the National Bureau of Statistics of China showed that aggregate GFA sold and sales revenue in China from January to June were 484 million sq.m. and RMB3,110 billion, dropping by 6% and 6.7% YoY, respectively. This round of industry adjustment was mainly due to the result of a structural imbalance in supply and demand. The large volume of land transactions two years ago and the subsequent development gave rise to an increase in the supply of properties. On the other hand, potential buyers were deterred by the combination of a slowing down

economy, tightening credits and changing market outlook. Statistics showed that stock in hand in most cities in China continued to exceed previous levels and turnover took longer. Stock level will remain a challenge in the latter half of the year.

Market differentiation is accentuated during the adjustment period of the industry. There is higher concentration in terms of sales. Some branded developers take advantage of their capabilities in responding to the market, a sensible product mix and flexible strategies to push forward their leading position in a declining market. Those who lack the ability to respond and adjust on time will face even tougher challenges. The ratio of investors is lower and buyers are getting younger. Buyers for self-use and upgrading are the major driving force. Our Group believes that home buyers and first-time upgraders of small to medium-sized properties, especially those offering fine quality and comprehensive life-style facilities, will be the mainstream market.

As for macro policies, the Central Government will continue the principle of regional directives, allowing market forces to regulate the market itself without ‘suppression or stimulation’ from the government. Coupled with appropriate autonomy granted to local authorities, the market-oriented long-term mechanisms will keep the industry healthy and stable. In the next half of the year, it is expected that varied and specific policies will be rolled out. These include adjusting or even rescinding purchase restrictions, encouraging commercial banks to promote mortgage business and lowering mortgage interest, thus releasing some of the purchase power.

Our Group believes that the PRC property market will continue its adjustment in the second half of 2014. It will, however, stabilize and supply and demand will become

## CHAIRMAN'S STATEMENT

more balanced. As housing demand will remain strong due to vigorous urbanization, upgrading needs, population mobility, reform of the household registration system and relaxation of the one-child policy, there will not be a hard landing in the overall PRC property market. Even under the present stringent restrictions on purchase and loans, aggregate sales from commodity housing in the first half of 2014 dropped only 6.7% compared to the corresponding period in 2013 but was 34% up compared to the corresponding period in 2012 (sales in the first half of 2012 were RMB2,331.4 billion). Total sales of commodity housing in 2014 are expected to reach or even exceed 2012 to become the second highest in history.

### BUSINESS REVIEW AND STRATEGY

Since the beginning of the year our Group has been monitoring the changes in the market, focusing on sales and speeding up turnover while keeping a steady, long-term plan for executing all the tasks.

#### Encouraged sales vigorously as cash is king

In the first half of 2014, our Group recorded contracted sales of about RMB13.2 billion, about one-third of the whole year's target and was in line with our pace. Since the beginning of the year we have been closely observing the market and adopting various agile measures to encourage sales and achieve our target. We were the pioneer in the industry to take decisive moves to shift stock in hand, especially those held over a year. In addition, we modified our mode of sales through strategic partnership with agents and raising incentives for our sales teams. Our Group recorded contracted sales of over RMB4 billion in June, evidence that these measures are reaping results.

#### Speed up turnover, improved product mix and assets allocation

To boost assets turnover and improve performance indicators, our Group adopted various measures on top of pushing sales. We decisively modified our product mix for our existing land bank. While ensuring quality we refined the unit size and where feasible built units placing focus on

satisfying needs for self-use and first-time upgrading. In the latter part of the year, our Group will adjust the pace of development of new properties and give priority to products that are popular and will sell well. We will work on having most of new projects designed and built to meet the basic housing needs and improve living conditions to ensure that we achieve the year's sales target. At the same time, we completed matching our land resource with product lines. We will increase the use of product lines to shorten the time for new launches and to raise efficiency and cash collection rate.

As regards to land acquisition strategy, we persevere with our investment criteria and focus on first and second-tier cities, small to medium projects and replenishment of fast-moving assets. In the first half of the year, our Group acquired land plots in cities including Beijing, Tianjin, Zhongshan and Wuhan, increasing our land bank by more than 2.4 million sq.m. through the open market auction and mergers and acquisitions. Most of these new plots are in first and second-tier cities. In the latter half of the year, our Group will continue to strengthen our position in the Pan-Bohai Rim, the Yangtze River Delta and the Pearl River Delta by further cultivating the first and second-tier cities that we have entered, and to optimize assets allocation.

#### Maintained a robust financial position and enhanced capital strength

Benefitting from our improved operations and full support of the two largest shareholders, China Life Insurance and Nan Fung Group, our Group was rated for the first time by three major international rating agencies — Standard & Poor's, Moody's and Fitch Ratings with investment grading BBB-, Baa3 and BBB- respectively in July 2014.

Subsequently, our Group successfully launched the issuance of USD500 million 4.625% guaranteed notes due 2019 and USD700 million 6.000% guaranteed notes due 2024 in late July. The notes were oversubscribed by 150 investors from around the world by 4.6 times, and the issuance was the largest first-time offshore bond issuance launched by PRC listed property companies.

Our credit ratings and note issuance were signs of our robust financial strength, operational excellence and stable, sustainable development prospects. These measures also helped to identify alternative financing channels, optimize our debt structure and reduce overall financing costs.

### **Planned long-term and built a solid foundation**

According to set strategy, our Group will continue to accelerate the growth rate of commercial properties and senior housing development. As for investment properties, our Group will continue to increase investment on and development of quality properties in major cities. Delivery of our jointly-developed project with Swire Properties — “Sino-Ocean Taikoo Li Chengdu” has started for tenants to carry out interior decoration and will be ready for soft opening in the next half of the year. In August, a joint-entity composing our Group and Taiwan Shin Kong Group successfully acquired land plots at close to bottom price in the central area of Tongzhou District in Beijing, total planned GFA about 344,000 sq.m., for development of shopping mall, offices and apartments. Meanwhile in August, our Group has successfully acquired a project for office and commercial complex located in the Free Trade Zone of Shanghai, which contributed excellent quality landbank to our Group.

As for senior housing, our second senior housing project in Beijing, Senior Living L’Amore (Beijing • Shuangqiao) and our first project in Dalian, Senior Living (Dalian • Jinshitan) Daycare Center are now officially open. Our Group will continue to invest more in this product line to take advantage of opportunities that may arise.

Our Group will continue to strengthen our cooperation with the major shareholders to benefit from their support in finance, property investment and liquidity, and to complement each other’s business edge for mutual gains.

As for internal management, our Group has initiated formulation of step four of our development strategy. We shall review step three of our strategy; study the overall industry and impact of the macro measures, competition rules, innovative business models of similar corporations that

have achieved targets, categorization of the industry and product models with a view to grasping the changes in the industry and setting a clear goal and approach for future development.

### **APPRECIATION**

On behalf of the Board, I would like to extend our deepest gratitude to all shareholders, investors and business partners for their continued support and to all our staff for their professionalism and perseverance. We firmly believe that under the Board’s intelligent leadership and the staff’s dedicated hardwork, our Group will continue to grow steadily and deliver better results.

**LI Ming**  
*Chairman*

Hong Kong, 26 August 2014

# CORPORATE SOCIAL RESPONSIBILITY REPORT

Sino-Ocean Land continued to enlarge the scope of responsibility fulfillment in its principal activities in 2014. We ensured sustainable development not only for our own business, but also for our value partners (namely our shareholders, customers, employees, cooperation partners, the government, the community, the environment) and the society at large. Corporate responsibility endeavors continued to be environmentally focused, while Sino-Ocean Charity Fund, a philanthropic foundation established with funds from Sino-Ocean Land, concentrated efforts on education. By promoting charitable causes internally among our staff as well as joining forces with third parties, we have made our social responsibility fulfillment program more scientific and more sustainable.

## “Dream-Action-Teamwork”

“Execution power” is our management’s main theme for 2014. In this concluding year for the step three of Sino-Ocean Land’s development strategy, our Group has set an annual theme of “Dream-Action-Teamwork”. We called on the entire staff to work concertedly and support each other, making stellar performance in their individual functions to pursue sustainable development of good quality and effectiveness. Continuing to build a sustainable business structure, we took actions to keep corporate results in a growing trend.

## Journey to Quality: Be Our Guests!

Our “Journey to Quality” program in 2014 took the theme of “Live Your Dreams”. Industry experts and members of the media were invited to tour Sino-Ocean Land projects in Beijing and neighboring cities where they joined project reviews and professional seminars. Visiting project teams at ordinary posts, media representatives and clients had a

first-hand experience of Sino-Ocean Land’s professionalism and dedication. In the first half of 2014, Sino-Ocean Land organized a “Capital Region Tour”, where in-depth exchange took place between senior management of the Company and journalists in connection with the statistics of 2013 annual report, future planning and prospect of the property market. It promoted better understanding of Sino-Ocean Land by the media and generated positive media coverage for Sino-Ocean. In addition, Sino-Ocean Land will join hands with Sino-Ocean Charity Fund in the period from August to December to launch the “Sino-Ocean Hand in Hand around the world” and “Sino-Ocean Thanks Giving Concert”. The activities aim to perpetuate our care for and support of quality spiritual life and traditional culture inherent in our Journey to Quality program, and persist in our thanks giving culture, reviewing our decade-long work in education through Sino-Ocean CSR.

## Unfailing Support for Underprivileged Students Showing Care to Ensure Healthy Growth

In the first half of 2014, education subsidies were awarded to beneficiaries in Xinjiang, Qinghai, Sichuan, Yunnan, Guizhou, Beijing and Hainan under the “Little Partner Education Sponsorship Scheme”. With Sino-Ocean Charity Fund as a dynamic platform, we continued to offer assistance to teachers and students in poor remote regions by organizing support activities. The first Care Fund for the year was established — Yao Yao, the Nasopharyngeal Patient from Beijing Normal University. Sino-Ocean Charity Fund took the lead to donate RMB50,000 to the program and called on all colleagues to help raise funds for this benevolent cause. Response was overwhelming and the initiative earned high acclaim from our staff. Indeed, these ordinary yet wholehearted good deeds let every participating



colleague see how we could summon great power by putting our charitable hearts together. As at 30 June 2014, 23,471 students from 9 regions have been benefited from the Scheme.

### Shouldering Corporate Responsibility: Playing An Active Role in Community Greening

The “Sino-Ocean Community Environmental Service Award” provided an avenue to put our green vision into practice. This program focuses on raising community awareness for environmental protection and fostering a green lifestyle. Our Green Conversion initiative during the year advocated energy saving and carbon reduction in daily operations, so as to create a harmonious living environment. As at 30 June 2014, 170 communities have received awards across the nation.

### Collaborated University Student Concern Program: Sustainability and Intensive Development in Focus

The 6th Sino-Ocean National Seafaring Students-in-action Incentive Scheme was rolled out as scheduled. This year’s student-in-action award went also to the key project of the Practical Training and Action Awareness Program for Chinese University Students (“Action Awareness Program”) organized by the Central Commission of China Communist Youth League School. Under the direction of the Ministry of Education of the PRC and the Central Commission of China Communist Youth League, the Practical Training and Action Awareness Program has been held for five consecutive years. It aims to promote involvement and contribution of university students in charitable actions through sponsorships granted to outstanding youths nationwide. As at 30 June 2014, a total of 2012 submissions were received from 68 high schools from across the nation.

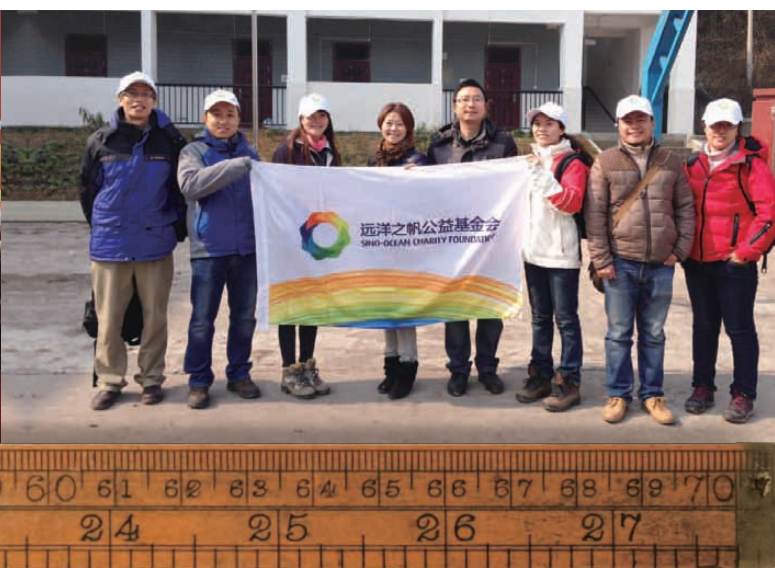


### Coming to the Rescue of Disaster-stricken Ya’an in Sichuan Funding the Post-earthquake Redevelopment of Eco-school

Since 2010, Sino-Ocean Land has launched three green show projects through the Old Communities Greening Scheme, namely the Zero Carbon Quadrangle; Water Cycle Quadrangle; and Optical Energy Quadrangle. In the 2013-14 financial year, we adhered to our green and environmental-friendly vision and applied energy-saving architectural technologies in a construction aid program in Ya’an, Sichuan. This demonstrative project at Jinggang Primary School of Tianquan County is now progressing in earnest, with completion scheduled for end of 2014. Playing on its technical edge, Sino-Ocean Land has ensured green building performance by optimizing design, interior decoration and construction materials. No effort is spared to create a green rural elementary school with signature Sino-Ocean Land green elements for the earthquake-stricken Jinggang Primary School.

### Supporting Cultural Heritage Conservation First Engagement in Overseas Social Welfare Initiative

Sino-Ocean Charity Fund began working with United Nations Educational, Scientific and Cultural Organization (“UNESCO”) in 2014. USD160,000 will be contributed in 2 consecutive years to launch the UNESCO Asia-Pacific Awards for Cultural Heritage Conservation. This award scheme will provide assistance to cultural heritage and architecture conservation efforts initiated by private entities and communities in 47 Asia Pacific countries. In 2014, the UNESCO Asia-Pacific Awards for Cultural Heritage Conservation received 46 entries of heritage conservation projects from 16 countries. The judging session held in Bangkok was concluded in mid-June.



# MANAGEMENT DISCUSSION & ANALYSIS

## FINANCIAL REVIEW

### Revenue

The components of the revenue are analyzed as follows:

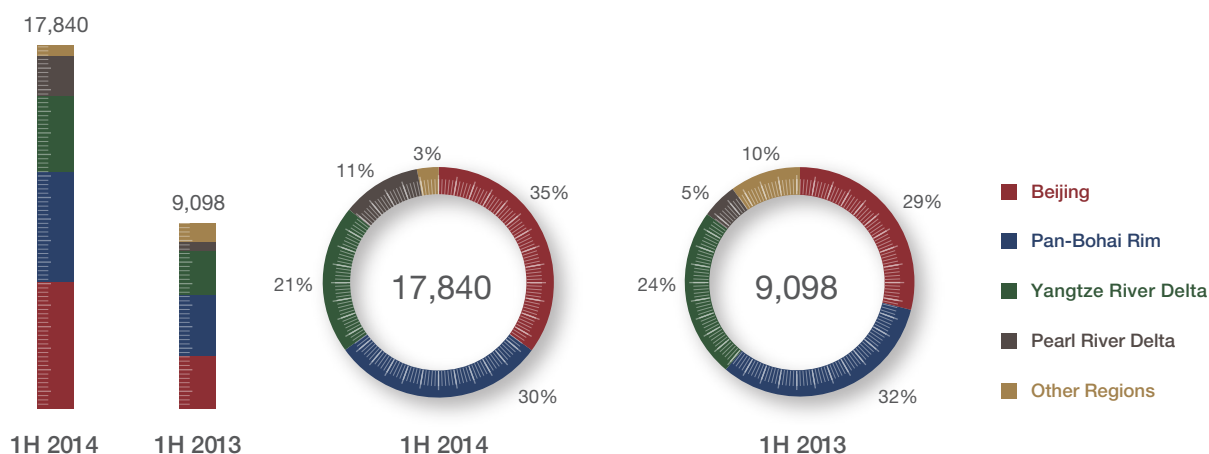
(RMB million)	1H 2014	1H 2013	Change (%)
Property development	16,218	7,780	108%
Property investment	326	251	30%
Property management	298	232	28%
Other real estate related businesses (including upfitting and decoration business)	998	835	20%
<b>Total</b>	<b>17,840</b>	<b>9,098</b>	<b>96%</b>

Our Group's revenue reached a record high in the first half of 2014 to RMB17,840 million, representing a 96% increase as compared to RMB9,098 million in the first half of 2013. The property development segment remains as the largest contributor which accounted for about 91% of our Group's total revenue. Beijing as our home base accounted for about 35% of our Group's total revenue in the first half of 2014 (first half of 2013: 29%) and amounted to RMB6,233 million (first half of 2013: RMB2,665 million). There were also strong

contributions from the other first and second-tier cities including Dalian, Tianjin, Shanghai, Hangzhou, Qingdao and Shenzhen with their total revenue of RMB9,996 million in the first half of 2014, accounting for about 56% of the total revenue. This is the result of our nationwide expansion strategy to diversify our revenue contributions from various cities to mitigate the risk from single market fluctuations. With our diversified landbank portfolio, we will see a more balanced mix of revenue contributions.

Revenue contributions by geographical locations are analyzed below:

(RMB million)





## Cost of sales

In line with revenue growth, the cost of property development for the first half of 2014 increased to RMB13,018 million (first half of 2013: RMB5,788 million) which mainly comprised of land cost and construction cost and accounted for 91% of our Group's total cost of sales during this period (first half of 2013: 84%). Excluding car parks, average land cost per sq.m. of the property development business for the period increased to approximately RMB6,100 compared to RMB4,000 in the first half of 2013 which was due to the more properties delivered from the newly acquired projects during the period. Average construction cost per sq.m. (excluding car parks) for property development segment was approximately RMB4,600 for the period, decreased compared to RMB5,100 in the first half of 2013.

## Gross profit

Gross profit for the period under review was RMB3,518 million, representing an increase of 61% compared to the corresponding period in 2013. Gross profit margin decreased to approximately 20% (first half of 2013: 24%). The decrease in gross profit margin was primarily due to more delivery of high land cost projects, such as Ocean Crown (Beijing), etc. during the period.

## Other income and other losses (net)

Other income for the six months ended 30 June 2014 amounted to RMB211 million (first half of 2013: RMB173 million) which comprised of income from investment on financial assets and interest income. The increase in other income was mainly due to the overall increase in the interest income.

Our Group recorded other losses (net) of RMB104 million (first half of 2013: other gains (net) of RMB57 million). Other losses (net) mainly comprised the exchange loss recognized during the period.

## Revaluation of investment properties

Our Group recognized an increase in fair value on its investment properties (before tax and minority interests) of RMB113 million for the first half of 2014.

## Operating expenses

Selling and marketing expenses for the first half of 2014 decreased to RMB240 million, as compared to RMB263 million in the first half of 2013. These costs accounted for approximately 1.3% of the total revenue for the first half of 2014 (first half of 2013: 2.9%).

Administrative expenses incurred for the first half of 2014 increased to RMB319 million (first half of 2013: RMB174 million), which represented 1.8% of total revenue for the first half of 2014 (first half of 2013: 1.9%). The decrease in proportion was due to our strictly cost control measures successfully kept these cost at a relatively stable and lower level.

## Finance costs

Our weighted average interest rate decreased from 7.35% to 7.03% for the first half of 2014. The total interest expenses paid or accrued was RMB1,414 million (first half of 2013: RMB1,387 million) of which RMB132 million (first half of 2013: RMB119 million) was not capitalized and charged through income statement.

## Taxation

The aggregate of enterprise income tax and deferred tax increased by 47% to RMB852 million for the first half of 2014 (first half of 2013: RMB578 million), with effective tax rate of 27% (first half of 2013: 27%). In addition, land appreciation tax for the first half of 2014 dropped to RMB106 million (first half of 2013: RMB283 million), accounting for 3% of gross profit in the first half of 2014 (first half of 2013: 13%).

## Profit attributable to owners of the Company

Profit attributable to owners of the Company increased by 58% to RMB2,239 million in the first half of 2014, compared to RMB1,417 million for the corresponding period last year. Core profit, excluding one-off items and fair value gains on investment properties, amounted to RMB1,944 million, an increase of 115%. Return on average equity (excluding convertible securities and capital securities) stated at approximately 6% in the first half of 2014 (first half of 2013: 5%). Our management will continue to focus on the improvement of our shareholders' return as their on-going tasks.

# MANAGEMENT DISCUSSION & ANALYSIS

## Financial resources and liquidity

During the first half of 2014, we continued to refine our funding structure, liquidity and credit policies to minimize our risk exposure under the overchanging financial market and global economic environment. With overwhelming support from investors, our Group successfully obtained a syndicated financing with the size of USD800 million in June. Subsequently after the period end, we issued USD500 million and USD700 million guaranteed notes due 2019 and 2024 respectively. We recorded an increase in total borrowings from RMB35,295 million as at 31 December 2013 to RMB44,094 million as at 30 June 2014.

As at 30 June 2014, our Group had total cash resources (including cash and cash equivalents and restricted bank

deposits) of RMB16,791 million, of which the majority of our Group's cash resources were denominated in Renminbi, and a current ratio of 1.8 times. Together with the unutilized credit facilities of about RMB41,280 million, our Group is ensured to be financially sound. We have ample financial resources and an adaptable financial management policy to meet our business expansion in the coming years.

Our Group's net gearing ratio (i.e. total borrowings less total cash resources divided by total equity) was about 60% as at 30 June 2014 (31 December 2013: about 44%). We are comfortable with this gearing level given that we had RMB16,791 million cash resources on hand.

The maturities of our Group's total borrowing are set out as below:

(RMB million)	As at 30 June 2014	As at 31 December 2013	Change (%)
Within 1 year	18,193	12,839	42%
1 to 2 years	11,378	7,039	62%
2 to 5 years	10,328	12,031	-14%
Over 5 years	4,195	3,386	24%
<b>Total</b>	<b>44,094</b>	<b>35,295</b>	<b>25%</b>

## Financial guarantees and charge on assets

As at 30 June 2014, the value of the guarantees provided by our Group to banks for mortgages extended to property buyers before completion of their mortgage registration was RMB6,324 million (31 December 2013: RMB5,733 million).

During the first half of 2014, our Group has pledged some of its properties under development, completed properties held for sale, investment properties, etc. to secure short-term bank loans (including the current portion of long-term borrowings) of RMB3,898 million (31 December 2013: RMB1,187 million) and long-term bank loans of RMB18,547 million (31 December 2013: RMB15,971 million). As at 30 June 2014, total pledged assets accounted for approximately 24% of the total assets of our Group (31 December 2013: 30%).

## Capital commitments

Our Group entered into certain agreements in respect of land acquisition and property development. As at 30 June 2014, our Group had a total capital commitment of RMB14,007 million (31 December 2013: RMB12,286 million).

## Contingent liabilities

In line with the prevailing commercial practice in the PRC, our Group provides guarantees for mortgages extended to property buyers before completion of their mortgage registration. As at 30 June 2014, the total amount of the aforesaid guarantees provided by our Group was RMB6,324 million (31 December 2013: RMB5,733 million). In the past, our Group had not incurred any material loss from providing such guarantees, as the guarantees were given as a transitional arrangement that would be terminated upon completion of the mortgage registration and were secured by the buyers' properties.

## BUSINESS REVIEW

### Property Development

#### 1) Recognized sales

Revenue from property development business significantly grew by 108% for the first half of 2014 to RMB16,218 million, compared to RMB7,780 million for the corresponding period in 2013. Saleable GFA delivered increased by 74% from approximately

644,000 sq.m. in the first half of 2013 to approximately 1,120,000 sq.m. in the first half of 2014. Excluding car park sales, the average selling price recognized in the first half of 2014 was about RMB15,000 per sq.m. (first half of 2013: RMB13,700 per sq.m.).

Revenue and saleable GFA delivered from each project during the first half of 2014 are set out below:

Region	Cities	Projects	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Average selling price recognized (RMB/sq.m.)	Interest attributable to our Group (%)
Beijing	Beijing	Ocean Crown	3,016	59,507	50,700	100%
		Ocean LA VIE	374	6,190	60,400	85.72%
		Ocean Landscape Eastern Area E02/03 Project	760	29,776	25,500	100%
		Ocean Manor	421	22,447	18,800	100%
		Ocean Oriental Mansion	77	3,325	23,200	100%
		Ocean Palace	83	3,068	27,100	100%
		POETRY OF RIVER	56	2,258	24,800	100%
		The Place	11	582	18,900	100%
				<b>4,798</b>	<b>127,153</b>	<b>37,700</b>
Pan-Bohai Rim	Dalian	Ocean Diamond Bay	842	43,227	19,500	100%
		Ocean Holiday Manor	191	28,254	6,800	100%
		Ocean Prospect	1	39	25,600	100%
		Ocean Seasons	18	989	18,200	100%
		Ocean TIMES	150	25,137	6,000	100%
		Ocean Worldview	695	85,876	8,100	100%
	Tianjin	Ocean City	1,284	160,910	8,000	100%
		Ocean Express	30	2,925	10,300	97.05%
		Ocean Great Harmony	157	11,049	14,200	100%
		Ocean International Center	37	2,428	15,200	96.99%
		Ocean Prospect	255	24,742	10,300	100%
	Qingdao	Ocean Prospect	42	1,881	22,300	100%
		Ocean Seasons	1,405	97,243	14,400	100%
			<b>5,107</b>	<b>484,700</b>	<b>10,500</b>	

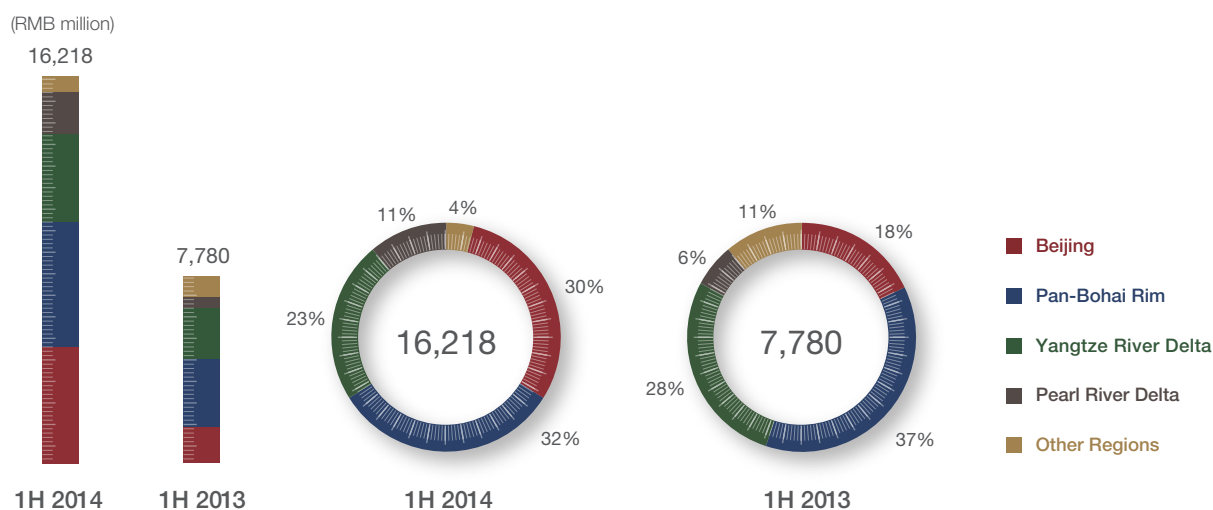
## MANAGEMENT DISCUSSION & ANALYSIS

Region	Cities	Projects	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Average selling price recognized (RMB/sq.m.)	Interest attributable to our Group (%)
Yangtze River Delta	Shanghai	Ocean Chanson Mansion	1,698	87,848	19,300	100%
		Ocean Mansion No. 7	47	2,731	17,200	100%
	Hangzhou	Ocean In Your Heart	1,669	93,335	17,900	100%
		Ocean Mansion	151	5,134	29,400	51%
	Zhenjiang	Ocean Beach	37	6,919	5,300	55%
			<b>3,602</b>	<b>195,967</b>	<b>18,400</b>	
Pearl River Delta	Shenzhen	Ocean Express	1,060	71,499	14,800	84.70%
	Zhongshan	Ocean City	221	26,787	8,300	100%
		Ocean New Era	392	72,864	5,400	100%
	Haikou	Ocean Zen House	47	3,639	12,900	70%
	Sanya	Ocean Mansion	3	162	18,500	70%
			<b>1,723</b>	<b>174,951</b>	<b>9,800</b>	
Other Regions	Wuhan	Ocean Manor	46	2,946	15,600	55%
	Chongqing	Sino-Ocean International GOLF Resort	55	7,466	7,400	87.25%
	Shenyang	Ocean Paradise	19	1,858	10,200	100%
		Ocean Residence	135	17,996	7,500	100%
	Changchun	Ocean Cannes Town	360	38,845	9,300	51%
	Fushun	Ocean City	6	1,874	3,200	65%
		<b>621</b>	<b>70,985</b>	<b>8,700</b>		
Subtotal			15,851	1,053,756	15,000	
Car parks (various projects)			367	66,624	5,500	
<b>Total</b>			<b>16,218</b>	<b>1,120,380</b>	<b>14,500</b>	

During the first half of 2014, Beijing remained the largest contributor which accounted for 30% of our Group's total revenue from property development (first half of 2013: 18%). Meanwhile, we are seeing more

balanced mix of contribution from Pan-Bohai Rim, Yangtze River Delta and Pearl River Delta on our revenue from property development during period under review.

Revenue from property development by geographical locations are analyzed below:



## 2) Contracted sales

Our contracted sales during the six months ended 30 June 2014 amounted to RMB13,228 million, representing an approximately 26% decrease compared to RMB17,813 million from the corresponding period in 2013, achieved 1/3 of our full year's budget and was in line with our pace. GFA sold for the first half of 2014 decreased by 24% to 1,016,000 sq.m. (first half of 2013: 1,336,000 sq.m.). Nevertheless, our Group will closely observe the market and use various agile measure to speed up inventory turnover so as to ensure achieving our whole year's sales target. The average selling price slightly decreased by 3% to RMB13,200 per sq.m. (first half of 2013: RMB13,600 per sq.m.) excluding car parks sales and by 2% to RMB13,000 per sq.m. (first half of 2013: RMB13,300 per sq.m.) including car parks sales.

In terms of distribution, there were altogether 40 projects available for sale during the first half of 2014 (first half of 2013: 40 projects), of which 14 were located in Pan-Bohai Rim, accounting for about 33%

of the total contracted sales amount. We began to see the effect of our nationwide coverage in that contracted sales from Beijing only accounted for 25% (first half of 2013: 27%). As at 30 June 2014, our Group's unbooked contracted sales to be recognized amounted to RMB39,557 million, providing a strong and solid foundation for our Group's future revenue growth.



Courtesy of Liu Mei, employee of Sino-Ocean Land Shenyang (Fushun)

## MANAGEMENT DISCUSSION & ANALYSIS

The contracted sales amounts and saleable GFA sold by projects during the first half of 2014 are set out below:

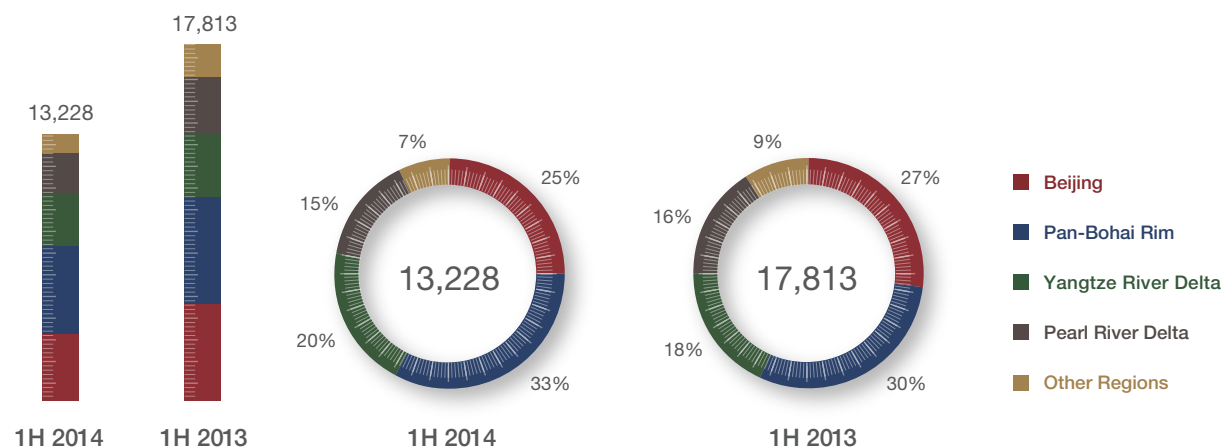
Region	Cities	Projects	Contracted sales amount (RMB million)	Saleable GFA sold (sq.m.)	Average selling price (RMB/sq.m.)	Interest attributable to our Group (%)
Beijing	Beijing	Ocean Crown	941	15,261	61,700	100%
		Ocean Great Harmony	49	954	51,400	100%
		Ocean LA VIE	989	12,740	77,600	85.72%
		Ocean Manor	123	3,416	36,000	100%
		Ocean Oriental Mansion	31	1,357	22,800	100%
		Ocean Palace	1,021	27,858	36,700	100%
		POETRY OF RIVER	36	1,293	27,800	100%
		The Place	7	322	21,700	100%
		<b>3,197</b>	<b>63,201</b>	<b>50,600</b>		
Pan-Bohai Rim	Dalian	Ocean Diamond Bay	752	51,131	14,700	100%
		Ocean Holiday Manor	235	45,900	5,100	100%
		Ocean Seasons	10	534	18,700	100%
		Ocean TIMES	162	27,984	5,800	100%
		Ocean Worldview	889	86,895	10,200	100%
		The Place of Glory	251	25,668	9,800	100%
	Tianjin	Ocean City	597	56,567	10,600	100%
		Ocean Express	83	13,957	5,900	97.05%
		Ocean Great Harmony	345	25,846	13,300	100%
		Ocean Prospect	263	21,254	12,400	100%
		Royal River	138	18,282	7,500	100%
	Qingdao	Ocean Prospect	27	1,131	23,900	100%
		Ocean Seasons	34	1,405	24,200	100%
	Qinhuangdao	Ocean Century	382	60,600	6,300	100%
			<b>4,168</b>	<b>437,154</b>	<b>9,500</b>	

Region	Cities	Projects	Contracted sales amount (RMB million)	Saleable GFA sold (sq.m.)	Average selling price (RMB/sq.m.)	Interest attributable to our Group (%)
Yangtze River Delta	Shanghai	Ocean Chanson Mansion	923	45,583	20,200	100%
		Ocean Mansion No.7	176	15,509	11,300	100%
	Hangzhou	Canal Business Center Project	28	1,314	21,300	51%
		Grand Canal Milestone	512	16,280	31,400	70%
		Ocean In Your Heart	267	13,770	19,400	100%
		Ocean Mansion	397	11,098	35,800	51%
	Zhenjiang	Ocean Beach	274	54,269	5,000	55%
	Huangshan	An Island Paradise	36	3,640	9,900	100%
			<b>2,613</b>	<b>161,463</b>	<b>16,200</b>	
	Pearl River Delta	Shenzhen	Ocean Express	621	28,330	21,900
Zhongshan		Ocean City	912	87,527	10,400	100%
		Ocean New Era	376	66,480	5,700	100%
Haikou		Ocean Zen House	86	6,652	12,900	70%
			<b>1,995</b>	<b>188,989</b>	<b>10,600</b>	
Other Regions	Wuhan	Ocean Manor	39	2,761	14,100	55%
	Chongqing	Sino-Ocean International GOLF Resort	142	15,937	8,900	87.25%
	Shenyang	Ocean Paradise	26	2,843	9,100	100%
		Ocean Residence	184	41,557	4,400	100%
	Changchun	Ocean Cannes Town	378	39,463	9,600	51%
Fushun	Ocean City	81	17,223	4,700	65%	
		<b>850</b>	<b>119,784</b>	<b>7,100</b>		
Subtotal			12,823	970,591	13,200	
Car parks (various projects)			405	45,633	8,900	
<b>Total</b>			<b>13,228</b>	<b>1,016,224</b>	<b>13,000</b>	

# MANAGEMENT DISCUSSION & ANALYSIS

Contracted sales amounts by geographical locations are analyzed below:

(RMB million)



### 3) Landbank and Construction Progress

Total GFA completed and total saleable GFA completed in the first half of 2014 were approximately 1,685,000 sq.m. and 1,184,000 sq.m., increasing by 94% and 66% respectively compared to the corresponding period in 2013. We will maintain our construction scale in order to have enough GFA available for sale and for delivery to achieve our target in 2014 and support our growth in 2015.

As at 30 June 2014, our landbank increased by 5% to 22,434,000 sq.m. (31 December 2013: 21,353,000

sq.m.); while landbank with attributable interest increased to 18,441,000 sq.m. (31 December 2013: 18,337,000 sq.m.). During the first half of 2014, we acquired 8 plots of land with total GFA of 2,393,000 sq.m. and attributable interest of approximately 1,529,000 sq.m. with average acquisition cost per sq.m. of about RMB4,800 (excluding demolition, relocation and compensation fee in Hejiadun Project, Wuhan). The average land cost per sq.m. for our landbank as at 30 June 2014 was approximately RMB3,100 (31 December 2013: RMB3,300).



Details of the newly acquired land plots during the first half of 2014 are as follows:

<b>Cities</b>	<b>Projects</b>	<b>Total GFA acquired (sq.m.)</b>	<b>GFA attributable to our Group (sq.m.)</b>	<b>Interest attributable to our Group (%)</b>
Beijing	Ocean Spring	105,000	105,000	100%
Beijing	Changping Sci-tech Park F2 Project	255,000	127,500	50%
Beijing	Ocean Metropolis	319,000	319,000	100%
Tianjian	Royal River Phase II	250,000	250,000	100%
Tianjian	Outlets Phase II Residential Project	206,000	206,000	100%
Zhongshan	Ocean Emerald Phase II	111,000	67,710	61%
Zhongshan	Ocean Aromos	141,000	71,910	51%
Wuhan	Hejiadun Project	1,006,000	382,280	38%
<b>Total</b>		<b>2,393,000</b>	<b>1,529,400</b>	

The landbank by stages of development as at 30 June 2014 are set out below:

	<b>Approximate total GFA (sq.m.)</b>	<b>Approximate total saleable GFA (sq.m.)</b>	<b>Remaining landbank (sq.m.)</b>
Completed properties held for sales	10,713,000	8,574,000	2,222,000
Properties under development	8,710,000	7,305,000	8,710,000
Properties held for future development	11,502,000	9,431,000	11,502,000
<b>Total</b>	<b>30,925,000</b>	<b>25,310,000</b>	<b>22,434,000</b>

## MANAGEMENT DISCUSSION & ANALYSIS

Our Group's landbank details as at 30 June 2014 are set out below:

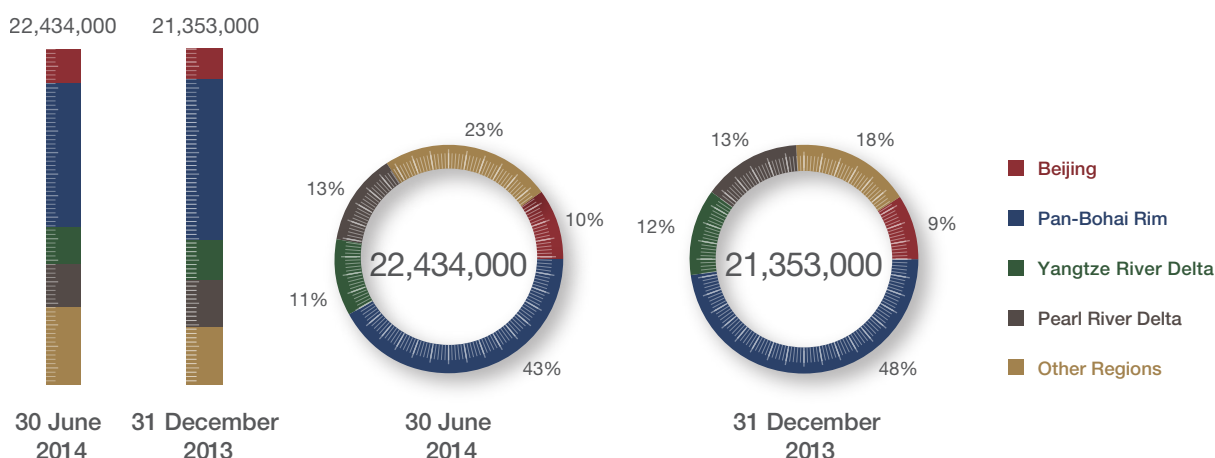
Region	Cities	Projects	Approximate total GFA (sq.m.)	Approximate total saleable GFA (sq.m.)	Remaining landbank (sq.m.)	Interest attributable to our Group (%)
Beijing	Beijing	CBD Plot Z6	244,000	190,000	244,000	100%
		CBD Plot Z13	120,000	108,000	120,000	10%
		Changping Sci-tech Park F2 Project	255,000	179,000	255,000	50%
		Mizhiyun Project	80,000	71,000	40,000	90%
		Ocean Crown	211,000	181,000	136,000	100%
		Ocean International Center, Phase II	47,000	42,000	47,000	35%
		Ocean LA VIE	318,000	301,000	214,000	85.72%
		Ocean Landscape Eastern Area E02/03 Project	101,000	94,000	64,000	100%
		Ocean Manor	182,000	138,000	46,000	100%
		Ocean Melody	57,000	41,000	57,000	100%
		Ocean Metropolis	319,000	243,000	319,000	100%
		Ocean Palace	436,000	385,000	388,000	100%
		Ocean Spring	105,000	95,000	105,000	100%
		POETRY OF RIVER	793,000	705,000	117,000	100%
				<b>3,268,000</b>	<b>2,773,000</b>	<b>2,152,000</b>
Pan-Bohai Rim	Dalian	Ocean Diamond Bay	2,035,000	1,703,000	1,978,000	100%
		Ocean Holiday Manor	408,000	349,000	274,000	100%
		Ocean MIDTOWN	91,000	73,000	91,000	100%
		Ocean Seasons	138,000	116,000	5,000	100%
		Ocean TIMES	563,000	523,000	85,000	100%
		Ocean Worldview	2,008,000	1,473,000	908,000	100%
		Sino-Ocean Technopole	922,000	540,000	922,000	100%
		The Place of Glory	936,000	887,000	936,000	100%
		Wyndham Grand Plaza	111,000	52,000	111,000	100%
		Royale Sino-Ocean				
		Xiaoyao Bay Project	219,000	175,000	219,000	100%
	Tianjin	Ocean City	2,164,000	1,695,000	1,181,000	100%
		Ocean Express	335,000	288,000	47,000	97.05%
		Ocean Great Harmony	361,000	259,000	180,000	100%
		Ocean International Center	322,000	308,000	220,000	96.99%
		Ocean Prospect	320,000	260,000	174,000	100%
		Outlets Phase II Residential Project	206,000	160,000	206,000	100%
		Royal River Phase I	112,000	103,000	112,000	100%
		Royal River Phase II	250,000	207,000	250,000	100%
	Qingdao	Ocean Honored Chateau	133,000	81,000	133,000	100%
		Ocean Prospect	147,000	109,000	7,000	100%
		Ocean Seasons	146,000	114,000	21,000	100%
Qinhuangdao	Ocean Century	1,489,000	1,332,000	1,480,000	100%	
		<b>13,416,000</b>	<b>10,807,000</b>	<b>9,540,000</b>		

Region	Cities	Projects	Approximate total GFA (sq.m.)	Approximate total saleable GFA (sq.m.)	Remaining landbank (sq.m.)	Interest attributable to our Group (%)	
Yangtze River Delta	Shanghai	BOND CASTLE	65,000	25,000	58,000	100%	
		Dreaming Land	127,000	64,000	127,000	100%	
		Ocean Chanson Mansion	368,000	314,000	262,000	100%	
		Ocean Mansion No. 7	110,000	94,000	37,000	100%	
	Hangzhou	Canal Business Center Project	650,000	254,000	650,000	51%	
		Grand Canal Milestone	208,000	140,000	208,000	70%	
		Ocean In Your Heart	169,000	108,000	53,000	100%	
		Ocean Mansion	287,000	218,000	123,000	51%	
	Zhenjiang	Ocean Beach	914,000	691,000	825,000	55%	
	Huangshan	An Island Paradise	178,000	177,000	142,000	100%	
			<b>3,076,000</b>	<b>2,085,000</b>	<b>2,485,000</b>		
	Pearl River Delta	Shenzhen	Ocean Express	556,000	438,000	451,000	84.70%
			Shengping Project	391,000	292,000	391,000	55%
Zhongshan		Ocean Aromas	141,000	116,000	141,000	51%	
		Ocean Bloom	200,000	192,000	200,000	51%	
		Ocean City	2,089,000	1,725,000	833,000	100%	
		Ocean Emerald Phase I	372,000	346,000	372,000	61%	
		Ocean Emerald Phase II	111,000	93,000	111,000	61%	
Ocean New Era		493,000	479,000	276,000	100%		
Haikou		Ocean Zen House	112,000	104,000	96,000	70%	
			<b>4,465,000</b>	<b>3,785,000</b>	<b>2,871,000</b>		
Other Regions	Wuhan	Hejiadun Project	1,006,000	820,000	1,006,000	38%	
		Ocean Manor	80,000	71,000	10,000	55%	
		Ocean World	539,000	458,000	539,000	55%	
	Chengdu	Sino-Ocean Taikoo Li Chengdu	417,000	348,000	417,000	50%	
	Chongqing	Sino-Ocean International GOLF Resort	565,000	389,000	464,000	87.25%	
	Shenyang	Ocean Paradise	713,000	695,000	87,000	100%	
		Ocean Residence	181,000	139,000	66,000	100%	
	Changchun	Ocean Cannes Town	1,194,000	959,000	897,000	51%	
	Fushun	Ocean City	2,005,000	1,981,000	1,900,000	65%	
			<b>6,700,000</b>	<b>5,860,000</b>	<b>5,386,000</b>		
	<b>Total</b>		<b>30,925,000</b>	<b>25,310,000</b>	<b>22,434,000</b>		

## MANAGEMENT DISCUSSION & ANALYSIS

The landbank by geographical locations as at 30 June 2014 and 31 December 2013 are analyzed below:

(sq.m.)



### Property Investment

Investment properties provide a steady and reliable income and cash flow to our Group in addition to the possible capital gains from appreciation in value. They also help us to diversify our risk from market turbulence in the property development business. During the first half of 2014, revenue from property investment increased by 30% to RMB326

million (first half of 2013: RMB251 million). As at 30 June 2014, our Group held 7 operating investment properties and several car parks for rental excluding those held by our subsidiary, Gemini Investments (Holdings) Limited. Our investment properties are mainly A-grade office premises, shopping malls and commercial complex at good location with a total leasable area of approximately 536,000 sq.m..

List of our investment properties as at 30 June 2014:

	Approximate leasable area (sq.m.)	Office premises (sq.m.)	Retail space (sq.m.)	Others (sq.m.)	Occupancy rate as at 30 June 2014	Interest attributable to our Group
Ocean Plaza (Beijing)	30,000	26,000	-	4,000	100%	72%
Ocean International Center Block A (Beijing)	101,000	75,000	9,000	17,000	Over 98%	100%
Ocean Office Park (Beijing)	127,000	81,000	22,000	24,000	Over 87%	100%
Ocean We-life Plaza (Beijing)	31,000	-	31,000	-	94%	100%
Ocean We-life Plaza (Tianjin)	37,000	-	37,000	-	94%	96.99%
Ocean Express (Beijing) Carparks	15,000	-	-	15,000	80%	100%
<b>Sub-total</b>	<b>341,000</b>	<b>182,000</b>	<b>99,000</b>	<b>60,000</b>		
<b>Other</b>						
INDIGO (Beijing)	176,000	49,000	71,000	56,000	Over 96%	50%
Ocean International Center, Phase II (Beijing)	19,000	-	19,000	-	88%	35%
<b>Total</b>	<b>536,000</b>	<b>231,000</b>	<b>189,000</b>	<b>116,000</b>		

## COMMERCIAL PROPERTIES IN PROGRESS

Since its inception in 2010 nearly four years ago, Sino-Ocean Land's commercial business division has built a sound foundation for office complex operation and management. We have cultivated strengths in commercial project positioning; planning and design; development and construction; attracting investment; and project operation. To date, we have more than 20 commercial property projects in progress across China, including grade A offices, high-end shopping centres, five-star hotels and high quality serviced apartments.

Our Group currently has seven operating investment properties. Our cooperation project Sino-Ocean Taikoo Li Chengdu with Swire Properties Limited is scheduled for soft opening in second half of 2014, and we have also planned commercial investment properties in well-developed cities, such as the Beijing CBD project and Tianjin Ocean International Center.

We now have approximately leasable area 536,000 sq.m. of commercial properties in operation, with office developments and commercial complexes/car parks accounting for about 43% and about 57% respectively. In addition, we have more than 2,000,000 sq.m. of commercial property resources pending for development and operation by stages between 2014 to 2020. These include CBD offices in Beijing and star-graded hotels in popular tourist cities. Going forward, the Sino-Ocean Land commercial property brand will boast a strong portfolio of cross-regional and diversified products. They will provide a sound foundation for favourable investment yield and profitability level in the future.

### Property management

For the six months ended 30 June 2014, our Group's revenue from the provision of property management services amounted to RMB298 million, representing a 28% increase compared to RMB232 million for the corresponding period in 2013; meanwhile RMB74 million were contributed by the property management fee for investment properties. A total GFA of 10,889,000 sq.m. (first half of 2013: 9,430,000 sq.m.) was covered by our Group's property management services which has significantly increased by 1,459,000 sq.m..

## OTHER INFORMATION

### Risk of Exposure to Exchange Rate Fluctuations and Related Hedging

During the first half of 2014, our Group had no investments in hedging or speculative derivatives. In view of the potential Renminbi exchange rate fluctuations, we will consider arranging for monetary and interest rate hedge at appropriate times to avoid the corresponding risks.

## Employees and Human Resources

As at 30 June 2014, our Group had 6,950 employees (31 December 2013: 6,894). Continuing our efforts in 2013 to maintain a streamlined organization structure, the size of our workforce was largely unchanged. Both manpower effectiveness and our Group's control capability have been strengthened.

For the first half of 2014, taking into account the amortization of share options, the level of our overall staff cost was maintained at about RMB446 million (first half of 2013: RMB407 million). We believe the share option scheme implemented in previous years will provide long-term incentive and rewards to our staff.

We will continuously review our salary and compensation schemes to make them competitive to retain our talented staff and also provide various training and development programs so that these talented staff can ultimately bring in higher return to our shareholders and investors.

## INVESTOR RELATIONS

Our Group adheres to the best practice in information disclosure in terms of accuracy, transparency and consistency. We are committed to maintaining the most effective communication with the financial community and other stakeholders in a sincere and honest manner. We also set as our goals investors' deeper understanding and approval of the Company's strategies, higher internal management proficiency and maximization of the Company's value.

### Timely decisions fortify market confidence

In the first half of 2014 the property market began to shift from a market that relied on the government's short-term control measures to one that was market-oriented in the long-term. Going into a transitional phase, the property market was seeking a new start for stable and continued development. The industry is faced with challenges.

In view of this new situation we will outline our Group's edge in its synergy with major shareholders and ability to locate new growth areas, emphasize how the Company stands out in the industry and where its values are. We believe effective communication will enhance investors' approval and trust.

## MANAGEMENT DISCUSSION & ANALYSIS



Courtesy of Chen Chunmiao, employee of Sino-Ocean Zhongshan (Shenzhen)

In the first half of the year, our Group hosted the 2013 annual results briefings, attracting nearly 100 investors and interested individuals to attend. Subsequently representatives from the management and the IR team arranged roadshows in Hong Kong, Singapore, the US and Japan, meeting some 50 funds and other interested parties. These roadshows were rewarded with positive feedback all round and enabled better understanding and trust between our Group's management and the capital market.

We also held in-depth discussions with 120 funds and securities firms and over 100 retail shareholders. We also entertained some 120 interested individuals at over 40 site visits. Our efforts facilitated better understanding and broader recognition of our products and strategic developments by retail and institutional investors, analysts and stakeholders.

### **Maintaining standards and seeking improvements**

We maintained our high standards in information disclosure in the first half of 2014 to ensure the timely dissemination of relevant corporate information via our official website and other channels. In addition, we adjusted and consolidated our statements according to the changing focus of the capital market. While raising transparency in disclosing the Company's information, we also presented our data in the logic as close to the market's mindset as possible. In paying attention to details we raised our management standard.

In June 2014 we organized a mini reverse roadshow in Beijing to share the Company's mid to long term strategy, operation and market development with investors from

various countries. During the roadshow we invited senior managers from our commercial projects to present detailed planning of the Beijing office projects and developments in the CBD. It was very well received.

In the first half of 2014, we had 26 securities firms covering us. Over 80% of them, including Citi, Deutsche Bank, Goldman Sachs, China International Capital Corporation, Macquarie, HSBC, Mizuho and Barclays rated Sino-Ocean Land as 'out-performed the market', 'buy' or 'hold'.

We listened carefully to our shareholders' concerns and addressed them. Beginning with the 2008 Annual General Meeting, management representatives would always allow time after the meeting to speak with retail shareholders directly and answered their questions. It is our aim to let both individual shareholders and institutional shareholders discuss our business operations personally with our representatives.

In May 2014, the Company held the Annual General Meeting, attracting more than 200 shareholders and relevant parties to attend. As always management representatives spoke personally with retail shareholders after the meeting.

We will continue with our efforts to gain more coverage and recommendations by securities firms; to encourage investors' approval, confidence and loyalty and to protect their interest. We are truly grateful to all stakeholders for their remarkable support. If you have questions or comments about our work, please contact us at [ir@sinooceland.com](mailto:ir@sinooceland.com). We promise to provide answers to the extent permitted by applicable laws, regulations and the Listing Rules.

# DISCLOSURE OF INTERESTS

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2014, the interests and short positions of each of the directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance

("SFO")) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), were as follows:

### Long position in the shares and the underlying shares of equity derivatives of the Company

Name of Directors	Nature of interest	No. of ordinary shares held	No. of underlying shares comprised in share options (note i)	Restricted shares (note ii)	Total	Percentage in the Company's issued share capital
Mr. LI Ming	Founder of discretionary trust	127,951,178 (note iii)	-	-	127,951,178	1.716%
	Beneficiary of trust	3,615,400 (note iv)	-	-	3,615,400	0.048%
	Beneficial owner	3,127,000	10,560,000	4,459,300	18,146,300	0.243%
Ms. LIU Hui	Beneficial owner	88,500	400,000	603,500	1,092,000	0.015%
Mr. CHEUNG Vincent Sai Sing	Beneficial owner	28,500	400,000	91,500	520,000	0.007%
Mr. CHEN Runfu	Beneficial owner	741,250	4,320,000	1,274,850	6,336,100	0.085%
Mr. WEN Haicheng	Beneficial owner	610,065	1,730,000	1,501,650	3,841,715	0.052%
Mr. YANG Zheng	Beneficial owner	28,500	400,000	91,500	520,000	0.007%
Mr. FANG Jun	Beneficial owner	-	-	60,000	60,000	0.001%
Mr. CHUNG Chun Kwong Eric	Beneficial owner	-	-	60,000	60,000	0.001%
Mr. TSANG Hing Lun	Beneficial owner	38,500	800,000	91,500	930,000	0.012%
Mr. GU Yunchang	Beneficial owner	188,500	800,000	91,500	1,080,000	0.014%
Mr. HAN Xiaoqing	Beneficial owner	188,500	800,000	91,500	1,080,000	0.014%
Mr. ZHAO Kang	Beneficial owner	59,500	800,000	91,500	951,000	0.013%

## DISCLOSURE OF INTERESTS

Notes:

- (i) The share options were granted pursuant to the share option scheme of the Company, the details of which are set out as below in the paragraph headed "Share Option Scheme".
- (ii) The restricted shares were granted pursuant to the restricted share award scheme of the Company, the details of which are set out as below in the paragraph headed "Restricted Share Award Scheme".
- (iii) The 127,951,178 shares are held by a discretionary trust of which Mr. LI Ming is the founder.
- (iv) The 3,615,400 shares are held by a discretionary trust of which Mr. LI Ming, his spouse and his son are the beneficiaries.

### Long position in the shares and the underlying shares of equity derivatives of the associated corporation(s)

Name of Directors	Name of associated corporation	Nature of interest	No. of ordinary shares of associated corporation held	No. of underlying shares of associated corporation comprised in share options	Percentage of total issued share capital of associated corporation
Mr. LI Ming	Gemini Investments (Holdings) Limited	Beneficial owner	–	4,000,000 (note)	0.898%
Mr. WEN Haicheng	Gemini Investments (Holdings) Limited	Beneficial owner	70,000	–	0.016%

Note: Pursuant to the share option scheme of the associated corporation, the share options were granted on 9 August 2013 with an exercise price of HK\$0.96 per share and an exercise period from the 9 August 2013 to 22 June 2021.

Save as disclosed above, none of the directors nor the chief executives of the Company or their associates had any interest or short positions in any of the shares, underlying shares or debentures of the Company or any of its associated corporations as defined in the SFO.

### DIRECTORS' RIGHTS TO PURCHASE SHARES OR DEBENTURES

Except for the share options granted pursuant to the share option scheme of the Company and the restricted shares awarded pursuant to the restricted share award scheme of

the Company, the details of which are set out below in the paragraphs headed "Share Option Scheme" and "Restricted Share Award Scheme" respectively, at no time during the six months ended 30 June 2014 was the Company or any of its subsidiaries a party to any arrangement that would enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the directors or any of their spouses or children under the age of 18 were granted any right to subscribe to any equity or debt securities of the Company or any other body corporate or had exercised any such right.



## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES

The register of substantial shareholders required to be kept

by the Company under Section 336 of Part XV of the SFO shows that as at 30 June 2014, the Company was notified of the following substantial shareholders' interests and short positions in the shares and underlying shares of the Company, being interests of 5% or more, in addition to those disclosed above in respect of the directors and the chief executives of the Company:

Name of shareholders	Capacity	Long/ short position	No. of ordinary shares held	Percentage in the Company's issued share capital
China Life Insurance (Group) Company (note i)	Interest of controlled corporation	Long	2,203,284,743	29.550%
CHEN Wai Wai Vivien (" <b>Ms. Chen</b> ") (note ii)	Interest of controlled corporation	Long	1,601,327,956	21.477%
Executors of the estate of CHEN Din Hwa (" <b>Executors</b> ") (note iii)	Interest of controlled corporation	Long	1,526,769,821	20.477%
HSBC Trustee (Guernsey) Limited (note iv)	Interest of controlled corporation	Long	456,056,783	6.117%

Notes:

- (i) The 2,203,284,743 shares were registered in the name of, and beneficially owned by, China Life Insurance Company Limited. China Life Insurance (Group) Company was interested in 68.37% of China Life Insurance Company Limited. China Life Insurance (Group) Company was deemed to be interested in these shares by virtue of the SFO.
- (ii) Ms. Chen held a long position in 1,601,327,956 shares of the Company comprising:
- (a) 1,526,769,821 shares held under the estate of Mr. Chen Din Hwa of which Ms. Chen is one of the Executors as detailed in note (iii) below; and
- (b) 74,558,135 shares were beneficially owned by Gentfull Investment Limited. Gentfull Investment Limited was wholly-owned by Nan Fung Resources Limited. Nan Fung Resources Limited was wholly-owned by Crosby Investment Holdings Inc., which in turn was wholly-owned by Ms. Chen.
- (iii) The Executors held a long position in 1,526,769,821 shares of the Company comprising that 1,393,759,104 shares and 133,010,717 shares were beneficially owned by Spring Glory Investment Limited and Gavast Estates Limited respectively. Both Spring Glory Investment Limited and Gavast Estates Limited were wholly-owned by Keymark Associates Limited. Keymark Associates Limited was wholly-owned by NF Investment Holdings Limited. NF Investment Holdings Limited was wholly-owned by Nan Fung Group Holdings Limited. Nan Fung Group Holdings Limited was wholly-owned by Nan Fung International Holdings Limited. Nan Fung International Holdings Limited was wholly-owned by Chen's Group International Limited, which was in turn 100% held by the Executors of the estate of the late Mr. Chen Din Hwa. The Executors are comprised of Ms. Chen, Ms. Lee Pui Ling Angelina, Ms. Chow Suk Han Anna and Mr. Wong Wai Pat.

## DISCLOSURE OF INTERESTS

- (iv) The 368,378,907 shares and 87,677,876 shares were registered in the name of, and beneficially owned by Crystal Will Holdings Limited and Grand Wave Enterprises Limited respectively. Both of Crystal Will Holdings Limited and Grand Wave Enterprises Limited were wholly-owned by Wharf China Development Limited. Wharf China Development Limited was wholly-owned by Wharf China Holdings Limited. Wharf China Holdings Limited was wholly-owned by The Wharf (Holdings) Limited. WF Investment Partners Limited was interested in 43.01% of The Wharf (Holdings) Limited. WF Investment Partners Limited was wholly-owned by Wheelock Investments Limited. Wheelock Investments Limited was wholly-owned by Wheelock and Company Limited. HSBC Trustee (Guernsey) Limited was interested in 48.98% of Wheelock and Company Limited. HSBC Trustee (Guernsey) Limited was deemed to be interested in these shares by virtue of the SFO.

Save as disclosed above, as at 30 June 2014, the Company had not been notified by any person or corporation who had interests or short positions in the shares or underlying shares

of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## SHARE OPTION SCHEME

The share option scheme of the Company (the “**Share Option Scheme**”) was approved by the shareholders’ written resolutions dated 3 September 2007. Under the Share Option Scheme, the Board may grant options to eligible employees and directors of our Group. As set out in the prospectus of the Company dated 14 September 2007 (the “**Prospectus**”), the purpose of the Share Option Scheme is to provide an incentive for employees of our Group to work with commitment towards enhancing the value of the Company and its shares for the benefit of our shareholders, and to compensate employees of our Group

for their contribution based on their individual performance and that of the Company. The share options granted under the Share Option Scheme are exercisable within a five-year period in which 40% of the options become exercisable 1 year from the grant date, 70% of the options become exercisable 2 years from the grant date, and all options become exercisable 3 years from the grant date. All of the share options granted and outstanding as at 30 June 2014 are governed by the terms of the Share Option Scheme as stated herein and further detailed in the Prospectus.

During the six months ended 30 June 2014, movements of share options granted to the directors, chief executives and employees of our Group under the Share Option Scheme were as follows:

	Date of share option granted	Exercise price per share (HKD)	No. of share options outstanding as at 1 January 2014	No. of share options exercised during the period (note)	No. of share options lapsed during the period	No. of share options outstanding as at 30 June 2014
<b>Directors</b>						
Mr. LI Ming	30 Jul 2009	8.59	4,280,000	–	–	4,280,000
	12 Jan 2012	3.57	6,280,000	–	–	6,280,000
Ms. LIU Hui	12 Jan 2012	3.57	400,000	–	–	400,000
Mr. CHEUNG Vincent Sai Sing	12 Jan 2012	3.57	400,000	–	–	400,000
Mr. CHEN Runfu	30 Jul 2009	8.59	1,710,000	–	–	1,710,000
	12 Jan 2012	3.57	2,610,000	–	–	2,610,000
Mr. WEN Haicheng	30 Jul 2009	8.59	500,000	–	–	500,000
	2 Sep 2009	7.01	500,000	–	–	500,000
	12 Jan 2012	3.57	730,000	–	–	730,000
Mr. YANG Zheng	12 Jan 2012	3.57	400,000	–	–	400,000
Mr. TSANG Hing Lun	30 Jul 2009	8.59	200,000	–	–	200,000
	12 Jan 2012	3.57	600,000	–	–	600,000
Mr. GU Yunchang	30 Jul 2009	8.59	200,000	–	–	200,000
	12 Jan 2012	3.57	600,000	–	–	600,000
Mr. HAN Xiaojing	30 Jul 2009	8.59	200,000	–	–	200,000
	12 Jan 2012	3.57	600,000	–	–	600,000
Mr. ZHAO Kang	30 Jul 2009	8.59	200,000	–	–	200,000
	12 Jan 2012	3.57	600,000	–	–	600,000
<b>Subtotal</b>			<b>21,010,000</b>	<b>–</b>	<b>–</b>	<b>21,010,000</b>

## CORPORATE GOVERNANCE AND OTHER INFORMATION

	Date of share option granted	Exercise price per share (HKD)	No. of share options outstanding as at 1 January 2014	No. of share options exercised during the period (note)	No. of share options lapsed during the period	No. of share options outstanding as at 30 June 2014
<b>Employees</b>	30 Jul 2009	8.59	12,450,000	–	(650,000)	11,800,000
	2 Sept 2009	7.01	13,220,000	–	(1,020,000)	12,200,000
	5 Oct 2009	7.11	21,850,000	–	(1,030,000)	20,820,000
	12 Jan 2012	3.57	99,917,000	(4,809,500)	(3,080,000)	92,027,500
Subtotal			147,437,000	(4,809,500)	(5,780,000)	136,847,500
<b>Total</b>			<b>168,447,000</b>	<b>(4,809,500)</b>	<b>(5,780,000)</b>	<b>157,857,500</b>

Note: During the six months ended 30 June 2014, 4,809,500 share options were exercised and weighted average closing price of shares of the Company immediately before the dates of exercise was HKD4.28 per share.

### RESTRICTED SHARE AWARD SCHEME

The restricted share award scheme (the “**Award Scheme**”) was adopted by the Board on 22 March 2010 (the “**Adoption Date**”) as an incentive to retain and encourage the employees for the continual operation and development of our Group. Unless early terminated by the Board, the Award Scheme shall continue in full force and effect from the Adoption Date for a term of 10 years. According to the Award Scheme, the maximum number of shares to be awarded under the Award Scheme is 169,104,822 shares, representing 3% of the issued share capital of the Company as at the Adoption Date. The restricted shares will be purchased by the trustee from the market out of cash contributed by our Group and be held in trust for the relevant selected employees until such shares are vested with the relevant selected employees in accordance with the provisions of the Award Scheme. The shares awarded to the

directors and employees of our Group at no consideration will be vested in three years in which 40% of awarded shares will be vested after one year from the date of award and 7.5% of awarded shares will be vested quarterly thereafter.

During the period under review, the trustee of the Award Scheme, pursuant to the terms of the rules and trust deed of the Award Scheme, had acquired 2,881,628 shares of the Company by way of market acquisition at an aggregate consideration of approximately RMB7,105,000 (including transaction costs) and received scrip shares of the Company in lieu of cash dividend in an amount of approximately RMB1,804,000. As at 30 June 2014, 40,105,461 shares of the Company had been acquired from the market or under scrip dividend scheme by the trustee, representing 0.71% of the issued share capital of the Company as at the Adoption Date.

Details of the number of shares awarded under Award Scheme and the shares vested during the period under review are set out as below:

Date of award	Awarded shares				
	Balance as at 1 January 2014	Share awarded during the period	No. of shares vested during the period	No. of shares being lapsed during the period (note)	Balance as at 30 June 2014
18 March 2011	1,150,163	–	1,111,632	38,531	–
18 March 2013	21,833,000	–	10,149,775	580,000	11,103,225
18 March 2014	–	25,012,000	–	–	25,012,000
13 May 2014	–	512,000	–	–	512,000
<b>Total</b>	<b>22,983,163</b>	<b>25,524,000</b>	<b>11,261,407</b>	<b>618,531</b>	<b>36,627,225</b>

Note: Pursuant to the Award Scheme, 618,531 awarded shares were lapsed upon the resignation of awardees.

## CAPITAL SECURITIES

On 13 May 2011, the perpetual subordinated capital securities callable 2016 (the “**Capital Securities**”) were issued by a wholly-owned subsidiary of the Company, in an aggregate principal amount of USD400 million. The net proceeds from the issue of the Capital Securities were approximately USD388 million and were applied to finance new and existing projects (including construction costs, land costs and investment properties) and for general corporate purposes.

Details of the Capital Securities are disclosed in the Company’s announcement dated 6 May 2011 and note 13 to the unaudited condensed consolidated interim financial information of this report.

## GUARANTEED NOTES

On 23 July 2014, Sino-Ocean Land Treasure Finance I Limited, a wholly-owned subsidiary of the Company issued the 4.625% guaranteed notes due 2019 in the principal amount of USD500 million and the 6.000% guaranteed notes due 2024 in the principal amount of USD700 million (collectively, the “**Notes**”) all of which are guaranteed by the Company. The net proceeds of the issue of Notes, after deduction of fees, commissions and expenses payable in connection with the offering, amounted to approximately USD1,181 million which was applied in accordance with the specific uses described in the Company’s announcement dated 24 July 2014 for our Group to repay existing indebtedness and for general corporate purposes.

### NEW SHARES ISSUED UNDER SPECIFIC MANDATE IN 2013

In 2013, China Life Insurance Company Limited (“**China Life**”) and Spring Glory Investment Limited (a member of the Nan Fung Group, “**Nan Fung Group**”) are the substantial shareholders of the Company and subscribed for 635,941,967 shares and 686,611,211 shares in the Company, respectively, at the subscription price of HK\$4.74 per share (“**Subscription(s)**” or “**Subscription Shares**”). The Subscriptions were approved by independent shareholders on 19 November 2013 and the Subscription Shares were allotted on 22 November 2013.

The Board believes that the Subscriptions will strengthen the Company’s financial position and allow the Company to raise needed funds at a reasonable cost to support our Group’s existing operations and enhance its flexibility to make further investments as and when opportunities arise. The Subscriptions further optimizes our Group’s capital structure, which could result in the improvement of the credit profile of the Company and lowering of our Group’s future financing costs. The Company considers that China Life and the Nan Fung Group are the most suitable parties for the Subscriptions because of the Subscription Shares will be issued at a premium with a two-year lock-up period, if the Subscription Shares were to be open to the public, it may be difficult for the investors to accept those terms. Further,

the Subscriptions would bring strategic value and business opportunities to the Company through the development of closer ties with China Life and the Nan Fung Group. In particular, the Board believes that the Subscriptions would allow our Group to strengthen its strategic cooperation with China Life in various areas including financing, capital development and property investment.

The net proceeds of approximately USD804 million from the Subscriptions was applied in accordance with the specific uses described in the Company’s circular dated 28 October 2013, where one-third of the net proceeds were used to acquire the remaining interests in the CBD Project and Dalian Project; approximately one-third of the net proceeds were used for financing new potential project and the remaining approximately one-third were used for general working capital purposes of our Group.

On 22 November 2013, the Company completed the acquisition of the remaining interests in the CBD Project and Dalian Project from Nan Fung Investment China Holdings Limited (a member of Nan Fung Group) at a consideration of USD154 million and USD160 million respectively. In January 2014, the Company used USD269 million (equivalent to approximately RMB1,646 million), to finance initial equity of a new project in Mentougou Beijing which was acquired through a land bidding at a total land cost of RMB3,973 million. The remaining of net proceeds was applied for general working capital purposes of our Group.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the period under review, the Company repurchased 700,000 shares on the Stock Exchange at an aggregate consideration of approximately HKD2.73 million. All repurchased shares were cancelled in June and July of 2014 upon delivery of share certificates. The repurchases

were effected by the directors of the Company with a view to benefiting shareholders as a whole in enhancing the net assets and earnings per share of the Company. Details of the repurchases are as follows:

Month of the repurchases	Total number of ordinary shares repurchased	Highest price paid by share (HKD)	Lowest price paid by share (HKD)	Aggregate consideration (HKD million)
May 2014	500,000	3.93	3.88	1.96
June 2014	200,000	3.90	3.86	0.77

Apart from the share repurchased as disclosed above and those set out above in the paragraphs headed "Restricted Share Award Scheme", neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the period under review.

## REVIEW OF INTERIM FINANCIAL INFORMATION

The unaudited interim financial information for the six months ended 30 June 2014 have been reviewed by the auditors of the Company, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants, the report of which is included on page 41.

## AUDIT COMMITTEE

The Audit Committee consists of three independent non-executive directors and two non-executive directors of the Company, namely Mr. TSANG Hing Lun, Mr. GU Yunchang, Mr. ZHAO Kang, Mr. YANG Zheng and Mr. CHUNG Chun Kwong, Eric. Mr. TSANG Hing Lun, who has professional qualifications in accountancy, is the chairman of the Audit Committee. The Audit Committee has reviewed and has no disagreement with the accounting principles and practices adopted by our Group. The Audit Committee has reviewed the interim report for the six months ended 30 June 2014.

## CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company had complied with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2014, except as described below:

Mr. LI Ming is the chairman (the "Chairman") and the chief executive officer of the Company (the "Chief Executive Officer"). The roles of the Chairman and the Chief Executive Officer have not been segregated as required under code A.2.1 of the CG Code. However, the Company considers that the combination of the roles of the Chairman and the Chief Executive Officer involve a realignment of power and authority under the existing corporate structure and facilitate the ordinary business activities of the Company. Although the responsibilities of the Chairman and the Chief Executive Officer are vested in one person, all major decisions are made in consultation with the Board and the senior management of the Company. There are four independent non-executive directors and three non-executive directors in the Board. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position and also facilitates the ordinary business activities of the Company. The Board will review the current structure from time to time and will make any necessary arrangement as appropriate.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

Our Group has adopted a code of conduct regarding directors' securities transactions (the "**Code of Conduct**") on standards no less exacting than those required in the Model Code. The Company has made specific enquiries with all the directors of the Company and each of them has confirmed that he or she had complied with all required standards set out in the Code of Conduct throughout the six months ended 30 June 2014.

### CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the information of directors of the Company required to be disclosed are set out below:

Mr. TSANG Hing Lun retired as an independent non-executive director of China Rongsheng Heavy Industries Group Holdings Limited, a company listed on the Stock Exchange, with effect from 21 May 2014.

Mr. GU Yunchang ("**Mr. Gu**") was appointed as an independent non-executive director of Sunshine 100 China Holdings Ltd., a company listed on the Stock Exchange, with effect from 17 February 2014. Also, Mr. Gu retired as an independent director of E-House (China) Holdings Limited, a company listed on the New York Stock Exchange in the USA from 7 March 2014.

Mr. HAN Xiaojing was appointed as an independent director of Ping An Bank Co. Ltd. and Beijing Sanju Environment Protection and New Material Co., Ltd. with effect from 27

February 2014 and 15 April 2014 respectively. Both companies are listed on the Shenzhen Stock Exchange in PRC.

Due to reorganization of the composition of board committees, the positions held by the directors were changed as below:

Mr. CHUNG Chun Kwong, Eric and Mr. ZHAO Kang were nominated as members of audit committee of the Company with effect from 26 June 2014;

Mr. HAN Xiaojing retired as a member of audit committee of the Company with effect from 26 June 2014;

Mr. FANG Jun was nominated as a member of nomination committee of the Company with effect from 26 June 2014;

Ms. LIU Hui retired as a member of nomination committee of the Company and was nominated as a member of investment committee with effect from 26 June 2014; and

Mr. Gu retired as a member of investment committee with effect from 26 June 2014.

Pursuant to a board resolution duly passed on 26 August 2014, the directors' fees of all independent non-executive directors, all non-executive directors and an executive director, Mr. CHEUNG Vincent Sai Sing were changed from HK\$300,000 to HK\$350,000 with effect from early of 1 January 2014 and 13 May 2014, the date of appointment of new non-executive directors in 2014.



## DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

As at 30 June 2014, the Company had entered into the following facility agreements (the “**Facility Agreements**”):

<b>Date</b>	<b>Description</b>	<b>Principal Amount (Approximately)</b>
15 June 2012 (note)	a 3-year term loan facilities in different currencies	USD600 million
12 July 2013	a 5-year term loan facilities in different currencies	USD410 million
24 June 2014	a 3-year term loan facilities in different currencies	USD800 million

Note: The loan facility under Facility Agreement dated 15 June 2012 was fully repaid in July 2014.

Under the Facility Agreements, it would constitute an event of default if (i) China Life Insurance Company Limited and Nan Fung International Holdings Limited are together no longer the largest shareholder of the Company or no longer maintain (directly or indirectly) beneficially not less than 30% of the issued share capital of the Company; or (ii) neither China Life Insurance Company Limited nor Nan Fung International Holdings Limited is the single largest shareholder of the Company. On and at any time after the occurrence of an event of default, the lenders may (i) cancel the facility available under the Facility Agreements with immediate effect; (ii) declare that all or part of the loan outstanding together with accrued interest and all other amounts accrued or outstanding be immediately due and payable; (iii) declare that all or part of the loans be payable on demand; and/or (iv) instruct the security agent to enforce all or any of the security documents and/or to preserve the security constituted by any security document and/or to exercise any right, power and remedy available to the security agent under any security document.

### INTERIM DIVIDEND AND BOOK CLOSURE

The Board has declared an interim dividend of HKD0.075 per share (2013: HKD0.07 per share) to shareholders whose names appear on the Company’s register of members on 12 September 2014. The interim dividend will be paid in cash, with an option to receive new and fully paid shares in

lieu of cash under the scrip dividend scheme (the “**Scrip Dividend Scheme**”). The new shares will, on issue, not be entitled to the said interim dividend, but will rank pari passu in all other respects with the existing shares in issue. A circular containing details of the Scrip Dividend Scheme and an election form will be sent to shareholders in due course.

The Scrip Dividend Scheme is conditional upon the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the new shares to be issued under the Scrip Dividend Scheme.

It is expected that the cheques for cash entitlement in relation to the interim dividend and/or share certificates issued under the Scrip Dividend Scheme will be despatched at the risk of those entitled thereto to their respective registered addresses on or about Wednesday, 22 October 2014.

The register of members of the Company will be closed from Friday, 12 September 2014 to Tuesday, 16 September 2014, both days inclusive, during which period no transfer of shares will be effected. To qualify for the interim dividend, all transfer documents together with relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 11 September 2014.

# CORPORATE INFORMATION

## DIRECTORS

### Executive Directors

Mr. LI Ming (*Chairman*)  
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

## AUDIT COMMITTEE

Mr. TSANG Hing Lun  
Mr. YANG Zheng  
Mr. CHUNG Chun Kwong, Eric  
Mr. GU Yunchang  
Mr. ZHAO Kang

## NOMINATION COMMITTEE

Mr. LI Ming  
Mr. FANG Jun  
Mr. GU Yunchang  
Mr. HAN Xiaojing  
Mr. ZHAO Kang

## REMUNERATION COMMITTEE

Mr. HAN Xiaojing  
Mr. GU Yunchang  
Mr. ZHAO Kang

## INVESTMENT COMMITTEE

Mr. LI Ming  
Ms. LIU Hui  
Mr. CHEUNG Vincent Sai Sing  
Mr. TSANG Hing Lun

## COMPANY SECRETARY

Mr. LAM Tsz Kin

## AUTHORIZED REPRESENTATIVES

Mr. LI Ming  
Mr. LAM Tsz Kin

## REGISTERED OFFICE

Suite 601, One Pacific Place  
88 Queensway  
Hong Kong

## PRINCIPAL PLACE OF BUSINESS

31–33 Floor, Tower A  
Ocean International Center  
56 Dongsihuanzhonglu  
Chaoyang District Beijing  
PRC

## PRINCIPAL BANKERS *(in alphabetical order)*

Agricultural Bank of China, Ltd.  
Bank of Beijing Co., Ltd.  
Bank of China (Hong Kong) Limited  
Bank of China Limited  
Bank of Communications Co., Ltd.  
BNP Paribas Hong Kong Branch  
China CITIC Bank Corporation Limited  
China CITIC Bank International Limited  
China Construction Bank Corporation  
China Construction Bank (Asia) Corporation Limited  
China Everbright Bank Company Limited  
China Guangfa Bank Co., Ltd.  
China Merchants Bank Co., Ltd.  
China Minsheng Banking Corp., Ltd.  
DBS Bank Ltd.  
Hang Seng Bank Limited  
Industrial and Commercial Bank of China (Asia) Ltd.  
Industrial and Commercial Bank of China, Ltd.  
Industrial Bank Co., Ltd.  
Ping An Bank Co., Ltd.  
Postal Savings Bank of China Co., Ltd.  
Shanghai Pudong Development Bank Co., Ltd.  
The Bank of East Asia, Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Wing Lung Bank Limited

## AUDITOR

PricewaterhouseCoopers

## LEGAL ADVISOR

Paul Hastings

## SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## LISTING INFORMATION

The Stock Exchange of Hong Kong Limited  
Stock Code: 03377

## COMPANY WEBSITE

[www.sinooceanland.com](http://www.sinooceanland.com)

## INVESTOR RELATIONS CONTACT

[ir@sinooceanland.com](mailto:ir@sinooceanland.com)

# REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

## **TO THE BOARD OF DIRECTORS OF SINO-OCEAN LAND HOLDINGS LIMITED**

*(incorporated in Hong Kong with limited liability)*

### **Introduction**

We have reviewed the interim financial information set out on pages 42 to 74, which comprises the condensed consolidated interim balance sheet of Sino-Ocean Land Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2014 and the related condensed consolidated interim income statement, statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### **Scope of Review**

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

### **PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, 26 August 2014

# CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

	Note	As at 30 June 2014 RMB'000 (Unaudited)	As at 31 December 2013 RMB'000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	356,420	203,827
Land use rights	7	8,872	8,985
Investment properties	8	10,500,700	10,302,496
Goodwill		222,221	239,523
Investments in joint ventures		2,050,885	1,682,273
Investments in associates		1,097,729	629,572
Available-for-sale financial assets	9	697,952	745,847
Trade and other receivables	10	664,260	15,606
Deferred income tax assets		1,511,179	1,940,419
<b>Total non-current assets</b>		<b>17,110,218</b>	<b>15,768,548</b>
<b>Current assets</b>			
Prepayments for land use rights		12,738,090	10,685,916
Properties under development		62,871,958	69,903,227
Inventories, at cost		97,860	99,037
Amounts due from customers for contract work	11	1,316,752	996,539
Land development cost recoverable		1,550,205	1,713,850
Completed properties held for sale		16,633,186	12,079,650
Available-for-sale financial assets	9	185,200	405,400
Other investments		12,287	19,676
Financial assets at fair value through profit or loss		93,054	191,413
Trade and other receivables	10	12,026,545	9,955,459
Restricted bank deposits		4,930,637	4,797,032
Cash and cash equivalents		11,860,533	11,252,893
<b>Total current assets</b>		<b>124,316,307</b>	<b>122,100,092</b>
<b>Total assets</b>		<b>141,426,525</b>	<b>137,868,640</b>

	Note	As at 30 June 2014 RMB'000 (Unaudited)	As at 31 December 2013 RMB'000 (Audited)
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Capital	12	26,608,013	26,079,244
Shares held for Restricted Share Award Scheme	12	(47,098)	(79,008)
Other reserves		118,135	166,032
Retained earnings			
— proposed dividends	20	445,130	920,391
— others		12,096,379	10,438,201
Capital securities	13	39,220,559	37,524,860
		2,532,866	2,532,866
<b>Non-controlling interests</b>		41,753,425	40,057,726
		3,518,317	3,387,319
<b>Total equity</b>		45,271,742	43,445,045
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	14	25,900,429	22,455,625
Trade and other payables	15	82,756	—
Deferred income tax liabilities		1,852,323	1,853,313
<b>Total non-current liabilities</b>		27,835,508	24,308,938
<b>Current liabilities</b>			
Borrowings	14	18,193,115	12,839,209
Trade and other payables	15	18,142,231	17,987,221
Advance receipts from customers		28,275,539	34,603,586
Income tax payables		3,707,801	4,684,641
Derivative financial instruments		589	—
<b>Total current liabilities</b>		68,319,275	70,114,657
<b>Total liabilities</b>		96,154,783	94,423,595
<b>Total equity and liabilities</b>		141,426,525	137,868,640
<b>Net current assets</b>		55,997,032	51,985,435
<b>Total assets less current liabilities</b>		73,107,250	67,753,983

The notes on pages 49 to 74 form an integral part of these condensed consolidated interim financial information.

# CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

	Note	Unaudited Six months ended 30 June	
		2014 RMB'000	2013 RMB'000
Revenue	6	17,840,113	9,097,781
Cost of sales		(14,321,854)	(6,910,297)
<b>Gross profit</b>		<b>3,518,259</b>	2,187,484
Interest and other income		210,664	172,637
Other (losses)/gains — net	16	(103,956)	57,099
Fair value gains on investment properties	8	113,367	479,504
Selling and marketing expenses		(239,946)	(262,571)
Administrative expenses		(319,093)	(174,035)
<b>Operating profit</b>		<b>3,179,295</b>	2,460,118
Finance costs	17	(132,255)	(118,642)
Share of gains of joint ventures		252,585	92,967
Share of losses of associates		(1,005)	(7,164)
<b>Profit before income tax</b>		<b>3,298,620</b>	2,427,279
Income tax expense	18	(958,107)	(860,766)
<b>Profit for the period</b>		<b>2,340,513</b>	1,566,513
<b>Attributable to:</b>			
Owners of the Company		2,239,051	1,417,056
Non-controlling interests		101,462	149,457
		<b>2,340,513</b>	1,566,513
Basic earnings per share for profit attributable to owners of the Company (expressed in RMB)	19	<b>0.291</b>	0.183
Diluted earnings per share for profit attributable to owners of the Company (expressed in RMB)	19	<b>0.290</b>	0.182

The notes on page 49 to 74 form an integral part of these condensed consolidated interim financial information.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
<b>Profit for the period</b>	<b>2,340,513</b>	1,566,513
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Fair value (losses)/gains on available-for-sale financial assets	<b>(24,371)</b>	782
Currency translation differences	<b>6,467</b>	(18,861)
<b>Other comprehensive income for the period</b>	<b>(17,904)</b>	(18,079)
<b>Total comprehensive income for the period</b>	<b>2,322,609</b>	1,548,434
<b>Total comprehensive income attributable to:</b>		
— Owners of the Company	<b>2,221,147</b>	1,398,977
— Non-controlling interests	<b>101,462</b>	149,457
	<b>2,322,609</b>	1,548,434

The notes on page 49 to 74 form an integral part of these condensed consolidated interim financial information.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Unaudited									
	Attributable to owners of the company									
	Share capital	Share premium	Share Award Scheme	Other reserves	Retained earnings	Subtotal	Capital securities	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance at 1 January 2014</b>	5,336,871	20,742,373	(79,008)	166,032	11,358,592	37,524,860	2,532,866	40,057,726	3,387,319	43,445,045
Profit for the period	-	-	-	-	2,239,051	2,239,051	-	2,239,051	101,462	2,340,513
Other comprehensive income:										
Fair value losses on available-for-sale financial assets	-	-	-	(24,371)	-	(24,371)	-	(24,371)	-	(24,371)
Currency translation differences	-	-	-	6,467	-	6,467	-	6,467	-	6,467
<b>Total comprehensive income for the period ended 30 June 2014</b>	-	-	-	(17,904)	2,239,051	2,221,147	-	2,221,147	101,462	2,322,609
<b>Transactions with owners in their capacity as owners</b>										
Dividends relating to 2013 paid in June 2014 (Note 20)	509,132	-	-	-	(927,722)	(418,590)	-	(418,590)	-	(418,590)
Expenses on share based payment	-	-	-	45,237	-	45,237	-	45,237	-	45,237
Vesting of shares under Restricted Share Award Scheme	1,394	-	39,015	(40,409)	-	-	-	-	-	-
Issue of shares pursuant to exercise of employee share options (Note 12)	18,688	-	-	(5,090)	-	13,598	-	13,598	-	13,598
Purchase of shares for Restricted Share Award Scheme (Note 12)	-	-	(7,105)	-	-	(7,105)	-	(7,105)	-	(7,105)
Transition to no-par value regime on 3 March 2014 (Note 12)	20,742,373	(20,742,373)	-	-	-	-	-	-	-	-
Share buyback (Note 12)	(445)	-	-	445	(2,180)	(2,180)	-	(2,180)	-	(2,180)
Distribution relating to capital securities	-	-	-	-	(126,232)	(126,232)	-	(126,232)	-	(126,232)
Contribution from non-controlling interests	-	-	-	-	-	-	-	-	31,115	31,115
<b>Total contributions by and distributions to owners</b>	21,271,142	(20,742,373)	31,910	183	(1,056,134)	(495,272)	-	(495,272)	31,115	(464,157)
Increase in non-controlling interests due to disposal of partial interests in a subsidiary (Note 24)	-	-	-	-	-	-	-	-	15,752	15,752
Increase in non-controlling interests as a result of other acquisition	-	-	-	-	-	-	-	-	25,023	25,023
Decrease in non-controlling interests as a result of acquisition of additional interests in subsidiaries from non-controlling interests (Note 23)	-	-	-	(30,176)	-	(30,176)	-	(30,176)	(42,354)	(72,530)
<b>Total transactions with owners</b>	21,271,142	(20,742,373)	31,910	(29,993)	(1,056,134)	(525,448)	-	(525,448)	29,536	(495,912)
<b>Balance at 30 June 2014</b>	26,608,013	-	(47,098)	118,135	12,541,509	39,220,559	2,532,866	41,753,425	3,518,317	45,271,742



Unaudited

	Attributable to owners of the Company										
	Share capital RMB'000	Share premium RMB'000	Share held for Restricted Share Award Scheme RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Subtotal RMB'000	Convertible securities RMB'000	Capital securities RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
<b>Balance at 1 January 2013</b>	4,428,676	16,306,805	(92,435)	335,260	8,779,986	29,758,292	5,969,279	2,532,866	38,260,437	3,785,801	42,046,238
Profit for the period	-	-	-	-	1,417,056	1,417,056	-	-	1,417,056	149,457	1,566,513
Other comprehensive income:											
Fair value gains on available-for-sale financial assets	-	-	-	782	-	782	-	-	782	-	782
Currency translation differences	-	-	-	(18,861)	-	(18,861)	-	-	(18,861)	-	(18,861)
<b>Total comprehensive income for the period ended 30 June 2013</b>	-	-	-	(18,079)	1,417,056	1,398,977	-	-	1,398,977	149,457	1,548,434
<b>Transactions with owners in their capacity as owners</b>											
Dividends relating to 2012 paid in June 2013 (Note 20)	2,897	15,640	-	-	(794,200)	(775,663)	-	-	(775,663)	-	(775,663)
Expenses on share based payment	-	-	-	65,650	-	65,650	-	-	65,650	-	65,650
Vesting of shares under Restricted Share Award Scheme	-	129	8,961	(9,090)	-	-	-	-	-	-	-
Issue of shares pursuant to exercise of employee share options (Note 12)	12,402	59,579	-	(19,619)	-	52,362	-	-	52,362	-	52,362
Purchase of shares for Restricted Share Award Scheme (Note 12)	-	-	(3,672)	-	-	(3,672)	-	-	(3,672)	-	(3,672)
Share buyback (Note 12)	(1,210)	-	-	1,210	(6,834)	(6,834)	-	-	(6,834)	-	(6,834)
Distribution relating to convertible securities	-	-	-	-	(224,381)	(224,381)	-	-	(224,381)	-	(224,381)
Distribution relating to capital securities	-	-	-	-	(128,121)	(128,121)	-	-	(128,121)	-	(128,121)
Repurchase of convertible securities	-	-	-	-	76,059	76,059	(2,162,206)	-	(2,086,147)	-	(2,086,147)
Contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	2,230	2,230
<b>Total contributions by and distributions to owners</b>	14,089	75,348	5,289	38,151	(1,077,477)	(944,600)	(2,162,206)	-	(3,106,806)	2,230	(3,104,576)
Decrease in non-controlling interests as a result of acquisition of additional interests in subsidiaries from non-controlling interests	-	-	-	(170,292)	-	(170,292)	-	-	(170,292)	(25,708)	(196,000)
<b>Total transactions with owners</b>	14,089	75,348	5,289	(132,141)	(1,077,477)	(1,114,892)	(2,162,206)	-	(3,277,098)	(23,478)	(3,300,576)
<b>Balance at 30 June 2013</b>	4,442,765	16,382,153	(87,146)	185,040	9,119,565	30,042,377	3,807,073	2,532,866	36,382,316	3,911,780	40,294,096

# CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
<b>Net cash (used in)/generated from operating activities</b>	<b>(5,108,913)</b>	1,785,599
<b>Net cash used in investing activities</b>	<b>(1,002,709)</b>	(138,498)
<b>Net cash generated from/(used in) financing activities</b>	<b>6,714,437</b>	(4,905,906)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>602,815</b>	(3,258,805)
Cash and cash equivalents at the beginning of the period	<b>11,252,893</b>	10,747,479
Exchange gains/(losses)	<b>4,825</b>	(18,909)
<b>Cash and cash equivalents at end of the period</b>	<b>11,860,533</b>	7,469,765

The notes on page 49 to 74 form an integral part of these condensed consolidated interim financial information.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1 General information

Sino-Ocean Land Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) are principally engaged in investment holding, property development and property investment in the People’s Republic of China (the “PRC”).

The Company is a limited liability company incorporated on 12 March 2007 in Hong Kong. The address of its registered office is Suite 601, One Pacific Place, 88 Queensway, Hong Kong.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The condensed consolidated interim financial information is presented in Renminbi (“RMB”), unless otherwise stated. The condensed consolidated interim financial information was approved for issue on 26 August 2014 by the Board of directors.

The condensed consolidated interim financial information has not been audited.

## 2 Basis of preparation

The condensed consolidated interim financial information for the six months ended 30 June 2014 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

### Key events

In June 2014, the Company entered into a facility agreement, pursuant to which a syndicate of banks agreed to grant two 3-year term loan facilities in Hong Kong dollars (“HKD”) and United States dollars (“USD”) respectively, with total principal amounts of approximately USD800,000,000 to the Company.

During the period, the Group acquired additional interests in a subsidiary from non-controlling interests and partially disposed of interests in a subsidiary which resulted in loss of control of that subsidiary. Further details are set out in Note 23 and Note 24.

## 3 Accounting policies

The following new and amended standards are mandatory for the first time for financial year beginning 1 January 2014 and have been adopted by the Group for the financial period ended 30 June 2014. The adoption of these new accounting policies has no material impact on the financial statements of the Group in the current period and prior years.

HKAS 32 (Amendment)	“Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities”
HKAS 36 (Amendment)	“Impairment of Assets on Recoverable Amount Disclosures”
HKAS 39 (Amendment)	“Novation of Derivatives and Continuation of Hedge Accounting”
Amendments to HKAS 19 (2011)	“Defined Benefit Plans: Employee Contribution”
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	“Investment Entities”
HKFRSs Amendments	“Annual improvements to HKFRSs 2010–2012 Cycle and Annual improvements to HKFRSs 2011–2013 Cycle”
HK (IFRIC)-Int 21	“Levies”

Except as described above, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2013, as described in those annual financial statements.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 3 Accounting policies *(Continued)*

The HKICPA has issued a number of new or revised standards, interpretations and amendments to standards which are not effective for accounting period beginning 1 January 2014 and the Group has not early adopted the rules.

There are no other amended standards or interpretations that are effective for the first time for this interim period that could be expected to have a material impact on the Group.

## 4 Estimates

The preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the condensed consolidated interim financial information, significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the consolidated financial statements for the year ended 31 December 2013.

## 5 Financial risk management and financial instruments

### 5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013.

There have been no changes in the risk management department since year end or in any risk management policies since the year end.

### 5.2 Liquidity risk

Compared to year end, there is no material change in the contractual undiscounted cash out flows for financial liabilities.

### 5.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

## 5 Financial risk management and financial instruments *(Continued)*

### 5.3 Fair value estimation *(Continued)*

The following tables present the Group's assets and liabilities that are measured at fair value as at 30 June 2014 and 31 December 2013.

	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Group				
As at 30 June 2014				
Financial assets at fair value through profit or loss	93,054	–	–	93,054
Available-for-sale financial assets:				
– equity fund investments (Note 9)	–	329,986	354,293	684,279
– other equity securities (Note 9)	–	–	179,474	179,474
– others (Note 9)	–	–	19,399	19,399
	<b>93,054</b>	<b>329,986</b>	<b>553,166</b>	<b>976,206</b>
<b>Liability</b>				
Group				
As at 30 June 2014				
Derivative financial instruments	589	–	–	589
<b>Assets</b>				
Group				
As at 31 December 2013				
Financial assets at fair value through profit or loss	191,413	–	–	191,413
Available-for-sale financial assets:				
– equity fund investments (Note 9)	–	713,187	–	713,187
– other equity securities (Note 9)	–	–	188,060	188,060
– structured products issued by bank (Note 9)	–	250,000	–	250,000
	<b>191,413</b>	<b>963,187</b>	<b>188,060</b>	<b>1,342,660</b>

There were no transfers between Level 1 and Level 2 during the period. Transfers between Level 2 and Level 3 are addressed in the Level 3 reconciliation below.

During the period there were no significant changes in the business or economic circumstances that may affect the fair value of the Group's financial assets and financial liabilities, at the same time there were no reclassifications between financial assets.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 5 Financial risk management and financial instruments *(Continued)*

### 5.4 Fair value measurements using significant unobservable inputs (Level 3)

	<b>Available-for-sale financial assets: unlisted equity and debt securities</b>
	RMB'000
Opening balance at 1 January 2014	<b>188,060</b>
Addition	<b>20,899</b>
Disposals	<b>(10,086)</b>
Transfer to Level 3	<b>354,293</b>
<b>Closing balance at 30 June 2014</b>	<b>553,166</b>

In 2014, the classification of certain unlisted equity fund investments has changed from Level 2 to Level 3 since during the period, these equity funds have acquired certain unlisted equity and debt interests with more counterparty credit risk, resulting in significant unobservable inputs to the fair value measurements.

Level 3 investments in unlisted equity securities are estimated based on the net assets values of respective securities, which approximate their fair values. The higher the net assets value of respective securities, the higher the fair values. Level 3 investments in unlisted debt securities are fair valued using a discounted cash flow approach and the discounted rate is mainly determined by counterparty credit risk.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no changes in valuation techniques during the period.

### 5.5 Group's valuation processes

The Group's finance department includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including Level 3 fair values. This team reports directly to the chief financial officer (CFO) and external valuers will be engaged, if necessary.

The main Level 3 input used by the Group pertains to the investments in unlisted equity securities. It is estimated based on the net assets values of respective securities.

As part of the valuation process, any changes in Level 2 and Level 3 fair values and the reasons for the fair value movements are analyzed between the CFO and the team.

## 5 Financial risk management and financial instruments *(Continued)*

### 5.6 Fair value of financial assets and liabilities measured at amortized cost

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables
- Restricted bank deposits
- Cash and cash equivalents
- Borrowings
- Trade and other payables

## 6 Segment information

Management determine the operating segments based on the reports reviewed by the chief operating committee (the “Committee”) that are used to make strategic decisions.

The Committee considers the business from both geographic and product perspectives. From the product perspective, management considers the performance of property development and property investment. Property development businesses are further segregated geographically into Beijing, Tianjin, North-east as well as all other territories.

Other operations as carried out by the Group mainly include property management services, property sales agency services, as well as upfitting services. These are not included within the reportable operating segments, as they are not included in the reports provided to the Committee. The results of these operations are included in the “All other segments”.

The Committee assesses the performance of the operating segments based on a measure of operating profit. This measurement basis excludes the effects of non-recurring expenditure from the operating segments. Finance costs and corporate finance income are not included in the result for each operating segment that is reviewed by the Committee, as they are driven by activities of the central treasury function, which manages the cash position of the Group. The measure also excludes the effects of any unrealized gains/losses from investments in joint ventures and associates as well as fair value gains/losses from investment properties and corporate overheads. Other information provided to the Committee, except as noted below, is measured in a manner consistent with that in the financial statements.

Total segment assets exclude corporate cash and cash equivalents, investments in joint ventures and associates, available-for-sale financial assets, other investments, financial assets at fair value through profit or loss and deferred income tax assets, all of which are managed on a central basis. Total segment liabilities exclude borrowings, deferred income tax liabilities and derivative financial instruments all of which are managed on a central basis as well. These are part of the reconciliation to total balance sheet assets and liabilities.

Transactions between segments are carried out at arm's length. The revenue from external parties reported to the Committee is measured in a manner consistent with that in the condensed consolidated interim income statement.

Turnover consists of sales from the property development segment, and rental income as derived from the investment property segment, which are RMB16,217,700,000 and RMB325,913,000 for the six months ended 30 June 2014 and RMB7,779,706,000 and RMB251,199,000 for the six months ended 30 June 2013, respectively.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 6 Segment information *(Continued)*

	Unaudited								
	Property development				Investment property	All other segments	Total	Inter-company elimination	Group total
	Beijing	Tianjin	North-east	Others					
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
<b>Six months ended 30 June 2014</b>									
Total segment revenue	4,905,936	1,774,054	2,575,251	7,007,239	329,272	2,216,235	18,807,987	-	18,807,987
Inter-segment revenue	(44,100)	-	(680)	-	(3,359)	(919,735)	(967,874)	-	(967,874)
<b>Revenue (from external customers)</b>	<b>4,861,836</b>	<b>1,774,054</b>	<b>2,574,571</b>	<b>7,007,239</b>	<b>325,913</b>	<b>1,296,500</b>	<b>17,840,113</b>	<b>-</b>	<b>17,840,113</b>
<b>Segment operating profit</b>	<b>741,931</b>	<b>203,638</b>	<b>139,556</b>	<b>722,594</b>	<b>291,006</b>	<b>428,072</b>	<b>2,526,797</b>	<b>697,327</b>	<b>3,224,124</b>
Depreciation and amortization (Note 7)	(651)	(589)	(1,276)	(2,725)	(304)	(14,207)	(19,752)	-	(19,752)
Income tax expense (Note 18)	(80,083)	(124,119)	(146,853)	(402,437)	(41,089)	(163,526)	(958,107)	-	(958,107)
Finance income	6,010	17,278	2,678	81,525	24,609	41,378	173,478	(127,124)	46,354
<b>Six months ended 30 June 2013</b>									
Total segment revenue	1,426,427	1,051,145	1,233,994	4,068,140	253,668	1,925,329	9,958,703	-	9,958,703
Inter-segment revenue	-	-	-	-	(2,469)	(858,453)	(860,922)	-	(860,922)
<b>Revenue (from external customers)</b>	<b>1,426,427</b>	<b>1,051,145</b>	<b>1,233,994</b>	<b>4,068,140</b>	<b>251,199</b>	<b>1,066,876</b>	<b>9,097,781</b>	<b>-</b>	<b>9,097,781</b>
<b>Segment operating profit</b>	<b>629,901</b>	<b>296,391</b>	<b>306,491</b>	<b>562,081</b>	<b>791,889</b>	<b>174,397</b>	<b>2,761,150</b>	<b>(703,129)</b>	<b>2,058,021</b>
Depreciation and amortization (Note 7)	(3,102)	(781)	(1,814)	(7,530)	(1,806)	(12,936)	(27,969)	-	(27,969)
Income tax expense (Note 18)	(234,062)	(43,121)	(135,253)	(270,028)	(141,571)	(36,731)	(860,766)	-	(860,766)
Finance income	10,330	17,634	34,360	24,991	22,940	50,372	160,627	(115,538)	45,089



## 6 Segment information *(Continued)*

	Property development				Investment property RMB'000	All other segments RMB'000	Total RMB'000	Inter- company elimination RMB'000	Group total RMB'000
	Beijing RMB'000	Tianjin RMB'000	North-east RMB'000	Others RMB'000					
<b>As at 30 June 2014 (Unaudited)</b>									
<b>Total segment assets</b>	40,056,909	11,566,531	45,013,515	49,862,665	10,572,256	64,688,883	221,760,759	(88,943,306)	132,817,453
Additions to non-current assets (other than financial instruments and deferred income tax assets)	149	206	69	1,079	84,837	176,763	263,103	-	263,103
<b>Total segment liabilities</b>	21,841,480	5,180,231	21,327,966	25,630,027	2,328,689	51,279,740	127,588,133	(77,379,806)	50,208,327
<b>As at 31 December 2013 (Audited)</b>									
<b>Total segment assets</b>	39,877,395	11,273,816	41,514,384	54,987,217	10,370,473	55,216,798	213,240,083	(82,636,076)	130,604,007
Additions to non-current assets (other than financial instruments and deferred income tax assets)	18,462	3,722	1,072	947	52,137	7,591	83,931	-	83,931
<b>Total segment liabilities</b>	24,617,250	6,103,207	19,685,471	29,287,165	2,356,983	45,811,792	127,861,868	(70,586,420)	57,275,448

A reconciliation of segment operating profit to profit before income tax is provided as follows:

	Unaudited Six months ended 30 June	
	2014 RMB'000	2013 RMB'000
Segment operating profit	3,224,124	2,058,021
Corporate finance income	36,115	82,652
Corporate overheads	(194,311)	(160,059)
Fair value gains on investment properties (Note 8)	113,367	479,504
Finance costs (Note 17)	(132,255)	(118,642)
Share of gains of joint ventures	252,585	92,967
Share of losses of associates	(1,005)	(7,164)
<b>Profit before income tax</b>	<b>3,298,620</b>	<b>2,427,279</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 6 Segment information *(Continued)*

	<b>As at 30 June 2014 (Unaudited) RMB'000</b>	As at 31 December 2013 (Audited) RMB'000
Reportable and other segments' assets are reconciled to total assets as follows:		
Total segment assets	<b>132,817,453</b>	130,604,007
Corporate cash and cash equivalents	<b>2,960,786</b>	1,650,033
Investments in joint ventures	<b>2,050,885</b>	1,682,273
Investments in associates	<b>1,097,729</b>	629,572
Available-for-sale financial assets (Note 9)	<b>883,152</b>	1,151,247
Other investments	<b>12,287</b>	19,676
Financial assets at fair value through profit or loss	<b>93,054</b>	191,413
Deferred income tax assets	<b>1,511,179</b>	1,940,419
<b>Total assets per consolidated balance sheet</b>	<b>141,426,525</b>	<b>137,868,640</b>
Reportable and other segments' liabilities are reconciled to total liabilities as follows:		
Total segment liabilities	<b>50,208,327</b>	57,275,448
Deferred income tax liabilities	<b>1,852,323</b>	1,853,313
Current borrowings (Note 14)	<b>18,193,115</b>	12,839,209
Non-current borrowings (Note 14)	<b>25,900,429</b>	22,455,625
Derivative financial instruments	<b>589</b>	–
<b>Total liabilities per consolidated balance sheet</b>	<b>96,154,783</b>	<b>94,423,595</b>

The Company is incorporated in Hong Kong, with most of its major subsidiaries being domiciled in the PRC. Revenues from external customers of the Group are mainly derived in the PRC for the six months ended 30 June 2014 and 2013.

As at 30 June 2014, total non-current assets other than financial instruments and deferred income tax assets located in the PRC is RMB13,894,210,000 (31 December 2013: RMB12,812,244,000), the total of these non-current assets located in Hong Kong is RMB342,617,000 (31 December 2013: RMB254,432,000).

For the six months ended 30 June 2014 and 2013, the Group does not have any single customer with the transaction value over 10% of the total external sales.

## 7 Property, plant and equipment and land use rights

	Unaudited	
	Property, plant and equipment RMB'000	Land use rights RMB'000
<b>Opening net book amount as at 1 January 2014</b>	<b>203,827</b>	<b>8,985</b>
Additions	178,266	–
Depreciation and amortization	(19,639)	(113)
Disposals	(5,315)	–
Partial disposal of interests in a subsidiary (Note 24)	(719)	–
<b>Closing net book amount as at 30 June 2014</b>	<b>356,420</b>	<b>8,872</b>
<b>Opening net book amount as at 1 January 2013</b>	212,817	9,231
Additions	20,975	–
Disposals	(1,932)	–
Depreciation and amortization	(27,850)	(119)
Disposal of a subsidiary	(5)	–
<b>Closing net book amount as at 30 June 2013</b>	<b>204,005</b>	<b>9,112</b>

## 8 Investment properties

	Unaudited	
	Six months ended 30 June	
	2014 RMB'000	2013 RMB'000
Opening net book amount at beginning of the period	10,302,496	7,202,254
Addition	84,837	–
Disposal of a subsidiary	–	(116,000)
Transfer from completed properties held for sale	–	1,109,717
Fair value gains	113,367	479,504
Closing net book amount at end of the period	10,500,700	8,675,475

- (a) Investment properties for the carrying values of RMB9,906,081,000 and RMB7,014,161,000 were pledged as collateral for the Group's borrowings (Note 14) as at 30 June 2014 and 31 December 2013, respectively.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 9 Available-for-sale financial assets

	<b>As at 30 June 2014 RMB'000 (Unaudited)</b>	As at 31 December 2013 RMB'000 (Audited)
Investment in other unlisted equity securities (a)	<b>179,474</b>	188,060
Investment in fund investments (b)	<b>684,279</b>	713,187
Investment in structured products issued by banks	–	250,000
Others	<b>19,399</b>	–
	<b>883,152</b>	1,151,247
Less: non-current portion	<b>(697,952)</b>	(745,847)
Current portion	<b>185,200</b>	405,400

- (a) Available-for-sale financial assets of the Group include certain unlisted equity securities which are mainly denominated in RMB. The fair value of unlisted securities approximates the Group's share of the net asset values of the respective entities.
- (b) To diversify the Group's investment risk and further enhance the return of the Group's investments, the Group invested in several unlisted funds amounting to RMB684,279,000. As the Group has no power to govern or participate in the financial operating policies of the fund investment entities so as to obtain benefits from its activities and does not intend to trade these funds for short-term profit, the directors of the Company has designated these funds as available-for-sale financial assets.

## 10 Trade and other receivables

	<b>As at 30 June 2014 RMB'000 (Unaudited)</b>	As at 31 December 2013 RMB'000 (Audited)
Trade receivables (a)	<b>1,408,409</b>	1,240,365
Less: provision for impairment	<b>(102,318)</b>	(101,437)
Trade receivables — net	<b>1,306,091</b>	1,138,928
Tax prepayments for advance receipts from customers	<b>3,873,527</b>	4,072,313
Entrusted loans to third parties (b)	<b>625,000</b>	175,000
Entrusted loans to joint ventures (c)	<b>439,500</b>	198,500
Entrusted loan to associates (d)	<b>400,000</b>	512,000
Entrusted loan to a non-controlling interest (e)	<b>19,890</b>	114,240
Receivables from government (f)	<b>1,129,097</b>	813,132
Receivables from partial disposal of interests in a subsidiary (Note 24) (g)	<b>539,785</b>	–
Amounts due from joint ventures (h)	<b>1,159,490</b>	1,173,545
Amounts due from associates (h)	<b>176,160</b>	369,117
Amounts due from non-controlling interests (h)	<b>120,610</b>	51,720
Cooperation deposits (i)	<b>413,602</b>	588,607
Other prepayments (j)	<b>1,737,586</b>	332,597
Other receivables	<b>750,467</b>	431,366
	<b>12,690,805</b>	9,971,065
Less: non-current portion	<b>(664,260)</b>	(15,606)
Current portion	<b>12,026,545</b>	9,955,459

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 10 Trade and other receivables *(Continued)*

### (a) Trade receivables

Proceeds from services and sales rendered are to be received in accordance with the term of respective agreement. An ageing analysis of trade receivables at the respective balance sheet dates is as follows:

	<b>As at 30 June 2014 RMB'000 (Unaudited)</b>	As at 31 December 2013 RMB'000 (Audited)
Within 6 months	<b>634,134</b>	492,570
Between 6 months to 1 year	<b>234,512</b>	293,286
Between 1 year to 2 years	<b>260,785</b>	400,357
Between 2 years to 3 years	<b>251,780</b>	48,500
Over 3 years	<b>27,198</b>	5,652
	<b>1,408,409</b>	1,240,365

- (b) As at 30 June 2014, entrusted loans to a third party included a loan of RMB600,000,000 which bore interest at 7.995% per annum. The loan is unsecured, wholly repayable after one year and included in the non-current portion.

The remaining balances represent an entrusted loan to another third party of RMB25,000,000 which bore interest at 6% per annum (31 December 2013: from 6% to 6.67%). The loan is secured by the respective share capital of the third parties and repayable on demand.

- (c) Entrusted loans to joint ventures are unsecured, bearing interest rate from 3.38% to 7.5% per annum (31 December 2013: from 3.8% to 7.5%) and are repayable in 2015.
- (d) Entrusted loan to associates is unsecured, bearing interest rate of 5.31% per annum (31 December 2013: from 5.31% to 7%) and is repayable in 2015.
- (e) Entrusted loan to a non-controlling interest is unsecured, bearing interest rate of 12% per annum (31 December 2013: 12%), included in current portion, and is repayable in 2014.
- (f) Receivables from government mainly represent payment made for land development cost, and some deposits paid to the local government to ensure the business activities of property development which will be subsequently recoverable from the government.
- (g) Such balances are bearing interest rate of 2% per annum, and are expected to be settled within one year.
- (h) Amounts due from joint ventures, associates and non-controlling interests are interest free, and repayable on demand.
- (i) Balances represent amounts paid to certain third parties, with the intention of future cooperation in real estate project development. As at 30 June 2014, the related cooperation plans are still in negotiation stage.
- (j) Included in other prepayments is a deposit paid to a government authority in Beijing amounting to RMB1,175,000,000 in respect of a proposed acquisition of a piece of land in Beijing by a joint venture.

## 11 Amounts due from customers for contract work

	<b>As at 30 June 2014 RMB'000 (Unaudited)</b>	As at 31 December 2013 RMB'000 (Audited)
Contract cost incurred plus recognized profit	<b>5,554,712</b>	4,830,227
Less: Progress receivables	<b>(4,237,960)</b>	(3,833,688)
Contract work-in-progress	<b>1,316,752</b>	996,539
Representing:		
Amounts due from customers for contract work	<b>1,316,752</b>	996,539
	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
Contract revenue recognized as revenue in the period	<b>915,481</b>	763,853

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED  
INTERIM FINANCIAL INFORMATION

## 12 Capital

	Number of ordinary shares	Share capital HKD'000	Equivalent share capital RMB'000	Share premium RMB'000	Share held for Restricted Share Award Scheme RMB'000	Total RMB'000
<b>Ordinary shares, issued and fully paid:</b>						
<b>Opening balance</b>						
1 January 2014	7,282,020,114	5,825,617	5,336,871	20,742,373	-	26,079,244
Issue of shares pursuant to exercise of employee share options (b)	4,809,500	23,597	18,688	-	-	18,688
Issue of scrip dividends	169,774,174	639,710	509,132	-	-	509,132
Share buyback	(700,000)	(560)	(445)	-	-	(445)
Vesting of shares under Restricted Share Award Scheme	-	2,751	1,394	-	-	1,394
Transition to no-par regime on 3 March 2014	-	23,032,246	20,742,373	(20,742,373)	-	-
	7,455,903,788	29,523,361	26,608,013	-	-	26,608,013
<b>Restricted Share Award Scheme (c)</b>						
<b>Opening balance</b>						
1 January 2014	(21,974,398)	-	-	-	(79,008)	(79,008)
Purchase of shares for Restricted Share Award Scheme	(2,278,500)	-	-	-	(7,105)	(7,105)
Issue of scrip dividends	(603,128)	-	-	-	-	-
Vesting of shares under Restricted Share Award Scheme	11,261,407	-	-	-	39,015	39,015
	(13,594,619)	-	-	-	(47,098)	(47,098)
<b>At 30 June 2014</b>	<b>7,442,309,169</b>	<b>29,523,361</b>	<b>26,608,013</b>	<b>-</b>	<b>(47,098)</b>	<b>26,560,915</b>



## 12 Capital (Continued)

	Number of ordinary shares of HKD0.8 each	Nominal value of ordinary shares HKD'000	Equivalent nominal value of ordinary shares RMB'000	Share premium RMB'000	Share held for Restricted Share Award Scheme RMB'000	Total RMB'000
Opening balance						
1 January 2013	5,850,141,263	4,680,113	4,428,676	16,306,805	-	20,735,481
Issue of shares pursuant to exercise of employee share options (b)	19,185,500	15,348	12,402	59,579	-	71,981
Issue of scrip dividends	4,548,493	3,639	2,897	15,640	-	18,537
Share buyback	(1,900,000)	(1,520)	(1,210)	-	-	(1,210)
Vesting of shares under Restricted Share Award Scheme	-	-	-	129	-	129
	5,871,975,256	4,697,580	4,442,765	16,382,153	-	20,824,918
Restricted Share Award Scheme (c)						
Opening balance						
1 January 2013	(24,541,185)	-	-	-	(92,435)	(92,435)
Purchase of shares for Restricted Share Award Scheme	(1,021,000)	-	-	-	(3,672)	(3,672)
Issue of scrip dividends	(774,937)	-	-	-	-	-
Vesting of shares under Restricted Share Award Scheme	2,455,749	-	-	-	8,961	8,961
	(23,881,373)	-	-	-	(87,146)	(87,146)
At 30 June 2013	5,848,093,883	4,697,580	4,442,765	16,382,153	(87,146)	20,737,772

- (a) The Hong Kong Companies Ordinance (Cap. 622) (the “new Companies Ordinance”) was commenced operation on 3 March 2014. Under the new Companies Ordinance, the concept of authorized share capital no longer exists. In addition, according to section 135 of the new Companies Ordinance, the Company’s shares no longer have a par or nominal value. There is no impact on the number of shares in issue or the relative entitlement of any of the members as a result of this transition. Besides, in accordance with the transitional provisions set out in section 37 of Schedule 11 to the new Companies Ordinance, any amount standing to the credit of the share premium account has become part of the Company’s share capital.
- (b) Employee share options exercised during the period ended 30 June 2014 resulted in 4,809,500 shares being issued (30 June 2013: 19,185,500 shares), with total proceeds of approximately HKD17,170,000 (30 June 2013: HKD64,795,000). The related weighted average price at the time of exercise was HKD3.57 (30 June 2013: HKD3.38) per share.
- (c) On 22 March 2010, the Board of the Company resolved to adopt a Restricted Share Award Scheme, pursuant to which existing shares are purchased from the market and be held in trust for the relevant selected employees, until such shares are vested in accordance with the provision of the scheme. 25,524,000 shares (for the six months ended 30 June 2013: 21,861,000 shares) were granted to the selected employees of the Group for the six months ended 30 June 2014. As at 30 June 2014, 36,679,225 shares (30 June 2013: 25,479,955 shares) were granted but not yet vested under the scheme.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 13 Capital Securities

On 13 May 2011, Sino-Ocean (Perpetual Finance) Limited, a wholly owned subsidiary, issued the perpetual bonds (the “capital securities”), callable in 2016, with an initial aggregate principal amount of USD400,000,000, equivalent to RMB2,532,866,000.

Such capital securities are guaranteed by the Company, at the same time bear distribution at a rate of 10.25% per annum, payable semi-annually. The issuer of the capital securities may elect to defer distribution, and is not subject to any limits as to the number of times distribution can be deferred.

As the Group has no contracted obligation to repay its principal nor to pay any distributions, the capital securities do not meet the definition as financial liabilities under HKAS 32 under the term of the capital securities. As a result, the whole instrument is classified as equity, and respective distributions if and when declared are treated as dividends.

The Group had not elected to defer the distribution payments for the capital securities for the semi-annual period ended 13 May 2014, and such distribution had been fully settled as at 30 June 2014.

## 14 Borrowings

	<b>As at 30 June 2014 RMB'000 (Unaudited)</b>	As at 31 December 2013 RMB'000 (Audited)
Non-current	<b>25,900,429</b>	22,455,625
Current	<b>18,193,115</b>	12,839,209
	<b>44,093,544</b>	35,294,834

Movements in borrowings are analysed as follows:

	<b>Unaudited Six months ended 30 June 2014 RMB'000</b>	2013 RMB'000
At beginning of the period	<b>35,294,834</b>	32,393,047
New bank loans raised	<b>8,050,953</b>	8,613,319
Other loans raised (b)	<b>12,310,236</b>	2,134,084
Repayment of bank loans	<b>(8,288,736)</b>	(5,456,713)
Repayment of other loans	<b>(3,311,690)</b>	(4,973,505)
Changes of carrying value of corporate bonds	<b>37,947</b>	34,849
At end of the period	<b>44,093,544</b>	32,745,081

- (a) As at 30 June 2014 and 31 December 2013, long-term and short-term borrowings amounting to RMB22,444,838,000 and RMB17,158,438,000 were secured by investment properties (Note 8), properties under development, and completed properties held for sale of the Group.

## 14 Borrowings *(Continued)*

- (b) During the six months ended at 30 June 2014, other loans amounting to RMB72,236,000 and RMB12,238,000,000 are raised from certain third parties and financial institutions respectively. Such loans bear interest rates from 7.5% to 12% per annum, and are repayable before 15 November 2018.

During the six months ended 30 June 2013, other loans amounting to RMB284,084,000 and RMB1,850,000,000 are raised from certain third parties and financial institutions respectively. Such loans bear interest rates from 6.75% to 13.5% per annum, and are repayable before 27 April 2015.

- (c) Interest expense on borrowings for the six months ended 30 June 2014 is RMB1,414,125,000 (six months ended 30 June 2013: RMB1,386,776,000).

## 15 Trade and other payables

	<b>As at 30 June 2014 RMB'000 (Unaudited)</b>	As at 31 December 2013 RMB'000 (Audited)
Trade payables (a)	<b>10,614,029</b>	10,937,489
Accrued expenses	<b>1,902,788</b>	2,356,079
Amounts due to a shareholder (b)	<b>700,000</b>	400,000
Amounts due to joint ventures (b)	<b>9,060</b>	–
Amounts due to associates (b)	<b>398,310</b>	385
Amounts due to non-controlling interests (b)	<b>382,132</b>	306,762
Amounts due to government	<b>206,499</b>	265,000
Other tax payable	<b>235,321</b>	518,509
Financial guarantee liabilities	<b>131,342</b>	114,593
Other payables	<b>3,645,506</b>	3,088,404
	<b>18,224,987</b>	17,987,221
Less: non-current portion	<b>(82,756)</b>	–
Current portion	<b>18,142,231</b>	17,987,221

The carrying amounts of trade and other payables approximate their fair values.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 15 Trade and other payables *(Continued)*

(a) The ageing analysis of the trade payables based on invoice date is as follows:

	<b>As at 30 June 2014 RMB'000 (Unaudited)</b>	As at 31 December 2013 RMB'000 (Audited)
Within 6 months	4,521,605	7,544,009
Between 6 months to 12 months	4,609,351	2,057,529
Between 1 year to 2 years	1,302,146	1,186,824
Between 2 years to 3 years	132,987	97,766
Over 3 years	47,940	51,361
	<b>10,614,029</b>	<b>10,937,489</b>

(b) Amounts due to a shareholder, joint ventures, associates, non-controlling interests are unsecured, interest free, and repayable on demand.

## 16 Other (losses)/gains – net

	<b>Unaudited Six months ended 30 June</b>	
	<b>2014 RMB'000</b>	2013 RMB'000
Gains on disposal of subsidiaries	1,810	27,489
Losses on partial disposal of interests in a subsidiary (Note 24)	(44,341)	–
Gains on disposal of a joint venture	2	1,666
Losses on disposal of financial assets at fair value through profit or loss	(4,328)	(7,006)
Fair value losses of financial assets at fair value through profit or loss	(18,641)	(12,868)
Realized gains of derivative financial instruments	2,102	–
Fair value (losses)/gains of derivative financial instruments	(589)	9,042
Gains/(losses) on disposal of other investments	2,395	(4,013)
Fair value gains of other investments	148	–
Gains on disposal of available-for-sale financial assets	49,800	–
(Losses)/gains on disposal of property, plant and equipment	(3,479)	1,268
Exchange (losses)/gains	(88,330)	74,441
Other losses	(505)	(32,920)
	<b>(103,956)</b>	<b>57,099</b>

## 17 Finance costs

	Unaudited Six months ended 30 June	
	2014 RMB'000	2013 RMB'000
Interest expense:		
— Bank borrowings	914,001	1,196,930
— Other borrowings	500,124	189,846
Less: interest capitalized at a capitalization rate of 7.03% (2013: 7.35%) per annum	(1,281,870)	(1,268,134)
	<b>132,255</b>	<b>118,642</b>

## 18 Income tax expense

Majority of the Group entities are subjected to PRC enterprise income tax, which has been provided for based on the statutory income tax rate of 25% of the assessable income of each of these group entities for the six months ended 30 June 2014 and 2013. Other companies are mainly subjected to Hong Kong income tax.

The amount of income tax expense charged to the condensed consolidated interim income statements represents:

	Unaudited Six months ended 30 June	
	2014 RMB'000	2013 RMB'000
Current income tax:		
— PRC enterprise income tax	460,970	245,123
— PRC land appreciation tax	106,266	282,708
Deferred income tax	390,871	332,935
	<b>958,107</b>	<b>860,766</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 19 Earnings per share

### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of shares in issue during the period excluding ordinary shares purchased by the Company and held as shares held for Restricted Share Award Scheme.

	Unaudited Six months ended 30 June	
	2014	2013
Profit attributable to owners of the Company (RMB'000)	2,239,051	1,417,056
Distribution relating to convertible securities and capital securities (Note 13) (RMB'000)	(126,232)	(352,502)
Profit used to determine basic earnings per share (RMB'000)	2,112,819	1,064,554
Weighted average number of ordinary shares in issue (thousands)	7,269,481	5,832,755
Basic earnings per share (RMB per share)	0.291	0.183

### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has three categories of dilutive potential ordinary shares: share options, shares held for the Restricted Share Award Scheme, and convertible securities. For the share option and shares held for the Restricted Share Award Scheme, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the year) based on the monetary value of the subscription rights attached to outstanding share options and the unvested awarded shares. Convertible securities of 651,226,000 shares, when calculated on a weighted average basis, were not included in the calculation of dilutive earnings per share for the six months ended 30 June 2013 because of their anti-diluted effect, and there are no outstanding convertible shares as at 30 June 2014 due to the repurchase of all the convertible securities during 2013.

	Unaudited Six months ended 30 June	
	2014	2013
Profit attributable to owners of the Company (RMB'000)	2,239,051	1,417,056
Distribution relating to convertible securities and capital securities (Note 13) (RMB'000)	(126,232)	(352,502)
Profit used to determine diluted earnings per share (RMB'000)	2,112,819	1,064,554
Weighted average number of ordinary shares in issue (thousands)	7,269,481	5,832,755
Adjustment for:		
– share options (thousands)	9,682	2,365
– shares held for the Restricted Share Award Scheme (thousands)	232	1,710
Weighted average number of ordinary shares for diluted earnings per share (thousands)	7,279,395	5,836,830
Diluted earnings per share (RMB per share)	0.290	0.182

## 20 Dividends

On 26 August 2014, the Board has resolved to declare an interim dividend of RMB445,130,000 for the six months ended 30 June 2014 (six months ended 30 June 2013: RMB327,056,000).

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
Final dividends paid	<b>927,722</b>	794,200
Proposed interim dividend of RMB0.06 (2013: RMB0.06) per ordinary share	<b>445,130</b>	327,056

## 21 Financial guarantees

The Group had the following financial guarantees as at the end of 30 June 2014 and 31 December 2013:

	<b>As at</b>	As at
	<b>30 June</b>	31 December
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
Guarantees in respect of mortgage facilities for certain purchasers	<b>6,324,141</b>	5,733,299

As at 30 June 2014 and 31 December 2013, the Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends when the property purchasers obtain the "property title certificate" which is then pledged with the banks.

## 22 Commitments

### (a) Capital commitments

Capital expenditures contracted for at the balance sheet date but not yet incurred are as follows:

	<b>As at</b>	As at
	<b>30 June</b>	31 December
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
Land use rights	<b>2,679,935</b>	2,679,935
Properties under development	<b>11,326,811</b>	9,606,370
Contracted but not provided for	<b>14,006,746</b>	12,286,305

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 22 Commitments *(Continued)*

### (b) Operating lease rental receivables

The future aggregate minimum lease rental receivables under non-cancellable operating leases in respect of land and buildings are as follows:

	<b>As at 30 June 2014 RMB'000 (Unaudited)</b>	As at 31 December 2013 RMB'000 (Audited)
Within 1 year	<b>656,806</b>	618,627
Between 1 to 5 years	<b>768,340</b>	843,897
Over 5 years	<b>740,888</b>	736,788
	<b>2,166,034</b>	2,199,312

## 23 Transactions with non-controlling interests

### (a) Acquisition of additional interests in a subsidiary

In June 2014, the Group acquired an additional 20% equity interest in Zhongshan Yuanjian Real Estate Development Limited ("Zhongshan Yuanjian") at consideration of RMB72,530,000. The effect of changes in the ownership interests of Zhongshan Yuanjian on the equity attributable to owners of the Company during the period is summarized as follows:

	<b>As at 30 June 2014 RMB'000</b>
Carrying amount of non-controlling interests acquired	<b>42,354</b>
Consideration paid to non-controlling interests	<b>(72,530)</b>
Excess of consideration paid recognized within equity	<b>(30,176)</b>

### (b) Effects of transactions with non-controlling interests on the equity attributable to equity holders for the six months ended 30 June 2014:

	<b>Six months ended 30 June 2014 RMB'000</b>
Total comprehensive income for the period attributable to the owners of the Company	<b>2,221,147</b>
Changes in equity attributable to owners of the Company arising from the acquisition of additional interests in a subsidiary	<b>(30,176)</b>
	<b>2,190,971</b>



## 24 Partial disposal of interests in a subsidiary

In April 2014, the Group entered into an agreement with Skyland Union Holdings Limited (“Skyland”), an independent third party, to dispose of a 45% interests in Chongqing Yuanteng Real Estate Development Limited (“Chongqing Yuanteng”), a subsidiary of the Group, at a consideration of HKD679,796,000, equivalent to RMB539,785,000. Upon completion of the disposal, the Group loss control over Chongqing Yuanteng. The Group’s share of interests in Chongqing Yuanteng was decreased from 87.25% to 42.25%. The effect of partial disposal of a subsidiary on the equity attributable to owners of the Company during the period is summarized as follows:

	Six months ended 30 June 2014 RMB'000
Receivable on disposal of partial interests in Chongqing Yuanteng	539,785
Fair value of the Group’s remaining interests	421,663
Carrying value of Chongqing Yuanteng’s net assets disposed — shown as below	<b>(1,005,789)</b>
Losses on disposal of partial interests in Chongqing Yuanteng that resulted in loss of control	<b>(44,341)</b>

The assets and liabilities arising from the disposal are as follows:

	Carrying value RMB'000
Property, plant and equipment	719
Properties under development	1,211,838
Completed properties held for sale	611,912
Trade and other receivables	476,270
Deferred income tax assets	50,267
Cash and cash equivalents	181,505
Advance from customers	(363,341)
Current portion of long term borrowings	(205,000)
Other payables	(961,245)
Deferred income tax liabilities	(12,888)
Non-controlling interests	15,752
Net assets disposed	<b>1,005,789</b>
<b>Outflow of cash to dispose a subsidiary, net of cash disposed</b>	
Proceeds received in cash	—
Cash and cash equivalents in a subsidiary disposed of	(181,505)
Net cash outflow on disposal	<b>(181,505)</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 25 Related party transactions

The following is a summary of significant related party balances and transactions entered into in the ordinary course of business between the Group and its related parties during the six months ended 30 June 2014 and 2013:

### (a) Sales of services

	Unaudited Six months ended 30 June	
	2014 RMB'000	2013 RMB'000
Provision of services:		
– A shareholder	1,567	25,257
– Joint ventures	22,093	11,143
– Associates	4,183	84,777
	<b>27,843</b>	<b>121,177</b>

Sales of services mainly represent construction service, the terms of which are entered into with related parties in accordance with the terms of agreement.

### (b) Key management compensation

	Unaudited Six months ended 30 June	
	2014 RMB'000	2013 RMB'000
Salaries and other short-term employee benefits	12,457	12,260
Post-employment benefits	979	–
Other long term welfare	–	656
Share-based payment	18,673	31,394
	<b>32,109</b>	<b>44,310</b>

### (c) Interest income

	Unaudited Six months ended 30 June	
	2014 RMB'000	2013 RMB'000
Interest received:		
– Joint ventures	3,622	677
– An associate	57	5,684
	<b>3,679</b>	<b>6,361</b>

## 25 Related party transactions *(Continued)*

### (d) Transaction with an associate

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
Purchase of property, plant and equipment and properties under development	<b>286,600</b>	–

### (e) Loans to related parties

	<b>As at</b>	As at
	<b>30 June</b>	31 December
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
– Joint ventures (Note 10)	<b>439,500</b>	198,500
– Associates (Note 10)	<b>400,000</b>	512,000
	<b>839,500</b>	710,500

### (f) Amounts due from related parties

	<b>As at</b>	As at
	<b>30 June</b>	31 December
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
– Joint ventures (Note 10)	<b>1,159,490</b>	1,173,545
– Associates (Note 10)	<b>176,160</b>	369,117
	<b>1,335,650</b>	1,542,662

### (g) Advances from related parties

	<b>As at</b>	As at
	<b>30 June</b>	31 December
	<b>2014</b>	2013
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
– A shareholder	–	609,690

Such loans bear interest rate at 4.2% per annum, and were repaid in 2014.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 25 Related party transactions *(Continued)*

### (h) Amounts due to related parties

	<b>As at 30 June 2014 RMB'000 (Unaudited)</b>	As at 31 December 2013 RMB'000 (Audited)
— A shareholder (Note 15)	<b>700,000</b>	400,000
— Joint ventures (Note 15)	<b>9,060</b>	—
— Associates (Note 15)	<b>398,310</b>	385
	<b>1,107,370</b>	400,385

## 26 Events after the balance sheet date

In July 2014, Sino-Ocean Land Treasure Finance I Limited (the "Issuer"), the Company's wholly-owned subsidiary, proposes to issue a guaranteed note with principal amount of USD500,000,000 at a rate of 4.625 per cent per annum due in 2019 (the "2019 Notes") and another note with principal amount of USD700,000,000 at a rate of 6.000 per cent per annum due in 2024 (the "2024 Notes", together with the 2019 Notes, the "Notes"). The Notes are unsecured and will be guaranteed by the Company.

# LIST OF PROJECT NAMES

	Region	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
1	Beijing	Beijing	CBD Z6 地塊(北京)	CBD Plot Z6 (Beijing)		
2			CBD Z13 地塊(北京)	CBD Plot Z13 (Beijing)		
3			昌平未來科技城F2項目(北京)	Changping Sci-tech Park F2 Project (Beijing)		
4			頤堤港(北京)	INDIGO (Beijing)	將台商務中心	Jiangtai Business Center
5			密之雲項目(北京)	Mizhiyun Project (Beijing)		
6			遠洋都市網景(北京)	Ocean Cityscape (Beijing)		
7			遠洋•萬和公館(北京)	Ocean Crown (Beijing)	大望京項目	Dawangjing Project
8			遠洋新幹線(北京)	Ocean Express (Beijing)		
9			遠洋•萬和城(北京)	Ocean Great Harmony (Beijing)		
10			遠洋•萬和城 C 區項目(北京)	Ocean Great Harmony Plot C Project (Beijing)		
11			遠洋公館(北京)	Ocean Honored Chateau (Beijing)		
12			遠洋國際中心(北京)	Ocean International Center (Beijing)		
13			遠洋國際中心二期(北京)	Ocean International Center, Phase II (Beijing)	京棉項目	Jingmian Project
14	遠洋山水(北京)	Ocean Landscape (Beijing)				
15	遠洋•沁山水(北京)	Ocean Landscape Eastern Area (Beijing)				
16	遠洋•沁山水 E02/03 項目(北京)	Ocean Landscape Eastern Area E02/03 Project (Beijing)				
17	遠洋•LA VIE(北京)	Ocean LA VIE (Beijing)				
18	遠洋•傲北(北京)	Ocean Manor (Beijing)	北七家	Beiqijia Project		
19	遠洋萬和四季(北京)	Ocean Melody (Beijing)				
20	遠洋新天地(北京)	Ocean Metropolis (Beijing)	門頭溝新城項目	Mentougou New Town Project		
21	遠洋•光華國際(北京)	Ocean Office Park (Beijing)				
22	遠洋•東方公館(北京)	Ocean Oriental Mansion (Beijing)	通州玉橋項目	Tongzhou Yuqiao Project		
23	遠洋•天著(北京)	Ocean Palace (Beijing)	亦庄三羊項目	Yizhuang Sanyang Project		
24	遠洋天地(北京)	Ocean Paradise (Beijing)				
25	遠洋大廈(北京)	Ocean Plaza (Beijing)				
26	遠洋風景(北京)	Ocean Prospect (Beijing)				
27	遠洋春天著(北京)	Ocean Spring (Beijing)				
28	遠洋未來廣場(北京)	Ocean We-life Plaza (Beijing)				
29	遠洋一方(北京)	POETRY OF RIVER (Beijing)				
30	遠洋•新悅(北京)	The Place (Beijing)	遠洋一方東區	Poetry of River Eastern Area		
31	Pan-Bohai Rim	Dalian	香頤花城(大連)	Chanson Garden (Dalian)		
32			遠洋•鑽石灣(大連)	Ocean Diamond Bay (Dalian)		
33			遠洋假日養生莊園(大連)	Ocean Holiday Manor (Dalian)	遠洋•拉斐莊園	Ocean Valley Lafite
34			遠洋壹中心(大連)	Ocean MIDTOWN (Dalian)	西山項目	Xishan Project
35			遠洋廣場(大連)	Ocean Plaza (Dalian)		
36			遠洋風景(大連)	Ocean Prospect (Dalian)		
37			遠洋自然(大連)	Ocean Seasons (Dalian)		
38			遠洋時代城(大連)	Ocean TIMES (Dalian)	大學城項目	University Zone
39			紅星海世界觀(大連)	Ocean Worldview (Dalian)		
40			遠洋創智高地(大連)	Sino-Ocean Technopole (Dalian)	IT 產業園 – 工業部分	IT Zone – Industrial
41			遠洋溫德姆至尊豪庭大酒店(大連)	Wyndham Grand Plaza Royale Sino-Ocean (Dalian)		
42			小窩灣項目(大連)	Xiaoyao Bay Project (Dalian)		
43	榮域(大連)	The Place of Glory (Dalian)	中華路3號地(大連)	Zhonghua Road Land Plot #3		

# LIST OF PROJECT NAMES

	Region	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
44		Tianjin	遠洋城(天津)	Ocean City (Tianjin)		
45			遠洋新幹線(天津)	Ocean Express (Tianjin)		
46			遠洋•萬和城(天津)	Ocean Great Harmony (Tianjin)	倪黃莊項目	Nihuangzhuang Project
47			遠洋國際中心(天津)	Ocean International Center (Tianjin)		
48			遠洋天地(天津)	Ocean Paradise (Tianjin)	海河新天地	Ocean Paradise
49			遠洋風景(天津)	Ocean Prospect (Tianjin)		
50			遠洋未來廣場(天津)	Ocean We-life Plaza (Tianjin)		
51			紅熙郡一期(天津)	Royal River Phase I (Tianjin)	武清項目	Wuqing Project
52			紅熙郡二期(天津)	Royal River Phase II (Tianjin)		
53			奧萊二期居住項目(天津)	Outlets Phase II Residential Project (Tianjin)		
54		Qingdao	遠洋公館(青島)	Ocean Honored Chateau (Qingdao)		
55			遠洋風景(青島)	Ocean Prospect (Qingdao)		
56			遠洋自然(青島)	Ocean Seasons (Qingdao)		
57		Qinhuangdao	遠洋•海世紀(秦皇島)	Ocean Century (Qinhuangdao)		
58			灣海1號(秦皇島)	Wan Hai Yi Hao (Qinhuangdao)	灣海一號	Wan Hai Yi Hao
59	Yangtze River Delta	Shanghai	遠洋•博望(上海)	BOND CASTLE (Shanghai)		
60			遠洋鴻郡(上海)	Dreaming Land (Shanghai)		
61			遠洋•香奈印象(上海)	Ocean Chanson Mansion (Shanghai)	楊行鎮項目	Yanghangzhen Project
63			遠洋7號(上海)	Ocean Mansion No.7 (Shanghai)		
63		Hangzhou	大運河商務區項目(杭州)	Canal Business Center Project (Hangzhou)		
64			遠洋•大河宸章(杭州)	Grand Canal Milestone (Hangzhou)	大河宸章	Hang Yimian
65			遠洋心裡(杭州)	Ocean In Your Heart (Hangzhou)	普福項目	Pufu Project
66			遠洋公館(杭州)	Ocean Mansion (Hangzhou)	遠洋公館	Canal Commercial District
67		Huangshan	遠洋桃花島(黃山)	An Island Paradise (Huangshan)	桃花島項目	Taohuadao Project
68		Zhenjiang	遠洋•香奈河畔(鎮江)	Ocean Beach (Zhenjiang)		
69	Pearl River Delta	Shenzhen	遠洋新幹線(深圳)	Ocean Express (Shenzhen)	南聯項目	Nanlian Project
70			盛平項目(深圳)	Shengping Project (Shenzhen)		
71		Zhongshan	遠洋香堤(中山)	Ocean Aromas (Zhongshan)	連興圍項目	Lianxingwei Project
72			遠洋錦上(中山)	Ocean Bloom (Zhongshan)	東鳳項目	Dongfeng Project
73			遠洋翠麗郡一期(中山)	Ocean Emerald Phase I (Zhongshan)	南頭項目	Nantou Project
74			遠洋翠麗郡二期(中山)	Ocean Emerald Phase II (Zhongshan)		
75			遠洋城(中山)	Ocean City (Zhongshan)		
76			遠洋啟宸(中山)	Ocean New Era (Zhongshan)	橫欄項目	Henglan Project
77		Haikou	遠洋華墅(海口)	Ocean Zen House (Haikou)	遠洋浮木陣	Ocean Driftwood Array
78		Sanya	遠洋公館(三亞)	Ocean Mansion (Sanya)	遠洋奧林匹克公館	Ocean Olympics
79			棠棣項目一期(三亞)	Tang Di Project (Sanya)		
80	Other Regions	Wuhan	賀家墩項目(武漢)	Hejiadun (Wuhan)	有座莊園	Tangchen Project
81			遠洋莊園(武漢)	Ocean Manor (Wuhan)		
82			遠洋•世界(武漢)	Ocean World (Wuhan)		
83		Chengdu	睿東中心(成都)	Pinnacle One (Chengdu)	大慈寺項目	Dacisi Project
84			成都遠洋太古里(成都)	Sino-Ocean Taikoo Li Chengdu (Chengdu)		
85		Chongqing	遠洋高爾夫國際社區(重慶)	Sino-Ocean International GOLF Resort (Chongqing)	國際高爾夫項目	Golf Club Project
86		Shenyang	遠洋天地(瀋陽)	Ocean Paradise (Shenyang)		
87			遠洋公館(瀋陽)	Ocean Residence (Shenyang)		
88		Changchun	遠洋•夏納小鎮(長春)	Ocean Cannes Town (Changchun)	長春淨月項目	Jingyue Project
89		Fushun	遠洋城(撫順)	Ocean City (Fushun)	將軍溝項目	Jiangjunggou Project



