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**遠洋集團**

## **PROPOSED SPIN-OFF AND SEPARATE LISTING OF SINO-OCEAN SERVICE HOLDING LIMITED ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

### **THE PROPOSED SPIN-OFF**

The Company proposes to spin-off and separately list the shares of Sino-Ocean Service, a subsidiary of the Company, on the main board of the Stock Exchange. The separate listing of the Sino-Ocean Service Shares on the main board of the Stock Exchange constitutes a spin-off of Sino-Ocean Service by the Company under PN15. The Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off.

### **SINO-OCEAN SERVICE'S APPLICATION FOR LISTING**

On 7 September 2020, Sino-Ocean Service submitted a listing application form (Form A1) to the Stock Exchange to apply for the listing of, and permission to deal in, the Sino-Ocean Service Shares on the main board of the Stock Exchange. It is intended that Sino-Ocean Service will conduct an offering of its new shares in connection with the Listing. It is intended that Qualifying Shareholders will be provided with an assured entitlement to the Sino-Ocean Service Shares under the Global Offering of the Proposed Spin-off, subject to certain conditions. Details of such assured entitlement have not yet been finalised and the Company will make further announcement(s) in this regard as and when appropriate.

Upon completion of the Proposed Spin-off and Listing, the Company is expected to have an interest of not less than 50% in Sino-Ocean Service and Sino-Ocean Service will remain as a subsidiary of the Company.

The Spin-off Group is principally engaged in property management services, value-added services to non-property owners and community value-added services.

## LISTING RULES IMPLICATIONS

The Proposed Spin-off constitutes a deemed disposal of the interest in a subsidiary of the Company under Rule 14.29 of the Listing Rules. Based on the information available as at the date of this announcement, as one of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Proposed Spin-off exceed 5% but are all less than 25%, the Proposed Spin-off constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## GENERAL

Shareholders and other investors are reminded that there is no assurance that the Listing Committee will approve the Proposed Spin-off and the Listing. The Company will make further announcement(s) in relation to the Proposed Spin-off as and when appropriate.

**As the Listing is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of directors of Sino-Ocean Service, market conditions and other considerations, the Proposed Spin-off may or may not materialise. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.**

## INTRODUCTION

The Company proposes to spin-off and separately list the shares of Sino-Ocean Service, a subsidiary of the Company, on the main board of the Stock Exchange. The separate listing of the Sino-Ocean Service Shares on the main board of the Stock Exchange constitutes a spin-off of Sino-Ocean Service by the Company under PN15. The Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off.

On 7 September 2020, Sino-Ocean Service submitted a listing application form (Form A1) to the Stock Exchange to apply for the listing of, and permission to deal in, the Sino-Ocean Service Shares on the main board of the Stock Exchange.

## THE PROPOSED SPIN-OFF

The Proposed Spin-off involves the spin-off and separate listing of the Sino-Ocean Service Shares on the main board of the Stock Exchange by way of Global Offering by Sino-Ocean Service. The details of the Global Offering have yet to be finalised. As of the date of this announcement, the Company indirectly holds approximately 90.1% of Sino-Ocean Service. It is intended that upon completion of the Proposed Spin-off and the Listing, the Company will have an interest of not less than 50% in Sino-Ocean Service and Sino-Ocean Service will remain as a subsidiary of the Company.

## THE SPIN-OFF GROUP

Sino-Ocean Service was incorporated in the Cayman Island on 15 April 2020. The Spin-off Group is principally engaged in property management services, value-added services to non-property owners and community value-added services.

## **RATIONALE AND BENEFITS OF THE PROPOSED SPIN-OFF**

The business of the Spin-off Group has grown to a size sufficient to command a separate listing and the Board considers that the Proposed Spin-off will be beneficial to the Group for the following reasons:

- (a) the Proposed Spin-off will enable the Spin-off Group to build its identity as a separately listed group, and have a separate fund-raising platform; the Proposed Spin-off would allow the Spin-off Group to gain direct access to the capital markets for equity and/or debt financing to fund its existing operations and future expansion, thereby accelerating the expansion and improving the operating and financial performance of the Spin-off Group, which will in turn result in better financial return to the shareholders of both the Retained Group and the Spin-off Group;
- (b) as a separately listed group, the Spin-off Group will be able to build on its reputation further and be in a better position to negotiate and solicit more business, and the Company will in turn be able to benefit from the growth of the Spin-off Group through its shareholding in Sino-Ocean Service;
- (c) the Proposed Spin-off will enable the Spin-off Group to enhance its corporate profile, thereby increasing its ability to attract strategic investors, which could provide synergy for the Spin-off Group, for investment in and forming strategic partnerships directly with the Spin-off Group; and
- (d) the Proposed Spin-off would enable a more focused development, strategic planning and better allocation of resources for the Retained Group and the Spin-off Group with respect to their respective businesses; both the Retained Group and the Spin-off Group would benefit from the efficient decision-making process under the separate management structure for seizing emerging business opportunities, especially with a dedicated management team for the Spin-off Group to focus on its development.

## **ASSURED ENTITLEMENT AND FURTHER ANNOUNCEMENT**

The Board will give due regard to the interests of the Shareholders by providing the Qualifying Shareholders with an assured entitlement to the Sino-Ocean Service Shares under the Global Offering, subject to certain conditions, if the Board and the board of directors of Sino-Ocean Service decide to proceed with the Proposed Spin-off and the Global Offering, and the Listing Committee has given its approvals to the Listing. Details of such assured entitlement have not yet been finalised. The Company will make further announcement(s) in this regard as and when appropriate.

## **INFORMATION ON THE GROUP**

The Group is a leading large-scale national property developer with developments in rapidly growing Chinese cities and metropolitan regions in the PRC, including the Beijing Region, the Bohai Rim Region, the Eastern Region, the Southern Region, the Central Region, the Western Region, and in other regions. Its business scope covers residential and integrated development, property development and operation, business collaboration and customer services.

## LISTING RULES IMPLICATIONS

The Proposed Spin-off constitutes a deemed disposal of the interest in a subsidiary of the Company under Rule 14.29 of the Listing Rules. Based on the information available as at the date of this announcement, as one of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Proposed Spin-off exceed 5% but are all less than 25%, the Proposed Spin-off constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## GENERAL

A redacted form of the application proof of Sino-Ocean Service's listing document (the "Application Proof") is expected to be available for reviewing and downloading on the Stock Exchange's website at <http://www.hkexnews.hk/APP/SEHKAPPMainIndex.htm>. The Application Proof contains, among other things, certain business and financial information relating to the Spin-off Group. Shareholders should note that the Application Proof is in draft form and the information contained in it is subject to change which may be material.

Shareholders and other investors are reminded that there is no assurance that the Listing Committee will approve the Proposed Spin-off and the Listing. The Company will make further announcement(s) in relation to the Proposed Spin-off as and when appropriate.

**As the Listing is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of directors of Sino-Ocean Service, market conditions and other considerations, the Proposed Spin-off may or may not materialise. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Board"	the board of Directors;
"Company"	Sino-Ocean Group Holding Limited (遠洋集團控股有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 03377);
"Directors"	directors of the Company;
"Global Offering"	the offering to the public in Hong Kong for subscription, and the international offering with certain professional and institutional investors and other investors (including the preferential offer to the Qualifying Shareholder(s)), of the Sino-Ocean Service Shares;
"Group"	the Company and its subsidiaries;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;

“Listing”	the listing of the Sino-Ocean Service Shares on the main board of the Stock Exchange;
“Listing Committee”	the Listing Committee of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Non-Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company on the Record Date and whose addresses as shown in such register are in any of the specified territories and any Shareholders or beneficial Shareholders at that time who are otherwise known by the Company to be resident in any of the specified territories;
“PN15”	Practice Note 15 to the Listing Rules;
“PRC”	the People’s Republic of China;
“Proposed Spin-off”	the proposed spin-off and separate listing of the Sino-Ocean Service Shares on the main board of the Stock Exchange;
“Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company on the Record Date, other than Non-Qualifying Shareholders;
“Record Date”	the record date for ascertaining the Qualifying Shareholders who shall be entitled to assured entitlements;
“Retained Group”	the Company and its subsidiaries, excluding the Spin-off Group;
“Shareholder(s)”	shareholders of the Company;
“Sino-Ocean Service”	Sino-Ocean Service Holding Limited (遠洋服務控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 15 April 2020;
“Sino-Ocean Service Shares”	ordinary share(s) with nominal value of HK\$0.1 each in the share capital of Sino-Ocean Service;
“Spin-off Group”	Sino-Ocean Service and its subsidiaries;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	percentage.

By order of the Board  
**Sino-Ocean Group Holding Limited**  
**CHUNG Kai Cheong**  
*Company Secretary*

Hong Kong, 7 September 2020

Sino-Ocean Group Holding Limited

(Incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance)

Stock Code : 03377

*As at the date of this announcement, the Board of the Company comprises:*

*Executive Directors:*

Mr. LI Ming  
Mr. WANG Honghui  
Mr. CUI Hongjie

*Non-executive Directors:*

Mr. ZHAO Peng  
Mr. FU Fei  
Mr. HOU Jun  
Ms. LI Liling

*Independent non-executive Directors:*

Mr. HAN Xiaojing  
Mr. SUEN Man Tak  
Mr. WANG Zhifeng  
Mr. JIN Qingjun  
Ms. LAM Sin Lai Judy