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ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL HIGHLIGHTS

- Total contracted sales amounted to a record high of RMB136,260 million.
- Revenue increased by 14% to RMB64,247 million as compared to that of 2020.
- Gross profit amounted to RMB11,258 million, representing an increase of 8% as compared to that of 2020. Gross profit margin was 18%.
- Profit attributable to owners of the Company amounted to RMB2,729 million. Basic and diluted earnings per share was RMB0.358.
- The weighted average interest rate decreased to 4.96%, representing a decrease of 14 basis points compared to that of 2020.
- The Group consecutively maintain "green category" under the "three red lines" since the implementation of the requirement in 2020. The current ratio was 1.65 times (31 December 2020: 1.47 times). The unutilized credit facilities of the Group were approximately RMB232,230 million as of 31 December 2021.
- Total assets increased by 8% to RMB281,252 million as compared to that of 2020. Equity attributable to owners of the Company increased by 3% to RMB55,074 million as compared to that of 2020.
- The Board is pleased to propose a final dividend of RMB0.026 per share, in the form of cash. Together with the interim dividend of RMB0.046 per share, total dividend declared for the year was RMB0.072 per share. The dividend payout ratio has been adjusted to slightly lower as considered the market downward pressure and uncertainties. The Group put strong emphasis on enhancing shareholders' investment value in long-term and stable return, in the case that the market overall business situation returns to stable, we expected that the 2022 annual dividend payout ratio will be higher than that of the average of the past few years.

The board (the “Board”) of directors (the “Directors” and each a “Director”) of Sino-Ocean Group Holding Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, “our Group”, the “Group” or “we”) for the year ended 31 December 2021.

For the twelve months ended 31 December 2021, the Group recorded RMB64,247 million in revenue, representing a year-on-year (“YoY”) increase of 14%; gross profit reached RMB11,258 million, increased by 8% compared to the previous year. Affected by the downturn in the overall PRC real estate market, the Group’s gross profit margin in 2021 decreased to 18% (2020: 19%). Profit attributable to owners of the Company and earnings per share (basic and diluted) decreased by 5% to RMB2,729 million and RMB0.358, respectively as compared to 2020.

Based on the profit attributable to owners of the Company in 2021, the Board is pleased to propose a final dividend of RMB0.026 per share for the year ended 31 December 2021. Together with the interim dividend of RMB0.046 per share, total dividend per share for 2021 was RMB0.072 (2020: RMB0.131). The payment of the 2021 final dividend would be subject to the approval of the shareholders of the Company (the “Shareholders”) at the Company’s forthcoming annual general meeting (the “AGM”).

MARKET REVIEW AND OUTLOOK

2021 market review

Real estate market in China experienced extreme fluctuations in 2021. It was ‘warm like spring’ in the first half of the year but ‘took a sharp turn to winter’ in the second half. The industry has undergone profound changes. In the first half of the year, the market was buoyant as both supply and demand were booming, pushing sales of housing in the country up by 39% YoY. The situation took a sharp dive since July 2021 into a drastic correction period. As a result of tightening financing policies and excessive curtailing of bank mortgage loans, property enterprises’ funds were under huge pressure, some even faced liquidity crisis. Projects were sold cheaply for volume. Customers delayed purchase as they were forecasting a downward trend and worried about delivery. This caused transactions to plummet and further squeezed enterprises’ cash flow. As breach of contracts in the open market spread to more enterprises, financial institutions shrank financing channels even more. Local authorities stepped up monitoring of pre-sale funds which in turn caused more enterprises to collapse, customers to lose confidence and the market to go into a downward spiral. In the fourth quarter of 2021, there were policy adjustments but market sentiments were not reversed yet. Sales of housing in the country in the second half of the year dropped 17% YoY.

2022 market outlook

Looking ahead to 2022, after government policies were rolled out to help the market, the industry will be in a relatively easier policy and credit environment. While the three principles of 'housing for accommodation not speculation', 'deleveraging and reducing capacity' and 'stabilizing housing price, land cost and expectations' are to stay. It will be a while before confidence is restored in the upstream and downstream industry chain including customers, financial institutions, suppliers and the government. The pressure of a downward economy on customers' desire and ability to purchase is not to be neglected either. It is hard to be optimistic in the near future. In addition, as a result of fund shortage among enterprises in 2021, land acquisition and construction work are declining. There will be a brief window of under supply in 2022 and it may improve the balance between supply and demand to a certain extent. With several factors at play, the industry will slowly emerge from 'the bottom of the market' rather than going through like a roller-coaster.

In the medium to long term, the Group is still upbeat about the virtuous circle and healthy development in real estate industry. Demands created by urbanization and city renewal will always exist. Real estate is still an important industry in the national economic cycle and to satisfy people's needs for accommodation. After the rapid clearance and consolidation in this round, competition may slack in the future. The industry will depart from the era of high turnover, high profitability and high risks, going from the 'tropical' to 'temperate' outlook, entering the era of red sea and meager profit. Enterprises must pursue superior and sustainable development. Those who possess ample funds, a strong financial position, operational prowess and good reputation will have more quality resources and growth opportunities. Enterprises that have inner strength and stability, and are building outstanding products and services will enjoy even more advantages.

FINANCIAL REVIEW

Revenue

The components of the revenue are analyzed as follows:

<i>(RMB million)</i>	2021	2020	Change
Property development	55,130	49,617	11%
Property investment	410	494	-17%
Property management and related services	2,530	1,763	44%
Other real estate related businesses	6,177	4,637	33%
Total	<u>64,247</u>	<u>56,511</u>	14%

The Group's revenue in 2021 increased by 14% to RMB64,247 million, from RMB56,511 million in 2020. Property development segment remained the largest contributor, which accounted for about 86% of total revenue. During 2021, the revenue from property development contributed by the Beijing, Bohai Rim, Eastern, Southern, Central and Western Region were 19%, 15%, 22%, 21%, 17% and 6%, respectively. We will persistently maintain a balanced project portfolio for mitigating the risk from single market fluctuations and enabling more effective usage of resources, allowing the Group to stay focus of our future development plan.

Property management and related services includes (i) property management and commercial operational services; (ii) community value-added services; and (iii) value-added services to non-property owners. The increase in revenue for property management and related services in 2021 was mainly due to (i) the increase in GFA under management and increase in number of properties under management; (ii) offering new types of services such as commercial operational services and home decoration services; and (iii) expansion of our property brokerage services, property engineering services and consultancy services.

The increase in revenue of other real estate businesses was mainly contributed by the higher contribution from whole-industrial chain construction services, internet data center and senior living services.

Cost of sales

In line with the increase in the revenue of property development, the Group's total cost for the year increased to RMB52,989 million accordingly (2020: RMB46,053 million). Excluding carparks, average land cost per sq.m. of property development business in 2021 increased to approximately RMB8,300 compared to RMB6,200 in 2020. The increase was mainly due to more projects located in tier-one and core tier-two cities, which have higher land cost, were delivered in 2021. Average construction cost per sq.m. (excluding carparks) for property development business increased by 9% to approximately RMB5,900 for the year, compared to RMB5,400 in 2020. The increase in average construction cost was mainly because more villa and tier-one projects with higher construction cost were delivered during 2021.

Gross profit

Gross profit for the year was RMB11,258 million, representing an increase of 8% compared to that of 2020. Gross profit margin decreased to 18% in 2021 (2020: 19%).

Interest and other income and other gains (net)

Interest and other income decreased by 6% to RMB2,250 million in 2021, compared to RMB2,394 million in 2020. The decrease was mainly attributable to the decrease in entrusted loan interest income due to the decline in the weighted average entrusted loan balance and interest rate during the year of 2021.

The Group recorded other gains (net) of RMB76 million in 2021 (2020: RMB1,335 million). Other gains (net) were mainly comprised of net effect of net exchange gains, fair value losses of financial assets and financial liabilities at fair value through profit or loss and gains on disposal of subsidiaries during the year. The decrease in other gains (net) in 2021 was primarily due to the decrease in net exchange gains as Renminbi appreciated against USD to a lesser extent compared with that of 2020.

Revaluation of investment properties

As the leasing market was still in the recovery phase, the Group recognized fair value losses on its investment properties (before tax and non-controlling interests) of RMB64 million for 2021 (2020: RMB156 million).

Operating expenses

Selling and marketing expenses for 2021 was RMB1,665 million (2020: RMB1,293 million), which was increased by 29% as compared to 2020. The increase was mainly driven by (i) the increase of marketing activities so as to cope with the sluggish market; (ii) the increase in the number of pre-sale projects; and (iii) the relaxation of restriction of marketing activities due to the novel coronavirus pandemic. These costs accounted for approximately 1.2% of the total contracted sales amount for 2021 (2020: 1.0%). The Group put more resources in its sales and marketing activities in 2021, to aim for better recognition of the Group's pursuance of quality of residential property development, investment property development and operation, property services and whole-industrial chain construction services and ultimately turn into higher revenue in the future.

Under the Group's strict cost control policy, administrative expenses incurred for 2021 increased to RMB1,955 million (2020: RMB1,816 million), representing 3.0% of the total revenue for 2021 (2020: 3.2%). The Group will continue to adopt strict cost control measures to maintain these costs at a relatively stable and lower level.

Finance costs

Our weighted average interest rate decreased from 5.10% for the year of 2020 to 4.96% for the year of 2021. As we obtained lower cost of financing during the year, the total interest expenses paid or accrued decreased to RMB4,639 million in 2021 (2020: RMB4,832 million), of which RMB2,239 million (2020: RMB2,111 million) was not capitalized and charged through consolidated income statement during the year.

Taxation

The aggregate of enterprise income tax and deferred tax slightly increased to RMB2,684 million in 2021 (2020: RMB2,550 million), reflecting an effective tax rate of 35% (2020: 35%), maintained at same level as 2020. In addition, land appreciation tax in 2021 decreased to RMB2,022 million (2020: RMB2,817 million). The decrease was mainly due to lower applicable tax rate was applied during 2021.

Profit attributable to owners of the Company

Profit attributable to owners of the Company decreased by 5% to RMB2,729 million for the year of 2021, as compared to RMB2,866 million in 2020, the decrease was mainly due to the net input of the above changes. Our management will continue to focus on the improvement of our Shareholders' return as on-going task.

Financial resources and liquidity

As at 31 December 2021, the Group had total cash resources (including cash and cash equivalents and restricted bank deposits) of RMB27,079 million, of which 89% (31 December 2020: 92%) of the Group's cash resources were denominated in Renminbi with the remaining balances denominated in other currencies. The current ratio was 1.65 times (31 December 2020: 1.47 times).

As at 31 December 2021, the Group's net gearing ratio (i.e. total borrowings less total cash resources divided by total equity) was approximately 85% (31 December 2020: 55%). The increase in the net gearing ratio was mainly due to extreme factors such as the tightening of the overall financing regulatory policies in the real estate market and the excessive curtailing of bank mortgage loans, resulting in relative slower cash collection in the second half of 2021, furthermore, in response to extreme industry risks, we increased the drawdown of development loans to secure financial healthiness afterwards. Thanks to the trust of onshore and offshore financial institutions, the Group has ample onshore and offshore financing channels. The unutilized credit facilities was approximately RMB232,230 million as at 31 December 2021. In 2022, the market expects the policies will continue to be moderately relaxed. We would continue our prudent financial management philosophy, striving to keep the net gearing ratio stable, to have sufficient funding resources to carry out various businesses.

The maturities of the Group's total borrowings are set out as follows:

<i>(RMB million)</i>	As at 31 December 2021	As a percentage of total borrowings	As at 31 December 2020	As a percentage of total borrowings
Within 1 year	18,668	20%	25,934	32%
1 to 2 years	17,354	19%	17,459	21%
2 to 5 years	46,077	50%	27,005	33%
Over 5 years	10,125	11%	11,806	14%
Total	92,224	100%	82,204	100%

BUSINESS REVIEW

Property Development

Recognized sales

Revenue from property development business increased by 11% in 2021, amounting to RMB55,130 million (2020: RMB49,617 million). Saleable GFA delivered decreased by 5% from approximately 3,412,000 sq.m. in 2020 to approximately 3,243,000 sq.m. in 2021. Excluding carparks sales, the average selling price recognized in 2021 increased to RMB19,500 per sq.m. (2020: RMB15,900 per sq.m.).

Revenue and saleable GFA delivered by cities during 2021 are set out as follows:

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Beijing Region	Beijing	8,058	161,650	49,800
	Taiyuan	829	85,393	9,700
	Qinhuangdao	1,046	68,639	15,200
	Shijiazhuang	399	24,957	16,000
		10,332	340,639	30,300
Bohai Rim Region	Tianjin	1,605	74,232	21,600
	Dalian	463	44,324	10,400
	Jinan	1,883	130,558	14,400
	Qingdao	3,778	126,862	29,800
	Yantai	37	3,515	10,500
		7,766	379,491	20,500
Eastern Region	Shanghai	2,887	102,028	28,300
	Wenzhou	2,288	196,584	11,600
	Suzhou	302	25,692	11,800
	Wuxi	1,155	81,104	14,200
	Nanjing	420	40,031	10,500
	Hangzhou	3,691	121,835	30,300
	Jiaxing	34	2,270	15,000
		10,777	569,544	18,900

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Southern Region	Shenzhen	7,784	110,358	70,500
	Zhongshan	397	47,658	8,300
	Guangzhou	432	20,123	21,500
	Zhanjiang	512	63,360	8,100
	Zhangzhou	12	1,395	8,600
	Foshan	358	30,758	11,600
	Maoming	222	48,288	4,600
	Fuzhou	1,661	129,456	12,800
		11,378	451,396	25,200
Central Region	Wuhan	6,783	320,412	21,200
	Ganzhou	609	87,481	7,000
	Hefei	1,433	144,118	9,900
	Nanchang	392	36,750	10,700
		9,217	588,761	15,700
Western Region	Chengdu	690	87,013	7,900
	Guiyang	241	21,752	11,100
	Xining	1,384	97,913	14,100
	Liuzhou	584	77,316	7,600
	Chongqing	295	27,735	10,600
		3,194	311,729	10,200
	Other projects	907	103,494	8,800
Subtotal (excluding carparks)		53,571	2,745,054	19,500
Carparks (various projects)		1,559	497,807	3,100
Total		55,130	3,242,861	17,000

Contracted sales

The contracted sales of the Group, together with its joint ventures and associates, for the twelve months ended 31 December 2021 amounted to a record high of approximately RMB136,260 million, representing 4% increase compared to RMB131,040 million in 2020. Contracted saleable GFA sold in 2021 increased by 9% to approximately 7,673,500 sq.m. (2020: 7,063,500 sq.m.). The average selling price (excluding car parks) decreased by 7% to approximately RMB19,400 per sq.m. (2020: RMB20,800 per sq.m.).

In terms of distribution, 61% of the Group's contracted sales were contributed by the Eastern, Southern, Central and Western Regions in 2021 (2020: 51%), which reflects the Group further implements the strategic planning towards the 'south and west'.

The contracted sales amounts and saleable GFA sold by cities in 2021 are set out below:

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Beijing Region	Beijing	22,931	410,900	55,800
	Langfang	686	38,400	17,900
	Taiyuan	2,073	218,300	9,500
	Jinzhong	603	82,300	7,300
	Qinhuangdao	2,207	156,500	14,100
	Shijiazhuang	2,466	183,300	13,500
	Zhangjiakou	360	43,400	8,300
		31,326	1,133,100	27,600
Bohai Rim Region	Tianjin	9,294	465,600	20,000
	Dalian	2,995	141,000	21,200
	Jinan	4,973	377,600	13,200
	Qingdao	1,985	85,300	23,300
	Shenyang	764	90,500	8,400
	Changchun	27	3,300	8,200
	Anshan	149	27,100	5,500
		20,187	1,190,400	17,000
Eastern Region	Shanghai	8,445	173,000	48,800
	Suqian	899	71,700	12,500
	Wenzhou	3,507	151,400	23,200
	Suzhou	4,320	239,200	18,100
	Zhenjiang	603	56,600	10,700
	Yangzhou	1,430	89,700	15,900
	Wuxi	4,666	237,500	19,600
	Changzhou	21	1,600	13,100
	Nanjing	4,053	159,800	25,400
	Nantong	517	57,900	8,900
	Jinhua	1,447	97,600	14,800
	Hangzhou	2,094	44,300	47,300
	Huai'an	54	2,700	20,000
	Chuzhou	154	21,200	7,300
		32,210	1,404,200	22,900

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Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Southern Region	Shenzhen	4,602	77,500	59,400
	Zhongshan	2,186	183,600	11,900
	Guangzhou	2,579	117,100	22,000
	Zhanjiang	576	66,000	8,700
	Jiangmen	760	63,900	11,900
	Zhangzhou	2,289	167,000	13,700
	Foshan	554	35,900	15,400
	Maoming	156	34,200	4,600
	Xiamen	1,233	46,100	26,700
	Longyan	775	70,300	11,000
	Fuzhou	1,213	60,500	20,000
	Hong Kong	1,337	6,000	222,800
		18,260	928,100	19,700
Central Region	Wuhan	10,664	399,600	26,700
	Changsha	713	88,300	8,100
	Zhengzhou	2,318	221,600	10,500
	Ganzhou	828	82,800	10,000
	Hefei	1,135	85,300	13,300
	Nanchang	1,037	106,800	9,700
		16,695	984,400	17,000
Western Region	Chengdu	711	67,500	10,500
	Xi'an	2,997	152,300	19,700
	Guiyang	839	72,200	11,600
	Xining	801	68,700	11,700
	Urumqi	681	78,100	8,700
	Liuzhou	400	38,500	10,400
	Chongqing	1,052	87,400	12,000
	Xishuangbanna	273	36,200	7,500
	Kunming	975	101,400	9,600
	Lanzhou	68	12,700	5,400
		8,797	715,000	12,300
	Other projects	5,383	510,600	10,500
Subtotal (excluding carparks)		132,858	6,865,800	19,400
Carparks (various projects)		3,402	807,700	4,200
Total		136,260	7,673,500	17,800

Landbank and Construction in Progress

The Group's total GFA and total saleable GFA (including its joint ventures and associates) completed in 2021 were approximately 9,250,500 sq.m. and 6,723,700 sq.m., respectively, which increased by 46% and 30%, respectively, as compared to that of 2020.

In 2021, we acquired 25 residential projects and 21 non-residential projects¹ (including logistics projects and internet data centers), total GFA and attributable interest GFA were approximately 7,171,000 sq.m. and 4,114,000 sq.m., respectively. The average acquisition cost per sq.m. of the newly acquired residential projects was approximately RMB7,040. As at 31 December 2021, including the projects acquired through a framework agreement by a joint venture during 2021, the landbank of the Group (including its joint ventures and associates) increased by 40% to approximately 53,135,000 sq.m. (31 December 2020: 38,043,000 sq.m.); while landbank with attributable interest increased by 43% to approximately 28,503,000 sq.m. (31 December 2020: 19,945,000 sq.m.). In terms of saleable GFA, the average land cost per sq.m. for our landbank as at 31 December 2021 was approximately RMB6,600 (31 December 2020: RMB7,900).

The landbank details of the Group and its joint ventures and associates as at 31 December 2021 are set out as follows:

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA	total		landbank
				(<i>'000 sq.m.</i>)	saleable GFA	(<i>'000 sq.m.</i>)	to the Group
					(<i>'000 sq.m.</i>)	(<i>'000 sq.m.</i>)	(%)
Beijing Region	Beijing	Anzhen Project	Chaoyang District, Beijing	46	–	46	11.97%
		Captain House	Fengtai District, Beijing	131	100	131	51.00%
		CBD Plot Z6	Chaoyang District, Beijing	27	21	27	28.57%
		Changping Sci-tech Park F2 Project	Changping District, Beijing	256	193	251	50.00%
		Gold Mansion	Daxing District, Beijing	118	99	91	25.00%
		Grand Canal Place	Tongzhou District, Beijing	479	334	379	50.00%
		Grand Harmony Emerald Residence	Daxing District, Beijing	224	165	156	40.00%
		Jasper Epoch	Daxing District, Beijing	92	78	50	49.00%
		Jialihua Project, Shunyi District	Shunyi District, Beijing	277	206	277	100.00%
		Liangxiang Project	Fangshan District, Beijing	126	102	126	11.10%
		Mentougou Tanzhe Temple Project	Mentougou District, Beijing	430	344	430	10.00%
		Ocean LA VIE	Chaoyang District, Beijing	318	305	45	85.72%
		Ocean Metropolis	Mentougou District, Beijing	330	276	130	51.00%
		Ocean Poetic Dwelling	Shijingshan District, Beijing	249	187	249	31.00%
		Ocean Wulieepoch	Shijingshan District, Beijing	595	458	271	21.00%
		Our New World	Fangshan District, Beijing	109	91	14	100.00%
		Plot 6002, Mentougou New Town	Mentougou District, Beijing	125	97	75	21.00%
		Royal River Villa	Chaoyang District, Beijing	132	118	20	20.00%
		Sino-Ocean Apple Garden No.6	Shijingshan District, Beijing	69	50	69	51.00%
		The CBD's Private Palace	Daxing District, Beijing	436	383	48	100.00%
		World View	Chaoyang District, Beijing	71	52	71	25.00%
		Xanadu & Ocean Epoch	Chaoyang District, Beijing	230	193	42	50.00%
		Xanadu & Ocean Palace	Daxing District, Beijing	300	207	104	50.00%
		Xiji Plot E, Tongzhou District	Tongzhou District, Beijing	139	136	139	50.00%
		Xinchi Tower	Daxing District, Beijing	67	41	67	70.00%
		Yongjingtaoyuan Project	Chaoyang District, Beijing	692	554	692	44.88%
				6.068	4.790	4.000	

Note 1: Excluding the projects acquired through non-major platforms.

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Regions	Cities	Projects	Districts	Approximate total GFA (‘000 sq.m.)	Approximate total saleable GFA (‘000 sq.m.)	Remaining landbank (‘000 sq.m.)	Interest attributable to the Group (%)
	Langfang	Capital Palace	Anci District, Langfang	404	292	33	52.15%
		Jingkai Logistics Project	Jingkai District, Langfang	151	–	151	14.70%
		Ocean Brilliant City	Guangyang District, Langfang	1,897	954	1,897	38.00%
		Plot I, Guangyang Logistics Project	Guangyang District, Langfang	41	–	41	28.19%
		Plot II, Guangyang Logistics Project	Guangyang District, Langfang	144	–	144	14.70%
		Yanjiao Sanhe Internet Data Center	Yanjiao County, Langfang	73	–	73	24.50%
				2,710	1,246	2,339	
	Taiyuan	Glory Mansion	Xinghualing District, Taiyuan	288	198	288	52.15%
		Jiefang Road Aegean Place	Xinghualing District, Taiyuan	125	–	125	52.15%
		Ocean Seasons	Wanballin District, Taiyuan	308	254	308	70.00%
		Sky Masion	Yingze District, Taiyuan	394	286	313	36.51%
		Sky of Palace	Wanballin District, Taiyuan	897	529	897	26.60%
		Villa Epoch	Yangqu County, Taiyuan	54	34	34	44.00%
		Wangjiafeng Aegean Place	Yingze District, Taiyuan	109	–	109	36.51%
				2,175	1,301	2,074	
	Jinzhong	Sky Masion	Yuci District, Jinzhong	2,067	1,537	1,435	33.90%
	Qinhuangdao	Seatopia	Funing District, Qinhuangdao	1,438	1,243	1,148	100.00%
	Shijiazhuang	Ande Life Memorial Park	Jingxing County, Shijiazhuang	18	3	18	40.00%
		Chang'an District Redevelopment Project	Chang'an District, Shijiazhuang	147	94	147	51.00%
		Family Park	Chang'an District, Shijiazhuang	132	108	132	35.70%
		Family Park, Phase II	Chang'an District, Shijiazhuang	84	66	84	35.70%
		Gaocheng Logistics Project	Gaocheng District, Shijiazhuang	54	–	54	64.30%
		Harmony Palace	Zhengding New District, Shijiazhuang	152	140	96	38.35%
		Ocean Home Park	Gaocheng District, Shijiazhuang	48	43	48	40.00%
		Sino-Ocean No. 7	Chang'an District, Shijiazhuang	115	103	115	20.00%
		Vigorous Mansion	Chang'an District, Shijiazhuang	228	171	118	51.00%
				978	728	812	
	Zhangjiakou	Centrality Mansion	Qiaodong District, Zhangjiakou	203	163	143	60.00%
				15,639	11,008	11,951	

Regions	Cities	Projects	Districts	Approximate total GFA (<i>'000 sq.m.</i>)	Approximate total saleable GFA (<i>'000 sq.m.</i>)	Remaining landbank (<i>'000 sq.m.</i>)	Interest attributable to the Group (%)
Bohai Rim Region	Tianjin	Boda Logistics Project	Wuqing District, Tianjin	285	–	285	49.00%
		Capital Palace	Jizhou District, Tianjin	346	213	199	52.15%
		Fantastic Time	Dongli District, Tianjin	151	115	151	51.00%
		Happy Light Year	Wuqing District, Tianjin	504	317	385	49.98%
		Harmony Mansion	Binhai New Area, Tianjin	102	78	102	58.00%
		Jixian Aegean Place	Jizhou District, Tianjin	87	–	87	52.15%
		Neo-metropolis	Beichen District, Tianjin	3,034	2,615	2,503	51.00%
		Ocean City	Binhai New Area, Tianjin	2,137	1,929	41	70.00%
		Ocean Epoch	Binhai New Area, Tianjin	35	25	18	100.00%
		Ocean Great Harmony	Xiqing District, Tianjin	350	290	47	100.00%
		Ocean Orient	Binhai New Area, Tianjin	164	126	164	100.00%
		Ocean Prospect	Dongli District, Tianjin	321	309	50	100.00%
		Royal River	Wuqing District, Tianjin	349	333	21	100.00%
		Sino-Ocean Brilliant Courtyard	Binhai New Area, Tianjin	675	488	111	64.28%
		Sky Masion	Binhai New Area, Tianjin	388	231	381	52.15%
		Sky Masion Bay	Binhai New Area, Tianjin	253	182	253	52.15%
		Southend Airport Logistics Project	Dongli District, Tianjin	69	–	69	64.30%
		The Great Habitat Mansion House	Dongli District, Tianjin	562	385	41	6.00%
		UPED	Binhai New Area, Tianjin	653	445	653	51.00%
		Westend Airport Logistics Project	Dongli District, Tianjin	52	–	52	64.30%
		Xanadu	Binhai New Area, Tianjin	185	135	185	42.86%
				10,702	8,216	5,798	
	Dalian	Diamond Bay	Ganjingzi District, Dalian	1,497	1,345	1,032	100.00%
		Joy of Mountain and Sea	Ganjingzi District, Dalian	189	150	182	51.00%
		Ocean Mansion	Shahekou District, Dalian	36	25	36	100.00%
		Ocean The Piedmont Epoch	Lvshunkou District, Dalian	68	46	13	100.00%
		Ocean Worldview	Jinzhou District, Dalian	1,902	1,645	353	100.00%
		Sino-Ocean Technopole	Jinzhou District, Dalian	922	540	922	100.00%
		Tawanhe Plot, Lvshunkou District	Lvshunkou District, Dalian	234	200	234	100.00%
		Zhonghua Road Plot #2	Ganjingzi District, Dalian	111	52	111	100.00%
				4,959	4,003	2,883	
	Jinan	Beihu Plot A-6, Tianqiao District	Tianqiao District, Jinan	97	83	97	60.00%
		Beihu West Plot A, Tianqiao District	Tianqiao District, Jinan	555	461	555	60.00%
		Ocean Crown	Huaiyin District, Jinan	103	87	97	66.50%
		Ocean Epoch	Lixia District, Jinan	390	371	181	50.00%
		Ocean Mansion	Huaiyin District, Jinan	228	190	222	54.35%
		Ocean Orient	Licheng District, Jinan	544	422	544	42.00%
		Ocean Precious Land	Licheng District, Jinan	226	172	226	58.82%
		Sino-Ocean Metropolis	Tianqiao District, Jinan	379	255	379	60.31%
		Sky Masion	Shanghe County, Jinan	583	520	434	30.67%
				3,105	2,561	2,735	
	Qingdao	Haibohe Plot, Shibei District	Shibei District, Qingdao	102	76	102	10.75%
		Ocean Crown	Fushan New District, Qingdao	125	95	113	59.50%
		Sino-Ocean Harmony	Shibei District, Qingdao	377	270	210	43.00%
		Sino-Ocean Landscape	Jimo District, Qingdao	113	86	113	100.00%
				717	527	538	

Sino-Ocean Group Holding Limited

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Regions	Cities	Projects	Districts	Approximate total GFA (‘000 sq.m.)	Approximate total saleable GFA (‘000 sq.m.)	Remaining landbank (‘000 sq.m.)	Interest attributable to the Group (%)
Eastern Region	Shenyang	Ocean Elite River Prospect	Shenbei New District, Shenyang	400	313	400	60.00%
		Ocean Noble Mansion	Tiexi District, Shenyang	47	32	47	100.00%
				447	345	447	
	Changchun	Guantangyuanzhu	Shuangyang District, Changchun	326	255	326	52.15%
	Anshan	International Plaza	Tiedong District, Anshan	350	294	166	52.15%
	Harbin	Venice Manor	Songbei District, Harbin	181	152	13	52.15%
				20,787	16,353	12,906	
	Shanghai	Baoshan Sky Masion	Baoshan District, Shanghai	213	115	213	52.15%
		Dongtan Villa	Chongming District, Shanghai	1,072	672	676	41.03%
		Hongqiao Origin	Qingpu District, Shanghai	75	53	75	60.00%
		Lingang Aegean Place	Pudong New Area, Shanghai	66	–	66	52.15%
		Lingang Sky Masion	Pudong New Area, Shanghai	172	108	172	52.15%
		Ocean Fortune Center	Pudong New Area, Shanghai	59	45	20	100.00%
		Ocean Seasons	Pudong New Area, Shanghai	323	279	55	100.00%
		Yuanbo Hotel Project	Putuo District, Shanghai	54	–	54	23.94%
				2,034	1,272	1,331	
	Suqian	Aegean Place	Sucheng District, Suqian	117	–	117	36.51%
		Shuyang Aegean Place	Shuyang County, Suqian	107	–	107	100.00%
		Shuyang Sky Masion	Shuyang County, Suqian	545	407	545	100.00%
		Sky Masion	Sucheng District, Suqian	484	411	484	36.51%
				1,253	818	1,253	
	Wenzhou	Aegean Place	Longwan District, Wenzhou	82	–	82	100.00%
		Binhai Sky Masion	Longwan District, Wenzhou	488	306	178	100.00%
		Center Mansion	Leqing City, Wenzhou	40	30	40	100.00%
		Harbor Heart	Ouhai District, Wenzhou	87	66	87	84.70%
		Ocean Peninsula No.9	Ouhai District, Wenzhou	276	174	276	26.60%
		Plot 11-E-05, Longwan District	Longwan District, Wenzhou	85	60	85	100.00%
		Shan Hai One	Leqing City, Wenzhou	123	100	123	100.00%
		Xingfuli	Lucheng District, Wenzhou	234	168	234	33.90%
				1,415	904	1,105	

Regions	Cities	Projects	Districts	Approximate total GFA (‘000 sq.m.)	Approximate total saleable GFA (‘000 sq.m.)	Remaining landbank (‘000 sq.m.)	Interest attributable to the Group (%)
	Suzhou	Easy Town	Huqiu District, Suzhou	104	85	17	16.50%
		Mansion Yue	Wujiang District, Suzhou	150	147	72	70.00%
		Rocker Park	Huqiu District, Suzhou	240	198	113	30.00%
		Royal Seasons	Taicang City, Suzhou	105	77	58	34.00%
		Scenert East	Zhangjiagang City, Suzhou	108	77	108	100.00%
		Shengze Sky Masion	Wujiang District, Suzhou	262	211	262	49.54%
		Shihu Project	Wuzhong District, Suzhou	49	–	49	100.00%
		Taicang Shaxi Logistics Project I	Taicang City, Suzhou	56	–	56	19.60%
		Taicang Shaxi Logistics Project II	Taicang City, Suzhou	124	–	124	17.84%
		Zhangjiagang Internet Data Center	Zhangjiagang City, Suzhou	24	–	24	75.01%
				1,222	795	883	
	Zhenjiang	Central Mansion	Danyang City, Zhenjiang	607	502	607	50.00%
		Danyang Sky Masion	Danyang City, Zhenjiang	110	82	110	52.15%
				717	584	717	
	Yangzhou	Grand Canal Milestone	Guangling District, Yangzhou	56	43	56	89.00%
		Home Furniture Mall	Hanjiang District, Yangzhou	81	–	81	52.15%
		Royal Mansion	Guangling District, Yangzhou	63	47	63	100.00%
		Sky Masion	Hanjiang District, Yangzhou	467	348	467	52.15%
				667	438	667	
	Wuxi	Life in Park	Xinwu District, Wuxi	196	157	196	15.00%
		One Residence	Xinwu District, Wuxi	211	154	211	10.00%
		Sky Masion	Huishan District, Wuxi	223	172	223	31.29%
		Taihu Milestone	Xinwu District, Wuxi	116	93	4	80.00%
				746	576	634	
	Changzhou	Aegean Place	Wujin District, Changzhou	197	–	197	52.15%
		International Plaza	Wujin District, Changzhou	508	374	86	52.15%
				705	374	283	
	Nanjing	Ocean Seasons	Lishui District, Nanjing	234	184	38	100.00%
		Sino-Ocean Tangyue Landscape	Liuhe District, Nanjing	54	52	16	100.00%
		The One	Jiangning District, Nanjing	213	153	213	69.80%
				501	389	267	
	Nantong	Sky Masion	Chongchuan District, Nantong	270	253	24	26.08%
		Star City	Chongchuan District, Nantong	171	–	171	26.08%
				441	253	195	
	Jinhua	Jinyi Sky Masion	Jinyi New Area, Jinhua	423	387	5	46.94%
		Ocean Mountain Courtyard	Wucheng District, Jinhua	171	124	171	26.60%
				594	511	176	

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	Huzhou	Anji Internet Data Center	Anji County, Huzhou	135	–	135	64.30%
	Hangzhou	Canal Business Center Project	Gongshu District, Hangzhou	609	292	10	60.00%
		Jiulongwan Project	West Lake District, Hangzhou	20	–	20	100.00%
		Neo 1	Gongshu District, Hangzhou	43	40	21	50.00%
		Ocean New Masterpiece	Gongshu District, Hangzhou	44	33	44	51.00%
		Xixi Mansion	Yuhang District, Hangzhou	395	285	10	100.00%
				1,111	650	105	
	Huai'an	International Plaza	Qingjiangpu District, Huai'an	319	264	91	22.42%
	Jiaxing	Pinghu Logistics Project	Pinghu City, Jiaxing	72	–	72	19.60%
	Ningbo	Sino-Fusion Yuyao Simen Logistics Park	Yuyao City, Ningbo	56	–	56	28.19%
				11,988	7,828	7,970	
Southern Region	Shenzhen	Lishan Project	Nanshan District, Shenzhen	156	70	156	60.00%
		Longhua District De Ai Industrial Park	Longhua District, Shenzhen	533	282	533	80.00%
		Ocean Express	Longgang District, Shenzhen	556	437	137	84.70%
		Ocean Palace	Nanshan District, Shenzhen	196	82	7	63.25%
		Ocean Seafront Towers	Nanshan District, Shenzhen	115	52	59	60.00%
		Peace Palace	Longhua District, Shenzhen	278	201	278	63.01%
				1,834	1,124	1,170	
	Zhongshan	Blossoms Valley	Shenwan Town, Zhongshan	1,172	1,037	986	75.00%
		Natural Mansion	Xiaolan Town, Zhongshan	76	62	76	51.00%
		Ocean City	Eastern District, Zhongshan	2,083	1,736	94	100.00%
		Ocean Emerald	Nantou Town, Zhongshan	437	412	49	100.00%
		Ocean Longshire	Henglan Town, Zhongshan	96	85	13	100.00%
		Ocean Palace	Southern District, Zhongshan	181	134	181	69.80%
		SCity (formerly known as Suixicun 162 Project, Nantou)	Nantou Town, Zhongshan	90	68	90	34.00%
		SCity (formerly known as Suixicun 163 Project, Nantou)	Nantou Town, Zhongshan	34	26	18	34.00%
		Sino-Ocean Landscape	Minzhong Town, Zhongshan	210	159	141	51.00%
		Zhonghui City (formerly known as Suixicun 135 Project, Nantou)	Nantou Town, Zhongshan	43	33	5	34.00%
		Zhonghui City (formerly known as Suixicun 136 Project, Nantou)	Nantou Town, Zhongshan	83	62	6	30.00%
		Zhonghui City (formerly known as Suixicun 137 Project, Nantou)	Nantou Town, Zhongshan	107	102	24	45.00%
				4,612	3,916	1,683	

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	Guangzhou	East Bay	Zengcheng District, Guangzhou	141	96	112	40.00%
		Elite Palace	Tianhe District, Guangzhou	310	279	41	100.00%
		Hibiscus Villa	Huadu District, Guangzhou	179	87	98	51.00%
		Natural Mansion	Zengcheng District, Guangzhou	76	48	76	100.00%
		Ocean Prospect	Zengcheng District, Guangzhou	133	96	133	100.00%
				839	606	460	
	Zhanjiang	Ocean City	Xiashan District, Zhanjiang	612	493	381	67.50%
	Jiangmen	Cloud Mansion	Pengjiang District, Jiangmen	176	133	176	51.00%
		Top Mansion	Pengjiang District, Jiangmen	131	101	131	100.00%
				307	234	307	
	Zhangzhou	Sea and Star	Longwen District, Zhangzhou	266	210	266	51.00%
		Sino-Ocean Scenery	Zhao'an County, Zhangzhou	81	79	14	70.00%
				347	289	280	
	Foshan	Delight River	Sanshui District, Foshan	207	192	48	50.00%
		Elite Palace	Sanshui District, Foshan	259	191	11	65.93%
		Landscape	Shunde District, Foshan	80	63	80	49.00%
		Natural Mansion	Nanhai District, Foshan	140	107	140	50.00%
				686	553	279	
	Maoming	Sino-Ocean Landscape	Maonan District, Maoming	299	249	241	51.00%
	Xiamen	Ocean Prospect	Tong'an District, Xiamen	199	144	199	100.00%
		Top Mansion	Xiang'an District, Xiamen	75	53	17	50.00%
				274	197	216	
	Longyan	Sino-Ocean Landscape	Xinluo District, Longyan	203	160	203	51.00%
	Fuzhou	East Bay	Mawei District, Fuzhou	82	65	2	50.00%
		East Bay Upgrade	Mawei District, Fuzhou	51	42	51	33.50%
		Ocean Tianfu	Cangshan District, Fuzhou	128	97	128	51.00%
		Sino-Ocean Landscape	Mawei District, Fuzhou	89	74	9	55.00%
				350	278	190	
	Sanya	Ocean Hill	Jiyang District, Sanya	177	111	75	100.00%
	Hong Kong	LP6	Tseung Kwan O, Hong Kong	137	136	28	40.00%
		Mt. La Vie	Islands District, Hong Kong	3	3	3	100.00%
		Uptify	Yau Tsim Mong District, Hong Kong	3	3	3	100.00%
				143	142	34	
				10,683	8,352	5,519	

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Regions	Cities	Projects	Districts	Approximate total GFA (‘000 sq.m.)	Approximate total saleable GFA (‘000 sq.m.)	Remaining landbank (‘000 sq.m.)	Interest attributable to the Group (%)
Central Region	Wuhan	Aegean Place	Xinzhou District, Wuhan	62	–	62	26.60%
		Citylane	Hanyang District, Wuhan	450	–	450	70.00%
		Dongxihu Xingou Logistics Project	Dongxihu District, Wuhan	112	–	112	28.19%
		Heart of Hankow	Jiangnan District, Wuhan	1,054	997	246	55.90%
		Huazhong Big Data Industrial Park	Jiangxia District, Wuhan	89	–	89	12.50%
		Oriental World View	Hanyang District, Wuhan	1,917	1,430	962	70.00%
		Sky Masion	Xinzhou District, Wuhan	371	268	15	26.60%
		Yangtze Opus	Jiang'an District, Wuhan	178	80	178	70.00%
		Zhongjiacun Plot, Hanyang District	Hanyang District, Wuhan	322	229	322	51.00%
				4,555	3,004	2,436	
	Changsha	Aegean Place	Yuhua District, Changsha	69	–	69	41.72%
		Sky Masion	Yuhua District, Changsha	878	616	878	41.72%
		Special Mansion	Wangcheng District, Changsha	482	384	482	24.50%
				1,429	1,000	1,429	
	Zhengzhou	Fontaine Polaris	Zhongmu County, Zhengzhou	176	141	176	24.50%
		Glory Mansion	Xinzheng City, Zhengzhou	135	103	135	28.68%
		Grand Apartment	Jinshui District, Zhengzhou	172	133	172	24.50%
		Ocean Landscape Courtyard	Yingyang District, Zhengzhou	204	150	204	55.00%
		Ocean Melody	Zhongmu County, Zhengzhou	43	38	15	69.30%
		Ocean Prospect	Xinzheng City, Zhengzhou	169	158	50	38.00%
		Rong Fu	Xinzheng City, Zhengzhou	156	101	156	17.84%
		The Collection	Erqi District, Zhengzhou	182	141	182	80.00%
				1,237	965	1,090	
	Ganzhou	Aegean Place	Nankang District, Ganzhou	144	–	144	53.39%
		Sky Masion	Nankang District, Ganzhou	888	705	778	53.39%
				1,032	705	922	
	Hefei	Hefei Logistics Project, Phase IV	Feidong County, Hefei	66	–	66	64.30%
		Ideal Bourn	Feidong County, Hefei	104	83	104	100.00%
		Ocean Glory	Feidong County, Hefei	197	186	45	100.00%
		Ocean Landscape	Feidong County, Hefei	200	180	59	59.29%
		West Furong Road Plot, Jingkai District	Jingkai District, Hefei	455	279	455	30.00%
				1,022	728	729	
	Nanchang	Aegean Place	Wanli District, Nanchang	124	–	124	52.15%
		Ocean Palace	Wanli District, Nanchang	173	122	110	51.00%
		Sky Masion	Wanli District, Nanchang	175	163	39	52.15%
				472	285	273	
				9,747	6,687	6,879	

Regions	Cities	Projects	Districts	Approximate total GFA (<i>'000 sq.m.</i>)	Approximate total saleable GFA (<i>'000 sq.m.</i>)	Remaining landbank (<i>'000 sq.m.</i>)	Interest attributable to the Group (%)
Western Region	Chengdu	Ocean Ecological Land	Xindu District, Chengdu	199	127	199	51.00%
		Ocean Luxury City	Qingyang District, Chengdu	122	106	98	24.50%
		Qingbaijiang Internet Data Center, Zone A	Qingbaijiang District, Chengdu	193	–	201	36.51%
		Qingbaijiang Internet Data Center, Zone C	Qingbaijiang District, Chengdu	38	–	87	49.00%
		Sino-Ocean Taikoo Li	Jinjiang District, Chengdu	417	362	126	50.00%
	Xi'an	Wenjiang Internet Data Center	Wenjiang District, Chengdu	54	–	54	24.50%
				1,023	595	765	
		Aegean Place	Xincheng District, Xi'an	104	–	104	26.60%
		Emperor Chic	Weiyang District, Xi'an	321	316	321	24.50%
		Fontaine Island	Chanba Ecological District, Xi'an	147	111	147	24.50%
		Ocean Mansion	Weiyang District, Xi'an	558	416	558	42.33%
		Sino-Ocean Jinghe New Town Internet Data Center	Xixian New Area, Xi'an	60	–	60	49.00%
		Sino-Ocean Royal Landscape	Chanba Ecological District, Xi'an	292	208	292	56.00%
		Sky Masion	Xincheng District, Xi'an	462	312	462	26.60%
				1,944	1,363	1,944	
	Guiyang	Sino-Ocean Aristocratic Family	Shuanglong New District, Guiyang	165	135	165	100.00%
		Sino-Ocean Prospect	Yunyan District, Guiyang	100	75	24	89.80%
		Sky Masion	Guanshanhu District, Guiyang	780	565	780	42.24%
		Sky Masion, Retail	Guanshanhu District, Guiyang	89	–	89	42.24%
				1,134	775	1,058	
	Xining	Aegean Place	Haihu New District, Xining	121	–	121	76.55%
		Sky Masion	Chengzhong District, Xining	1,278	1,018	666	41.72%
		Sky Palace	Chengxi District, Xining	311	254	191	76.55%
				1,710	1,272	978	
	Urumqi	Mansion Hills	Saybag District, Urumqi	74	63	74	52.15%
		Royal Mansion	Saybag District, Urumqi	402	293	402	52.15%
		Sky Masion	Saybag District, Urumqi	148	111	148	52.15%
		Sky Palace	Saybag District, Urumqi	85	68	85	52.15%
				709	535	709	
	Liuzhou	Aegean Place	Yufeng District, Liuzhou	85	–	85	76.55%
		Glory Mansion	Yufeng District, Liuzhou	357	251	247	76.55%
		Sky Masion	Chengzhong District, Liuzhou	320	255	302	52.15%
				762	506	634	

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	Chongqing	Fenghua Melody	Shapingba District, Chongqing	102	71	102	24.50%
		Fontaine Island	Nan'an District, Chongqing	178	132	3	24.50%
		Liangjiang New Town Internet Data Center	Liangjiang New Area, Chongqing	40	–	40	49.00%
		Life In Art Dist	Jiulongpo District, Chongqing	52	37	52	34.00%
		Ocean City	Jiulongpo District, Chongqing	126	125	95	40.00%
		Poetry of Landscape	Shapingba District, Chongqing	166	119	21	100.00%
		Sino-Ocean Garden	Banan District, Chongqing	592	480	192	42.50%
				1,256	964	505	
	Xishuangbanna ¹	Rainforest Resorts	Jinghong City, Xishuangbanna ¹	515	429	412	26.08%
	Kunming	In Galaxy (formerly known as Chenggong Project)	Chenggong District, Kunming	222	218	125	39.80%
		In Galaxy (formerly known as Chenggong Project, Phase II)	Chenggong District, Kunming	99	88	99	39.80%
		Sino-Ocean Esthetics Mansion	Panlong District, Kunming	164	145	59	37.15%
				485	451	283	
	Luzhou	Sky Masion	Jiangyang District, Luzhou	279	207	279	52.15%
	Lanzhou	Sky Masion	Yuzhong County, Lanzhou	397	301	273	31.29%
				10,214	7,398	7,840	
Other Region	Jakarta	Alam Sutera Project	Greater Jakarta, Indonesia	66	57	66	28.00%
	Singapore	Cairnhill 16	Area 9, Singapore	4	4	4	30.00%
				70	61	70	
Total				79,128	57,687	53,135	

Note 1: Xishuangbanna is an abbreviation for Xishuangbanna Dai Autonomous Prefecture.

Property Investment

In 2021, revenue from property investment decreased by 17% to RMB410 million (2020: RMB494 million), which was mainly due to the implementation of mid to light asset mode for the Group's investment properties. As at 31 December 2021, the Group held more than 23 operating investment properties.

The investment properties of the Group and its joint ventures and associates as at 31 December 2021 are set out as follows:

Projects	Districts	Approximate leasable area (sq.m.)	Office premises (sq.m.)	Retail space (sq.m.)	Logistics projects (sq.m.)	Others (sq.m.)	Occupancy rate (%)	Interest attributable to the Group (%)
Ocean International Center (Beijing)	Chaoyang District, Beijing	103,000	76,000	9,000	–	18,000	92%	100%
Ocean Plaza (Beijing)	Xicheng District, Beijing	30,000	26,000	–	–	4,000	99%	72%
San Francisco Project (USA)	Financial District, San Francisco	7,000	7,000	–	–	–	100%	100%
Other projects		72,000	–	41,000	–	31,000		
Subtotal		212,000	109,000	50,000	–	53,000		
Other								
China Life Financial Center (Beijing)	Chaoyang District, Beijing	111,000	111,000	–	–	–	66%	10%
E-wing Center (Beijing)	Haidian District, Beijing	12,000	12,000	–	–	–	88%	69%
INDIGO (Beijing)	Chaoyang District, Beijing	181,000	52,000	48,000	–	81,000	96%	50%
Ocean International Center, Phase II (Beijing)	Chaoyang District, Beijing	70,000	46,000	13,000	–	11,000	86%	35%
Ocean Office Park (Beijing)	Chaoyang District, Beijing	108,000	81,000	12,000	–	15,000	84%	29%
Ocean Rayzone (Beijing)	Fengtai District, Beijing	119,000	110,000	5,000	–	4,000	34%	21%
Ocean We-life Plaza (Beijing)	Chaoyang District, Beijing	31,000	–	31,000	–	–	98%	64%
Eco-city Aegean Place (Tianjin)	Binhai New Area, Tianjin	41,000	–	41,000	–	–	89%	52%
Hedong Aegean Place (Tianjin)	Hedong District, Tianjin	94,000	–	94,000	–	–	99%	34%
Ocean International Center (Tianjin)	Hedong District, Tianjin	53,000	53,000	–	–	–	77%	69%
Ocean We-life (Tianjin)	Binhai New Area, Tianjin	28,000	–	28,000	–	–	95%	70%
Ocean We-life Plaza (Tianjin)	Hedong District, Tianjin	42,000	–	42,000	–	–	95%	64%
Aegean Place (Jinan)	Shanghe Country, Jinan	35,000	–	35,000	–	–	93%	31%
H88 Yuehong Plaza (Shanghai)	Xuhui District, Shanghai	56,000	56,000	–	–	–	90%	24%
Haixing Plaza (Shanghai)	Huangpu District, Shanghai	14,000	10,000	–	–	4,000	75%	37%
Sino-Ocean Tower (Shanghai)	Huangpu District, Shanghai	64,000	46,000	4,000	–	14,000	89%	15%
Aegean Place (Suzhou)	Wujiang District, Suzhou	49,000	–	49,000	–	–	90%	26%
Grand Canal Place (Hangzhou)	Gongshu District, Hangzhou	69,000	–	68,000	–	1,000	97%	60%
Aegean Place (Fuzhou)	Cangshan District, Fuzhou	92,000	–	92,000	–	–	99%	31%
Sino-Ocean Taikoo Li (Chengdu)	Jinjiang District, Chengdu	174,000	–	84,000	–	90,000	96%	50%
Other projects		2,268,000	254,000	81,000	1,868,000	65,000		
Subtotal		3,711,000	831,000	727,000	1,868,000	285,000		
Total		3,923,000	940,000	777,000	1,868,000	338,000		

The audited consolidated results of the Group for the year ended 31 December 2021 are as follows:

Consolidated Balance Sheet

		As at 31 December	
		2021	2020
	<i>Note</i>	RMB'000	RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		3,204,097	2,475,703
Right-of-use assets		406,749	140,286
Land use rights		197,949	177,320
Intangible assets		219,074	108,746
Goodwill		378,198	147,415
Investment properties		6,441,213	12,055,798
Investments in joint ventures		25,290,806	21,218,447
Investments in associates		6,730,935	6,696,748
Financial assets at fair value through other comprehensive income		6,234,811	6,751,919
Financial assets at fair value through profit or loss		4,924,143	5,063,770
Trade and other receivables and prepayments	5	12,506,992	12,289,424
Deferred income tax assets		1,983,856	1,772,655
Total non-current assets		68,518,823	68,898,231
Current assets			
Properties under development		81,334,265	74,718,502
Inventories, at cost		779,431	667,794
Land development cost recoverable		1,283,191	1,268,872
Completed properties held for sale		23,498,303	18,074,742
Financial assets at fair value through profit or loss		563,118	11,160
Trade and other receivables and prepayments	5	77,969,815	51,197,152
Contract assets		226,052	923,600
Restricted bank deposits		5,423,573	4,799,837
Cash and cash equivalents		21,655,471	39,129,442
Total current assets		212,733,219	190,791,101
Total assets		281,252,042	259,689,332

Sino-Ocean Group Holding Limited

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

Stock Code : 03377

		As at 31 December	
		2021	2020
	<i>Note</i>	RMB'000	RMB'000
EQUITY			
Equity attributable to owners of the Company			
Capital		27,329,232	27,329,232
Shares held for Restricted Share Award Scheme		(52,317)	(179,840)
Reserves		(87,891)	400,974
Retained earnings		27,884,787	26,098,570
		55,073,811	53,648,936
Non-controlling interests		21,373,558	16,256,391
Total equity		76,447,369	69,905,327
LIABILITIES			
Non-current liabilities			
Borrowings		73,556,834	56,269,855
Lease liabilities		361,241	97,418
Trade and other payables	6	19,167	18,269
Deferred income tax liabilities		2,201,998	3,312,966
Total non-current liabilities		76,139,240	59,698,508
Current liabilities			
Borrowings		18,667,628	25,933,873
Lease liabilities		65,832	50,513
Trade and other payables	6	55,235,731	57,527,155
Contract liabilities		42,348,003	34,318,360
Income tax payable		11,964,046	12,065,543
Financial liabilities at fair value through profit or loss		384,193	190,053
Total current liabilities		128,665,433	130,085,497
Total liabilities		204,804,673	189,784,005
Total equity and liabilities		281,252,042	259,689,332

Consolidated Income Statement

	Note	Year ended 31 December	
		2021 RMB'000	2020 RMB'000
Revenue	4	64,247,332	56,510,626
Cost of sales	7	(52,989,257)	(46,053,384)
Gross profit		11,258,075	10,457,242
Interest and other income		2,249,551	2,393,988
Other gains — net	8	76,267	1,334,593
Fair value losses on investment properties		(63,862)	(156,045)
Selling and marketing expenses	7	(1,664,606)	(1,293,120)
Administrative expenses	7	(1,954,854)	(1,815,995)
Operating profit		9,900,571	10,920,663
Finance costs	9	(2,238,690)	(2,110,906)
Share of results of joint ventures		1,572,808	982,999
Share of results of associates		562,425	257,558
Profit before income tax		9,797,114	10,050,314
Income tax expense	10	(4,705,828)	(5,367,439)
Profit for the year		5,091,286	4,682,875
Attributable to:			
Owners of the Company		2,729,143	2,866,283
Non-controlling interests		2,362,143	1,816,592
		5,091,286	4,682,875
Earnings per share attributable to owners of the Company during the year (expressed in RMB)			
Basic earnings per share	11	0.358	0.376
Diluted earnings per share	11	0.358	0.376

Sino-Ocean Group Holding Limited

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Consolidated Statement of Comprehensive Income

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Profit for the year	5,091,286	4,682,875
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Fair value losses on financial assets at fair value through other comprehensive income, net of tax	(307,251)	(20,609)
Items that may be reclassified to profit or loss		
Currency translation differences	254,949	760,361
Deferred hedging gains and losses	5,171	(62,017)
Share of other comprehensive income of investments accounted for using the equity method	12,545	—
Other comprehensive (loss)/income for the year	(34,586)	677,735
Total comprehensive income for the year, net of tax	5,056,700	5,360,610
Total comprehensive income attributable to:		
— Owners of the Company	2,825,695	3,552,705
— Non-controlling interests	2,231,005	1,807,905
	5,056,700	5,360,610

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

Sino-Ocean Group Holding Limited (the “Company”) is a limited liability company incorporated in Hong Kong on 12 March 2007. The address of its registered office is Suite 601, One Pacific Place, 88 Queensway, Hong Kong. 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 consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The consolidated financial statements have been approved for issue by the Board of Directors on 23 March 2022.

2 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) and requirements of the Hong Kong Companies Ordinance Cap. 622. They have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, which are carried at fair values.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

The Company’s auditor has reported on the financial statements of the Group for the years ended 31 December 2021 and 2020. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

The financial information relating to the years ended 31 December 2021 and 2020 included in this announcement of annual results 2021 does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “Companies Ordinance”) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2020 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 December 2021 in due course.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are consistent with those for the year ended 31 December 2020 except as those disclosed under note 3.1 below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2021:

Interest Rate Benchmark Reform — Phase 2 — amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future period.

(b) New standards and interpretations not yet adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

4 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors of the Company, who make strategic decisions.

The executive directors of the Company considers the business from both a geographic and product perspective. From the product perspective, the management considers the performance of property development, property management and property investment. Property development businesses are further segregated geographically.

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

The executive directors of the Company assesses the performance of the operating segments based on a measure of operating profit. This measurement basis excludes the effects of other gains/losses 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 executive directors of the Company, 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 share of 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 executive directors of the Company, 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, financial assets at fair value through other comprehensive income, 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 financial liabilities at fair value through profit or loss, all of which are managed on a central basis as well. These are part of the reconciliation to total balance sheet assets and liabilities.

The segment information provided to the executive directors of the Company for the reportable segments for the years ended 31 December 2021 and 2020 is as follows:

	Property development									
	Beijing <i>RMB'000</i>	Bohai Rim Region <i>RMB'000</i>	Eastern China <i>RMB'000</i>	Southern China <i>RMB'000</i>	Central China <i>RMB'000</i>	Western China <i>RMB'000</i>	Property investment <i>RMB'000</i>	Property management <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
Year ended 31 December 2021										
Total revenue	10,661,357	8,463,618	11,857,705	11,571,912	9,370,075	3,237,363	419,035	2,965,559	11,095,095	69,641,719
Inter-segment revenue	–	–	–	(32,080)	–	–	(9,405)	(435,410)	(4,917,492)	(5,394,387)
Revenue (from external customers)	10,661,357	8,463,618	11,857,705	11,539,832	9,370,075	3,237,363	409,630	2,530,149	6,177,603	64,247,332
Segment operating profit	544,926	2,457,322	2,273,764	1,214,294	1,044,032	261,555	233,705	153,944	2,245,009	10,428,551
Depreciation and amortization	(13,214)	(1,531)	(6,955)	(9,524)	(1,213)	(2,118)	(48)	(29,272)	(218,833)	(282,708)
Year ended 31 December 2020										
Total revenue	5,498,635	7,537,069	16,055,887	8,850,958	8,031,296	3,673,354	503,070	2,023,319	8,309,781	60,483,369
Inter-segment revenue	–	(29,762)	–	–	–	–	(9,374)	(259,805)	(3,673,802)	(3,972,743)
Revenue (from external customers)	5,498,635	7,507,307	16,055,887	8,850,958	8,031,296	3,673,354	493,696	1,763,514	4,635,979	56,510,626
Segment operating profit	655,830	2,300,445	2,712,843	1,342,111	957,140	243,170	312,774	125,946	1,907,091	10,557,350
Depreciation and amortization	(15,696)	(528)	(282)	(6,758)	(1,550)	(3,585)	(438)	(27,521)	(92,591)	(148,949)
As at 31 December 2021										
Total segment assets	14,193,182	28,698,044	23,095,005	31,067,543	33,984,311	5,343,727	7,153,348	3,505,593	88,406,107	235,446,860
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,097	4,621	7,189	9,150	4,111	2,353	16,172	78,378	2,216,713	2,339,784
Total segment liabilities	6,446,310	19,822,624	16,555,536	17,822,890	20,004,168	3,729,717	358,291	1,335,528	23,918,956	109,994,020
As at 31 December 2020										
Total segment assets	23,829,030	25,071,789	26,666,760	29,019,396	16,134,961	5,288,440	11,725,479	2,892,049	77,108,873	217,736,777
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,169	1,006	41	1,456	1,256	1,060	271,081	9,638	875,990	1,162,697
Total segment liabilities	13,415,767	20,901,800	15,995,054	16,635,162	8,117,380	3,271,978	1,439,601	997,900	23,302,616	104,077,258

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

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Segment operating profit	10,428,551	10,557,350
Corporate finance income	2,649	59,663
Corporate overheads	(543,034)	(874,898)
Fair value losses on investment properties	(63,862)	(156,045)
Other gains — net (Note 8)	76,267	1,334,593
Finance costs (Note 9)	(2,238,690)	(2,110,906)
Share of results of joint ventures	1,572,808	982,999
Share of results of associates	562,425	257,558
Profit before income tax	9,797,114	10,050,314

Reportable and other segments' assets and liabilities are reconciled to total assets and liabilities as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Total segment assets	235,446,860	217,736,777
Corporate cash and cash equivalents	77,513	437,856
Investments in joint ventures	25,290,806	21,218,447
Investments in associates	6,730,935	6,696,748
Financial assets at fair value through other comprehensive income	6,234,811	6,751,919
Financial assets at fair value through profit or loss	5,487,261	5,074,930
Deferred income tax assets	1,983,856	1,772,655
Total assets per consolidated balance sheet	281,252,042	259,689,332
Total segment liabilities	109,994,020	104,077,258
Current borrowings	18,667,628	25,933,873
Non-current borrowings	73,556,834	56,269,855
Deferred income tax liabilities	2,201,998	3,312,966
Financial liabilities at fair value through profit or loss	384,193	190,053
Total liabilities per consolidated balance sheet	204,804,673	189,784,005

For the year ended 31 December 2021, included in the revenue of sales of properties, RMB54,210,558,000 (2020: RMB44,378,836,000) was recognised as a point in time, RMB919,392,000 (2020: RMB5,238,601,000) was recognised over time.

The Company is incorporated in Hong Kong, with most of its major subsidiaries domiciled in the PRC. Revenues from external customers of the Group are mainly derived in the PRC for the years ended 31 December 2021 and 2020.

As at 31 December 2021, total non-current assets other than financial instruments and deferred income tax assets located in the PRC amounted to RMB42,622,070,000 (2020: RMB42,772,506,000), total non-current assets located in Hong Kong and in United States amounted to RMB4,675,000 (2020: RMB6,536,000) and RMB242,276,000 (2020: RMB241,421,000), respectively.

For the year ended 31 December 2021 and 2020, the Group does not have any single customer with the transaction value over 10% of the total external sales.

5 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Trade receivables (a)	6,036,278	4,224,342
Other receivables and prepayments (b)	84,440,529	59,262,234
	90,476,807	63,486,576
Less: non-current portion	(12,506,992)	(12,289,424)
Current portion	77,969,815	51,197,152

(a) Trade receivables

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Trade receivables	6,186,858	4,373,540
Less: provision for impairment of trade receivables	(150,580)	(149,198)
	6,036,278	4,224,342
Less: non-current portion	–	–
Current portion	6,036,278	4,224,342

Proceeds from services and sales rendered are to be received in accordance with the term of respective agreement, and the credit term is very short. An ageing analysis of trade receivables mainly based on invoice or bills issuance date at the respective balance sheet dates is as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Within 6 months	3,747,552	2,765,858
Between 6 months to 1 year	980,880	865,767
Between 1 year to 2 years	1,144,667	606,844
Between 2 years to 3 years	214,573	80,743
Over 3 years	99,186	54,328
	<u>6,186,858</u>	<u>4,373,540</u>

As at 31 December 2021, no trade receivables (2020: nil) were pledged as collateral for the Group's borrowings.

Movements on the provision for impairment of trade receivables are as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
At 1 January	(149,198)	(132,932)
Provision for receivable impairment	(57,406)	(46,963)
Write-off	56,024	30,697
At 31 December	<u>(150,580)</u>	<u>(149,198)</u>

(b) Other receivables and prepayments

	As at 31 December					
	Current RMB'000	2021 Non-Current RMB'000	Total RMB'000	Current RMB'000	2020 Non-Current RMB'000	Total RMB'000
Entrusted loans due from						
joint ventures	2,399,956	5,632,615	8,032,571	708,680	5,659,756	6,368,436
Entrusted loans due from associates	5,130,863	38,015	5,168,878	160,384	3,434,933	3,595,317
Entrusted loans due from third parties	1,933,947	1,629,544	3,563,491	749,767	1,027,967	1,777,734
Entrusted loans due from						
non-controlling interests	15,000	310,000	325,000	312,700	325,000	637,700
Amounts due from joint ventures	24,902,831	1,906,179	26,809,010	18,329,200	–	18,329,200
Amounts due from						
non-controlling interests	8,307,710	–	8,307,710	5,215,269	–	5,215,269
Amounts due from associates	7,722,884	–	7,722,884	2,944,124	–	2,944,124
Amounts due from third parties	2,500,802	–	2,500,802	1,998,467	–	1,998,467
	52,913,993	9,516,353	62,430,346	30,418,591	10,447,656	40,866,247
Less: provision for impairment	(192,548)	(31,686)	(224,234)	(129,838)	–	(129,838)
	52,721,445	9,484,667	62,206,112	30,288,753	10,447,656	40,736,409
Receivables from government	2,547,202	–	2,547,202	2,702,459	–	2,702,459
Payment for the cooperation of						
potential properties development						
projects	2,778,550	–	2,778,550	2,048,222	1,025,010	3,073,232
Receivables from disposal of interest						
in subsidiaries	8,004	2,586,295	2,594,299	1,018,951	–	1,018,951
Other receivables	3,335,039	200,000	3,535,039	3,303,168	200,000	3,503,168
	8,668,795	2,786,295	11,455,090	9,072,800	1,225,010	10,297,810
Less: provision for impairment	(84,882)	(33,222)	(118,104)	(92,499)	–	(92,499)
	8,583,913	2,753,073	11,336,986	8,980,301	1,225,010	10,205,311
Tax prepayments	9,573,304	2,060	9,575,364	6,398,941	199,626	6,598,567
Other prepayments	1,054,875	267,192	1,322,067	1,304,815	417,132	1,721,947
	10,628,179	269,252	10,897,431	7,703,756	616,758	8,320,514
Total other receivables and prepayments	71,933,537	12,506,992	84,440,529	46,972,810	12,289,424	59,262,234

The carrying amounts of trade and other receivables and prepayments approximate their respective fair values as at 31 December 2021 and 2020.

6 TRADE AND OTHER PAYABLES

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Trade payables (i)	20,967,265	19,685,589
Accrued expenses	5,773,016	6,915,241
Amounts due to joint ventures (ii)	6,292,286	7,979,029
Amounts due to associates (ii)	2,035,391	2,462,410
Amounts due to non-controlling interests (ii)	2,252,897	4,419,311
Amounts due to government	46,003	135,416
Other taxes payable	5,944,699	3,185,649
Deposits received	5,729,677	7,324,472
Other payables	6,213,664	5,438,307
	55,254,898	57,545,424
Less: non-current portion	(19,167)	(18,269)
Current portion	55,235,731	57,527,155

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

- (i) An ageing analysis of the trade payables (including amounts due to related parties of trading in nature mainly based on the date of invoice is as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Within 6 months	9,676,634	9,548,134
Between 6 months to 12 months	6,150,387	3,819,304
Between 1 year to 2 years	4,144,319	4,728,907
Between 2 years to 3 years	957,530	1,085,312
Over 3 years	38,395	503,932
	20,967,265	19,685,589

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

7 EXPENSES BY NATURE

Expenses by nature comprised cost of sales, selling and marketing expenses and administrative expenses as follows:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Cost of properties and land use rights sold:		
— Land use rights	20,702,927	18,192,150
— Capitalized interest	5,428,141	4,420,866
— Construction related cost	19,617,380	17,930,857
Cost of up fitting services rendered	3,654,483	2,895,285
Direct investment property expenses	162,633	71,203
Employee benefit expense	1,993,772	1,742,316
Consultancy fee	477,964	522,038
Auditor's remuneration	16,734	15,484
— Audit services	11,400	12,255
— Non-audit services	5,334	3,229
Depreciation	148,488	61,474
Depreciation of right-of-use assets	103,651	77,980
Amortization of land use rights and intangible asset	30,569	9,495
Advertising and marketing	1,552,251	1,074,244
Business taxes and other levies	405,166	364,455
Impairment charges	399,826	262,720
Derecognition of goodwill	20,993	78,037
Office expenditure	92,848	75,594
Properties maintenance expenses	1,160,659	895,891
Energy expenses	237,764	105,035
Others	402,468	367,375
	56,608,717	49,162,499

8 OTHER GAINS — NET

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Gains/(losses) on disposal of interests in subsidiaries	366,452	(338,396)
Fair value (losses)/gains of financial assets and financial liabilities at fair value through profit or loss	(544,331)	486,219
Gains/(losses) on disposal of joint ventures and associates	7,749	(73,622)
Gains on deemed disposal of joint ventures and associates	76,753	64,072
Gains on disposal of financial assets at fair value through profit or loss	–	87,896
Exchange gains	348,416	1,213,393
Payment for the settlement of contracted obligations	(179,154)	(107,918)
(Losses)/gains on disposal of property, plant and equipment	(2,570)	2,223
Other gains	2,952	726
	<u>76,267</u>	<u>1,334,593</u>

9 FINANCE COSTS

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Interest expense:		
— Bank borrowings	1,380,955	1,027,805
— Other borrowings	3,230,644	3,792,991
— Lease Liabilities	27,712	11,117
	<u>4,639,311</u>	<u>4,831,913</u>
Less: interest capitalized at a capitalization rate of 4.96% (2020: 5.10%) per annum	(2,400,621)	(2,721,007)
	<u>2,238,690</u>	<u>2,110,906</u>

10 INCOME TAX EXPENSE

Majority of the Group entities are subjected to PRC enterprise income tax, which has been provided based on the statutory income tax rate of 25% of the assessable income of each of these Group entities for the years ended 31 December 2021 and 2020. Other Group entities are mainly subject to Hong Kong profits tax.

The amount of income tax expense charged to the income statement represents:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Current income tax:		
— PRC enterprise income tax	3,396,217	2,491,100
— PRC land appreciation tax	2,021,959	2,817,307
Deferred income tax	(712,348)	59,032
	4,705,828	5,367,439

Taxation on the Group's profit before tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the Group as follows:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Profit before income tax	9,797,114	10,050,314
Adjust for: Share of results of joint ventures	(1,572,808)	(982,999)
Share of results of associates	(562,425)	(257,558)
	7,661,881	8,809,757
Tax calculated at a tax rate of 25%	1,915,470	2,202,439
Effect of higher tax rate for the appreciation of land in the PRC	1,516,469	2,112,980
Income not subject to tax	(10,842)	(17,239)
Expenses not deductible for tax purposes	1,136,551	833,599
Tax losses not recognised	370,106	442,972
Utilization of previously unrecognised tax losses and expenses	(347,643)	(360,610)
Reversal of previously recognised deferred income tax assets	35,127	92,679
Deductible temporary differences not recognised	90,590	60,619
	4,705,828	5,367,439

11 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 ordinary shares in issue during the year excluding ordinary shares purchased by the Company and held as share held for Restricted Share Award Scheme.

	Year ended 31 December	
	2021	2020
Profit attributable to owners of the Company (RMB'000)	2,729,143	2,866,283
Profit used to determine basic earnings per share (RMB'000)	2,729,143	2,866,283
Weighted average number of ordinary shares in issue (thousands)	7,616,096	7,616,096
Basic earnings per share (RMB per share)	0.358	0.376

(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 two categories of dilutive potential ordinary shares: share options and shares held for the Restricted Share Award Scheme. For the share options 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 awarded shares. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options and awarded shares.

	Year ended 31 December	
	2021	2020
Profit attributable to owners of the Company (RMB'000)	2,729,143	2,866,283
Profit used to determine diluted earnings per share (RMB'000)	2,729,143	2,866,283
Weighted average number of ordinary shares in issue (thousands)	7,616,096	7,616,096
Adjustment for:		
— shares held for the Restricted Share Award scheme (thousands)	—	—
Weighted average number of ordinary shares for diluted earnings per share (thousands)	7,616,096	7,616,096
Diluted earnings per share (RMB per share)	0.358	0.376

12 DIVIDENDS

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Interim dividend paid	<u>347,595</u>	<u>416,333</u>
Proposed final dividend of RMB0.026 (2020: RMB0.075) per ordinary share (a)	<u>198,018</u>	<u>571,207</u>

- (a) On 23 March 2022, the Company proposed a final dividend of RMB198,018,000 for the year ended 31 December 2021 and this proposed dividends is not reflected as a dividend payable in these consolidated financial statements, but will be reflected as an appropriation from retained earnings for the year ended in December 2021.

13 SUBSEQUENT EVENT

- (a) On 8 February 2022, Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary of the Company, issued Guaranteed Green Notes with total principal amount of USD200,000,000 at interest rate of 2.70% due in 2025 (the "Notes"). The Notes are unsecured and guaranteed by the Company.
- (b) On 18 March 2022, Sino-Ocean Holding Group (China) Limited, a wholly-owned subsidiary of the Company, issued bonds with total principal amount of RMB2,000,000,000 with coupon rate 5.32% per year of a term of three years.

EVENTS AFTER THE YEAR ENDED 31 DECEMBER 2021

Save as disclosed in note 13 (Subsequent Event) to the consolidated financial statements in this announcement, the Group did not have material subsequent events after the reporting period.

AUDITOR'S PROCEDURES PERFORMED ON THIS ANNOUNCEMENT OF ANNUAL RESULTS

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto in this announcement of annual results for the year ended 31 December 2021 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement of annual results.

FINAL DIVIDEND

The Board proposed to recommend at the AGM to be held on Friday, 20 May 2022 for the payment of a final dividend of RMB0.026 per ordinary share (equivalent to HKD0.032 per ordinary share, rounded to the nearest three decimal places) for the year ended 31 December 2021. The final dividend will be paid in cash in Hong Kong dollars. The relevant exchange rate is the average central parity rate of Renminbi to Hong Kong dollars as announced by the People's Bank of China for the period from Wednesday, 16 March 2022 to Tuesday, 22 March 2022 (RMB1=HKD1.2300). The final dividend is subject to the approval of the Shareholders at the AGM. The final dividend will be paid to the Shareholders whose names are standing in the register of members of ordinary shares of the Company on Wednesday, 25 May 2022. In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited (the "Share Registrar") at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 25 May 2022.

It is expected that the cheques for cash entitlement in relation to the 2021 final dividend will be despatched at the risk of those entitled thereto to their respective registered addresses on or around Tuesday, 5 July 2022.

The dividend payout ratio has been adjusted to slightly lower as considered the market downward pressure and uncertainties. The Group put strong emphasis on enhancing shareholders' investment value in long-term and stable return, in the case that the market overall business situation returns to stable, we expected that the 2022 annual dividend payout ratio will be higher than that of the average of the past few years.

Sino-Ocean Group Holding Limited

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

Stock Code : 03377

ANNUAL GENERAL MEETING

The AGM will be held on Friday, 20 May 2022. The notice of AGM will be published and despatched to the Shareholders in the manner as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of ordinary shares of the Company will be closed from Tuesday, 17 May 2022 to Friday, 20 May 2022 (both dates inclusive), during which period no transfer of ordinary shares will be registered. In order to qualify for attending the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Share Registrar no later than 4:30 p.m. on Monday, 16 May 2022.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

On 5 May 2021, the Group repurchased its USD700,000,000 floating rate guaranteed notes due 2021 (the “2021 Notes”) issued by SOL Treasure IV, a wholly-owned subsidiary of the Company, of an aggregate principal amount of USD214,385,000 by way of a tender offer at the purchase price of 100.20% of the principal amount of the 2021 Notes, plus accrued and unpaid interest. The repurchased notes had been cancelled. For details of the repurchase, please refer to the announcements of the Company dated 21 April 2021, 30 April 2021 and 6 May 2021. After cancellation of the repurchased notes, the outstanding aggregate principal amount of the 2021 Notes was USD485,615,000. Subsequently, SOL Treasure IV had redeemed the 2021 Notes in full at their outstanding principal amount of USD485,615,000, plus accrued and unpaid interest in July 2021 on its final maturity date.

On 8 November 2021, the Group repurchased (i) its USD700,000,000 6.000% guaranteed notes due 2024 (the “2024 Notes”) issued by Sino-Ocean Land Treasure Finance I Limited, a wholly-owned subsidiary of the Company, of an aggregate principal amount of USD2,000,000 at an aggregate consideration of approximately USD1,713,000 and (ii) its USD500,000,000 5.25% guaranteed notes due 2022 (the “2022 Notes”) issued by SOL Treasure IV of an aggregate principal amount of USD2,000,000 at an aggregate consideration of approximately USD1,844,000, in the open market. The repurchased notes were subsequently cancelled on 4 March 2022. After cancellation of the repurchased notes, the outstanding principal amount of the 2024 Notes and the 2022 Notes is USD698,000,000 and USD498,000,000, respectively.

Save as disclosed above and in the paragraphs headed “Restricted Share Award Scheme” below, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year under review.

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 employees for the continual operation and development of our Group. During the year under review, the trustee of the Award Scheme, pursuant to the terms of the rules and trust deed of the Award Scheme, acquired 7,000,000 shares of the Company by way of acquisition at an aggregate consideration of approximately RMB9,683,615 (including transaction costs). Up to 31 December 2021, accumulated 161,806,297 shares of the Company had been acquired from the market at an aggregate consideration of approximately RMB537,336,163 (including transaction costs), and from receiving scrip shares in lieu of cash dividend by the trustee, representing approximately 2.87% and 2.12% of the issued share capital of the Company as at the Adoption Date and the date of this announcement, respectively.

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

Category of awardees	Date of award	No. of shares awarded but yet to be vested as at 1 January 2021	No. of shares awarded during the year	No. of shares vested during the year	No. of shares lapsed during the year	No. of shares awarded but yet to be vested as at 31 December 2021
Employees of the Group	20 March 2020	68,663,270	–	42,914,543	–	25,748,727

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company had applied the principles and complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules which was in force throughout the year ended 31 December 2021, except for the deviation as disclosed below:

The roles of the chairman (the “Chairman”) and the chief executive officer (the “CEO”) of the Company are served by Mr. LI Ming and have not been segregated as required under code provision A.2.1 of the CG Code which was in force during the year under review. However, the Company considers that the combination of the roles of the Chairman and the CEO 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 CEO are vested in one person, all major decisions are made in consultation with the Board and the senior management of the Company. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position and also facilitates efficiency in 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.

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Further information of the Company's corporate governance practices will be set out in the Corporate Governance Report of the Company's 2021 Annual Report which will be sent to the Shareholders on or around 11 April 2022.

REVIEW OF FINANCIAL STATEMENTS

The audit committee of the Company has reviewed the annual results of the Group for the year ended 31 December 2021.

PUBLICATION OF THE RESULTS ANNOUNCEMENT AND THE ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement has been published on the websites of the Stock Exchange (www.hkexnews.hk) and that of the Company (www.sinooceangroup.com). The Company's annual report for the year ended 31 December 2021 will be despatched to Shareholders on or about 11 April 2022 and will be available on the websites of the Stock Exchange and the Company at about the same time.

APPRECIATION

The Board would like to extend its deepest gratitude to all Shareholders, investors, local authorities, business partners and customers who have been most supportive; also to our Directors, management and the entire staff for their dedicated hard work.

By order of the Board
Sino-Ocean Group Holding Limited
LI Ming
Chairman

Hong Kong, 23 March 2022

As at the date of this announcement, the Board comprises Mr. LI Ming, Mr. WANG Honghui and Mr. CUI Hongjie as executive Directors; Ms. HUANG Xiumei, Mr. ZHAO Peng, Mr. HOU Jun, Mr. CHEN Ziyang and Mr. ZHAN Zhong as non-executive Directors; and Mr. HAN Xiaojing, Mr. SUEN Man Tak, Mr. WANG Zhifeng, Mr. JIN Qingjun and Ms. LAM Sin Lai Judy as independent non-executive Directors.