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ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

FINANCIAL HIGHLIGHTS

- Total contracted sales amounted to RMB43,010 million, representing a decrease of 18% as compared to the corresponding period of 2021.
- Revenue amounted to a record high of RMB23,412 million, representing an increase of 14% as compared to the corresponding period of 2021.
- Gross profit decreased by 7% to RMB4,311 million. Gross profit margin was 18%, representing a decrease of 4 percentage points as compared to the corresponding period of 2021.
- Loss attributable to owners of the Company was RMB1,087 million. Basic and diluted loss per share was RMB0.143. The recorded loss was mainly attributed to (i) the net exchange losses mainly due to the depreciation of RMB against USD; (ii) the decrease in the share of profits from joint ventures; and (iii) the decline in gross profit margin as a result of the downturn in the overall real estate market and the continuous novel coronavirus pandemic in China during the first half of 2022.
- Total assets was RMB264,001 million, and equity attributable to owners of the Company amounted to RMB52,285 million.
- Total cash resources amounted to RMB19,642 million, current ratio was 1.71 times, with unutilized facilities of nearly RMB220 billion, maintaining financial soundness.
- The Group's weighted average interest rate was 5.07%, representing an increase of 3 basis points as compared to the corresponding period in 2021.

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 unaudited consolidated results of the Company and its subsidiaries (collectively, the “**Group**” or “**we**”) for the six months ended 30 June 2022.

REVIEW OF THE INTERIM RESULTS

For the six months ended 30 June 2022, our Group’s revenue was RMB23,412 million, representing a year-on-year (“**YoY**”) increase of 14%; due to the adverse impacts caused by the downturn in the overall real estate market and the continuous novel coronavirus pandemic in China, the gross profit was RMB4,311 million, decreased by 7% compared to the corresponding period in 2021 and the gross profit margin was 18% (first half of 2021: 22%). Loss attributable to owners of the Company and loss per share (basic and diluted) were RMB1,087 million and RMB0.143, respectively.

MARKET REVIEW AND OUTLOOK

In the first half of 2022, economic growth in China faced unprecedented pressure as a result of the novel coronavirus pandemic and international situation, with both residents’ consumption capacity and investment forecast on the decline. As the Central Government’s measures to stabilize growth gradually rolled out, regulatory policies for the real estate industry slowly relaxed. However, the industry in China was not out of the woods yet since the second half of last year. Many more property enterprises felt the pressures piling up from external financing and internal operating cash flow, and quite a few defaulted on their debts.

Without losing sight of ‘housing for accommodation not speculation’, measures regulating demands for property had been relaxing since March 2022 — the Central Government lowered the minimum interest rate for individual’s housing loan, local governments adopted city-specific policies, 175 cities adopted measures including relaxation of purchase, reducing the requisite down payment and giving allowance for home purchase. These measures, however, were not enough to counteract the adverse effects on demand due to lower income forecast, concern for delivery and declining property price expectations. Customers were losing confidence and holding back, hence the market continued to be sluggish. Sales of commodity housing in China in the first six months of 2022 dropped by 28.9% YoY, and enterprises suffered huge pressure in cash collection.

In terms of financing, the Central Government’s regulatory body announced the need to ‘support reasonable demands for financing by property enterprises’, ‘maintain the stable and orderly release of real estate development loans’ and etc. However, while the industry had yet to turn around, financial institutions were reluctant to take risks and thus financing continued to deteriorate. In the first half of the year, the total financing of 100 typical property enterprises dropped 53%¹ YoY, net cash outflow from financing activities in the industry continued.

Note 1: According to the statistics provided by CRIC

Sino-Ocean Group Holding Limited

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

Stock Code : 03377

Looking ahead to the next half of the year, while upholding the predominant theme of ‘housing for accommodation not speculation, city-specific adaptation’, policies regulating the industry will further ease off measures controlling supply and demand, and speed up construction of affordable rental housing. As the effects of the policies appear and stock of new properties in core cities reaches the lowest in two years, it is hoped that in the latter half of the year, the market may continue with the mild recovery since May 2022. However, it all takes time and clearance is not over yet. The ‘loan suspension’ incident added uncertainty in the short term. The industry will go through a ‘darkest period before dawn’.

In the mid to long term, the future of the industry is clear and bright as it goes towards a new stage of substantial, sustainable and healthy development with a virtuous circle. The real estate industry is still the pillar of national economy, maintaining a scale of over RMB10 trillion. The industry is forever reinventing itself and will always exist. Departing from the mode of ‘high risk, high profit, high turnover’, the real estate industry in China is going into a sustainable mode of ‘medium risk, medium profit, medium turnover’. Property enterprises will compete in product quality, customer service, and health and safety. The prospect is promising.

FINANCIAL REVIEW

The components of the revenue are analyzed as follows:

(RMB million)	Unaudited Six months ended 30 June		Changes
	2022	2021	
Property development	18,495	16,956	9%
Property investment	210	203	3%
Property management and related services	1,390	1,178	18%
Other real estate related businesses	3,317	2,176	52%
Total	23,412	20,513	14%

The revenue of the Group in the first half of 2022 was RMB23,412 million, representing a 14% increase as compared to RMB20,513 million in the first half of 2021. The property development segment remained the largest contributor, which accounted for approximately 79% of the Group’s total revenue. During the first half of 2022, the revenue from property development contributed by the Beijing, Bohai Rim, Eastern, Southern, Central and Western Regions were 13%, 36%, 13%, 10%, 23% and 5%, 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 focused 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 was mainly due to (i) the increase in GFA under management and increase in number of properties under management; (ii) extension of our commercial operational services to the owners of shopping malls and office buildings; and (iii) expansion of our property engineering services and consultancy services during the reporting period.

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

In line with the increase in revenue, the Group's total cost of sales for the period increased to RMB19,102 million accordingly (first half of 2021: RMB15,901 million).

The Group's total cost of sales was mainly the cost of property development, which mainly consisted of land cost and construction cost.

Excluding car parks, average land cost per sq.m. of property development business during the period decreased to approximately RMB5,300 compared to approximately RMB6,100 in the first half of 2021. The decrease was mainly due to more projects located in tier-two cities, which are having relatively lower land costs, delivered in the first half of 2022. Average construction cost per sq.m. (excluding car parks) for property development business decreased by 8% to approximately RMB4,900 for the first half of 2022, compared to approximately RMB5,300 in the first half of 2021. The decrease in average construction cost was mainly because more villa and tier-one projects with higher construction cost were delivered during the first half of 2021.

Gross profit for the period was RMB4,311 million, representing a decrease of 7% as compared to the corresponding period in 2021. Gross profit margin decreased to approximately 18% (first half of 2021: 22%). The decrease in gross profit margin was mainly because the uncertainties of China's real estate market in the short term increased. Therefore, the Group launched promotions for the leftover unsold units in order to minimize the Group's operating risks.

Interest and other income for the six months ended 30 June 2022 decreased by 14% to RMB968 million (first half of 2021: RMB1,120 million). Such decrease was mainly due to the decrease in the dividend income and interest income during the period.

The Group recorded other losses (net) of RMB1,115 million for the period (first half of 2021: other gains (net) of RMB65 million). Other losses (net) for the first half of 2022 mainly comprised the net effect of net exchange losses, fair value losses of financial assets and liabilities at fair value through profit or loss and gains on disposal of subsidiaries. The other losses (net) during the first half of 2022 were primarily due to the net exchange losses of RMB894 million (first half of 2021: net exchange gains of RMB219 million) arising from the depreciation of RMB against USD to a larger extent.

Affected by the resurgence of the novel coronavirus pandemic, the Group recognized fair value losses on its investment properties (before tax and non-controlling interests) of RMB74 million for the first half of 2022 (first half of 2021: fair value losses of RMB57 million).

Selling and marketing expenses for the first half of 2022 was RMB533 million (first half of 2021: RMB783 million). The decrease for the period was mainly driven by (i) fewer marketing activities due to the tightening of preventive and control measures for the novel coronavirus pandemic; (ii) the decrease in the number of new pre-sale projects; and (iii) the decrease of the contracted sales during the first half of 2022. These costs accounted for approximately 1.2% of the total contracted sales amount for the first half of 2022 (first half of 2021: 1.5%).

Under the Group's strict cost control policy, administrative expenses for the first half of 2022 decreased to RMB698 million (first half of 2021: RMB775 million), representing approximately 3.0% of the total revenue for the first half of 2022 (first half of 2021: 3.8%). We will continue to adopt strict cost control measures to maintain these costs at a relatively stable and low level.

Our weighted average interest rate slightly increased from 5.04% for the first half of 2021 to 5.07% for the first half of 2022. During the first half of 2022, the total interest expenses paid or accrued for the period increased to RMB2,431 million (first half of 2021: RMB2,284 million), of which RMB1,345 million (first half of 2021: RMB1,039 million) was not capitalized and charged through condensed consolidated income statement.

The aggregate of enterprise income tax and deferred income tax increased to RMB1,016 million for the first half of 2022 (first half of 2021: RMB959 million). The increase was mainly due to the increase of tax non-deductible expenses (such as net exchange losses) during the first half of 2022. In addition, land appreciation tax for the first half of 2022 decreased to RMB629 million (first half of 2021: RMB1,035 million). The decrease was mainly due to lower applicable tax rate during the period.

The loss attributable to owners of the Company was RMB1,087 million for the first half of 2022 (first half of 2021: profit of RMB1,010 million). The loss recorded for the reporting period was mainly attributed to (i) the net exchange losses mainly due to the depreciation of RMB against USD; (ii) the decrease in the share of profits from joint ventures; and (iii) the decline in gross profit margin as a result of the downturn in the overall real estate market and the continuous novel coronavirus pandemic in China during the first half of 2022. Our management will continue to focus on the improvement of our Shareholders' return as their on-going tasks.

As at 30 June 2022, the Group had total cash resources (including cash and cash equivalents and restricted bank deposits) of RMB19,642 million, of which approximately 74% (31 December 2021: 89%) of the Group's cash resources were denominated in RMB with the remaining balances mainly denominated in USD and HKD. The current ratio was 1.71 times. Together with the unutilized credit facilities of approximately RMB218,284 million, the Group is confident with its liquidity.

As at 30 June 2022, the Group's net gearing ratio (i.e. total borrowings less total cash resources divided by total equity) was approximately 105% (31 December 2021: 85%). The increase in net gearing ratio was a result of combined impact from multiple extreme factors including continued market downturn, noticeable decline in overall sales and a very harsh financing environment in the first half of the year in China. Cash collection remained slow. In addition, RMB depreciated considerably against USD during the period. All these pushed up the net gearing ratio temporarily. Facing the sharp deterioration of the overall financing environment of China's real estate market, thanks to the strong supports from our major shareholder and financial institutions, the Group maintained the operational soundness. In the second half of 2022, following the gradually relaxing of macro-restriction policies in real estate industry, we would continue to proactively manage the indebtedness and lower the net gearing ratio, so as to have sufficient funding resources to carry out various businesses.

As at 30 June 2022, approximately 63% of the Group's borrowings were made at fixed interest rate. The Group has implemented certain interest rate management which includes, among others, close monitoring of interest rate movements and acquiring certain interest rate swap hedging instruments.

As at 30 June 2022, approximately 58% of the Group's total borrowings were denominated in RMB and the remaining were denominated in other currencies, such as HKD and USD. As a result, the Group had a net currency exposure to fluctuations in foreign exchange rates. As non-RMB currency borrowings are subject to fluctuations of exchange rates, the Group is careful in having borrowings in non-RMB currencies and has entered into certain forward contracts so as to hedge against the potential exchange loss in future years. The Group has never engaged in the dealing of any financial derivative instruments for speculative purposes.

In view of the potential RMB exchange rate fluctuations, the Group will continuously consider appropriate measures including matching non-RMB borrowings with corresponding non-RMB assets and arranging appropriate level of hedging instruments.

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

(RMB million)	As at 30 June 2022		As at 31 December 2021	
	a percentage of total borrowings		a percentage of total borrowings	
Within 1 year	18,225	19%	18,668	20%
1 to 2 years	17,937	19%	17,354	19%
2 to 5 years	50,666	54%	46,077	50%
Over 5 years	7,924	8%	10,125	11%
Total	94,752	100%	92,224	100%

As at 30 June 2022, total pledged assets accounted for approximately 9% of the total assets of the Group (31 December 2021: 7%).

In line with the prevailing commercial practice in the mainland China, the Group provides guarantees for mortgages extended to property buyers before completion of their mortgage registration. As at 30 June 2022, the total amount of the aforesaid guarantees provided by the Group was RMB16,610 million (31 December 2021: RMB15,826 million).

BUSINESS REVIEW

Property Development

Recognized sales

The Group's revenue from property development segment increased by approximately 9% in the first half of 2022 to RMB18,495 million as compared to RMB16,956 million for the corresponding period in 2021. Saleable GFA delivered increased by approximately 28% from 1,126,000 sq.m. for the first half of 2021 to 1,446,000 sq.m. for the first half of 2022. Excluding car park sales, the average selling price recognized for the first half of 2022 decreased to approximately RMB14,700 per sq.m. (first half of 2021: RMB16,700 per sq.m.). The decrease was mainly due to more projects in tier-two cities being delivered during the first half of 2022.

Revenue and saleable GFA delivered by cities during the first half of 2022 are set out as follows:

Regions	Cities	Revenue	Saleable	Approximate
		(RMB million)	GFA delivered (sq.m.)	average selling price recognized (RMB/sq.m.)
Beijing Region	Beijing	590	12,803	46,100
	Taiyuan	49	4,834	10,100
	Qinhuangdao	73	4,721	15,500
	Langfang	1,650	107,285	15,400
		2,362	129,643	18,200

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Bohai Rim Region	Tianjin	406	14,132	28,700
	Qingdao	2,839	82,427	34,400
	Jinan	1,674	89,414	18,700
	Dalian	1,375	74,762	18,400
		6,294	260,735	24,100
Eastern Region	Shanghai	45	1,998	22,500
	Hangzhou	236	7,439	31,700
	Nanjing	99	12,755	7,800
	Suzhou	70	7,521	9,300
	Wuxi	3	151	19,900
	Wenzhou	1,161	96,138	12,100
	Yangzhou	611	39,937	15,300
		2,225	165,939	13,400
Southern Region	Shenzhen	221	9,773	22,600
	Fuzhou	654	46,278	14,100
	Foshan	18	1,620	11,100
	Maoming	50	12,295	4,100
	Zhongshan	207	27,320	7,600
	Zhanjiang	4	425	9,400
	Longyan	719	74,024	9,700
		1,873	171,735	10,900
Central Region	Wuhan	1,778	78,076	22,800
	Zhengzhou	180	26,237	6,900
	Hefei	297	31,569	9,400
	Nanchang	253	23,211	10,900
	Ganzhou	1,485	214,166	6,900
		3,993	373,259	10,700

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Western Region	Chongqing	25	2,067	12,100
	Guiyang	39	3,461	11,300
	Liuzhou	234	33,190	7,100
	Xining	580	56,554	10,300
		878	95,272	9,200
	Other projects	89	8,579	10,400
Subtotal (excluding carparks)		17,714	1,205,162	14,700
Carparks (various projects)		781	241,292	3,200
Total		18,495	1,446,454	12,800

Contracted sales

Due to the adverse impacts caused by the downturn trend in the overall real estate market and the novel coronavirus pandemic in China, the Group's contracted sales (including its joint ventures and associates) during the six months ended 30 June 2022 amounted to RMB43,010 million, representing an approximately 18% decrease as compared to RMB52,370 million from the corresponding period in 2021. GFA sold for the first half of 2022 decreased by approximately 10% to 2,555,000 sq.m. (first half of 2021: 2,834,300 sq.m.). Excluding car park sales, the average selling price decreased by approximately 13% to RMB18,200 per sq.m. (first half of 2021: RMB20,800 per sq.m.). The decrease in average selling price was primarily because fewer mid to high end projects launched sales during the first half of 2022.

There were over 210 projects available for sale during the first half of 2022 (first half of 2021: 170 projects). In terms of distribution, contracted sales from tier-one and tier-two cities accounted for over 80%.

The contracted sales amounts and saleable GFA sold by cities during the first half of 2022 are set out as follows:

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Beijing Region	Beijing	9,449	284,300	33,200
	Shijiazhuang	944	86,400	10,900
	Taiyuan	669	71,700	9,300
	Qinhuangdao	476	38,000	12,500
	Langfang	415	28,800	14,400
	Zhangjiakou	323	43,000	7,500
	Jinzhong	102	13,300	7,700
		12,378	565,500	21,900
Bohai Rim Region	Tianjin	3,081	184,700	16,700
	Qingdao	1,334	60,600	22,000
	Jinan	2,153	165,800	13,000
	Dalian	549	32,700	16,800
	Shenyang	118	15,100	7,800
	Changchun	6	700	8,600
	Anshan	26	3,300	7,900
		7,267	462,900	15,700
Eastern Region	Shanghai	3,273	98,800	33,100
	Hangzhou	31	1,200	25,800
	Nanjing	928	37,500	24,700
	Suzhou	922	57,300	16,100
	Wuxi	807	45,700	17,700
	Nantong	84	11,300	7,400
	Wenzhou	1,067	40,600	26,300
	Yangzhou	706	47,600	14,800
	Jinhua	145	6,500	22,300
	Zhenjiang	321	31,700	10,100
	Huai'an	21	3,600	5,800
	Suqian	153	13,400	11,400
		8,458	395,200	21,400

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Southern Region	Shenzhen	3,950	145,800	27,100
	Guangzhou	311	17,500	17,800
	Fuzhou	288	17,600	16,400
	Foshan	220	17,300	12,700
	Xiamen	966	37,900	25,500
	Zhangzhou	370	22,800	16,200
	Maoming	52	11,200	4,600
	Jiangmen	262	24,400	10,700
	Zhongshan	679	65,900	10,300
	Zhanjiang	105	11,800	8,900
	Longyan	3	300	10,000
		7,206	372,500	19,300
Central Region	Wuhan	1,610	80,000	20,100
	Zhengzhou	431	49,200	8,800
	Hefei	180	13,800	13,000
	Changsha	62	7,800	7,900
	Nanchang	141	15,700	9,000
	Ganzhou	211	25,700	8,200
		2,635	192,200	13,700

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Western Region	Chengdu	202	14,100	14,300
	Chongqing	77	4,900	15,700
	Xi'an	1,973	100,300	19,700
	Kunming	119	16,800	7,100
	Guiyang	708	66,300	10,700
	Urumqi	148	12,500	11,800
	Lanzhou	9	1,700	5,300
	Liuzhou	33	2,200	15,000
	Xining	270	18,800	14,400
	Xishuangbanna ²	106	17,300	6,100
		3,645	254,900	14,300
	Other projects	700	77,300	9,100
Subtotal (excluding carparks)		42,289	2,320,500	18,200
Carparks (various projects)		721	234,500	3,100
Total		43,010	2,555,000	16,800

Note 2: Xishuangbanna is an abbreviation for Xishuangbanna Dai Autonomous Prefecture.

Landbank

As at 30 June 2022, the landbank of the Group (including its joint ventures and associates) decreased to 49,484,000 sq.m. (as at 31 December 2021: 53,135,000 sq.m.); and landbank with attributable interest decreased to 26,527,000 sq.m. (as at 31 December 2021: 28,503,000 sq.m.) accordingly. During the first half of 2022, we together with our joint ventures and associates acquired 5 plots of land, of which the total GFA and attributable interest GFA were approximately 424,000 sq.m. and 334,000 sq.m., respectively. All the new acquired land plots are for residential development, and the average acquisition cost per sq.m. was approximately RMB6,000. In terms of saleable GFA, the average land cost per sq.m. for our landbank as at 30 June 2022 was approximately RMB6,700 (as at 31 December 2021: RMB6,600).

The landbank details of the Group and its joint ventures and associates as at 30 June 2022 are set out as follows:

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 (%)
Beijing Region	Beijing	Anzhen Project	Chaoyang District, Beijing	46	–	46	14.70%
		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	86	25.00%
		Grand Canal Place	Tongzhou District, Beijing	479	334	379	62.25%
		Grand Harmony Emerald Residence	Daxing District, Beijing	224	165	131	40.00%
		Jasper Epoch	Daxing District, Beijing	92	78	45	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	44	85.72%
		Ocean Metropolis	Mentougou District, Beijing	330	276	109	56.88%
		Ocean Poetic Dwelling	Shijingshan District, Beijing	249	187	249	31.00%
		Ocean Wulieepoch	Shijingshan District, Beijing	595	458	147	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	17	20.00%
		Sino-Ocean Apple Garden No. 6	Shijingshan District, Beijing	69	50	62	51.00%
		World View	Chaoyang District, Beijing	71	52	71	25.00%
		Xanadu & Ocean Epoch	Chaoyang District, Beijing	230	193	32	50.00%
		Xanadu & Ocean Palace	Daxing District, Beijing	300	207	103	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%
				5,632	4,407	3,750	

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 (%)
	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	94	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	111	46.00%
				978	728	803	
	Taiyuan	Glory Mansion	Xinghualing District, Taiyuan	288	198	288	50.63%
		Jiefang Road Aegean Place	Xinghualing District, Taiyuan	125	–	125	50.63%
		Ocean Seasons	Wanbailin District, Taiyuan	308	254	308	70.00%
		Sky Masion	Yingze District, Taiyuan	394	286	313	36.54%
		Sky of Palace	Wanbailin District, Taiyuan	897	529	897	26.60%
		Villa Epoch	Yangqu County, Taiyuan	54	34	27	44.00%
		Wangjiafeng Aegean Place	Yingze District, Taiyuan	109	–	109	36.54%
				2,175	1,301	2,067	
	Qinhuangdao	Seatopia	Funing District, Qinhuangdao	1,438	1,243	1,143	100.00%
	Langfang	Capital Palace	Anci District, Langfang	404	292	26	52.15%
		Jingkai Logistics Project	Jingkai District, Langfang	151	–	151	19.29%
		Ocean Brilliant City	Guangyang District, Langfang	1,897	954	1,684	43.20%
		Plot I, Guangyang Logistics Project	Guangyang District, Langfang	41	–	41	64.30%
		Plot II, Guangyang Logistics Project	Guangyang District, Langfang	144	–	144	19.29%
		Yanjiao Sanhe Internet Data Center	Yanjiao County, Langfang	73	–	73	24.50%
				2,710	1,246	2,119	
	Zhangjiakou	Centrality Mansion	Qiaodong District, Zhangjiakou	203	163	92	60.00%
	Tangshan	Sunjiashuang Plot A01, High-tech Zone	High-tech Zone, Tangshan	170	137	170	100.00%
	Jinzhong	Sky Masion	Yuci District, Jinzhong	2,067	1,537	1,436	33.90%
				15,373	10,762	11,580	

Sino-Ocean Group Holding Limited

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

Stock Code : 03377

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 (%)
Bohai Rim Region	Tianjin	Boda Logistics Project	Wuqing District, Tianjin	285	–	285	64.30%
		Capital Palace	Jizhou District, Tianjin	346	213	194	52.15%
		Fantastic Time	Dongli District, Tianjin	151	115	151	51.00%
		Happy Light Year	Wuqing District, Tianjin	504	317	384	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 Orient	Binhai New Area, Tianjin	164	126	164	100.00%
		Sino-Ocean Brilliant Courtyard	Binhai New Area, Tianjin	675	488	102	100.00%
		Sky Masion	Binhai New Area, Tianjin	388	231	162	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	26	60.00%
		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	30.00%
				7,510	5,330	5,372	
	Qingdao	Ocean Crown	Fushan New District, Qingdao	125	95	8	59.50%
		Ocean Glory	Shibei District, Qingdao	102	76	102	10.75%
		Sino-Ocean Harmony	Shibei District, Qingdao	377	270	207	43.00%
		Sino-Ocean Landscape	Jimo District, Qingdao	113	86	113	100.00%
				717	527	430	
	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	123	79.60%
		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	366	29.78%
				3,105	2,561	2,568	
	Dalian	Diamond Bay	Ganjingzi District, Dalian	1,497	1,345	802	100.00%
		Joy of Mountain and Sea	Ganjingzi District, Dalian	189	150	119	51.00%
		Ocean Mansion	Shahekou District, Dalian	36	25	36	100.00%
		Ocean Season Five	Jinpu New Area, Dalian	116	113	116	70.00%
		Ocean Worldview	Jinzhou District, Dalian	1,902	1,645	337	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%
				5,007	4,070	2,677	

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%
	Harbin	Venice Manor	Songbei District, Harbin	181	152	8	52.15%
	Anshan	International Plaza	Tiedong District, Anshan	350	294	163	52.15%
				17,643	13,534	11,991	
	Shanghai	Baoshan Sky Masion	Baoshan District, Shanghai	213	115	213	52.15%
		Dongtan Villa	Chongming District, Shanghai	1,072	672	675	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	18	100.00%
		Yuanbo Hotel Project	Putuo District, Shanghai	54	–	54	23.94%
				1,711	993	1,273	
	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	15	50.00%
		Ocean New Masterpiece	Gongshu District, Hangzhou	44	33	44	51.00%
		Xixi Mansion	Yuhang District, Hangzhou	395	285	7	100.00%
				1,111	650	96	
	Nanjing	Ocean Seasons	Lishui District, Nanjing	234	184	36	100.00%
		The One	Jiangning District, Nanjing	213	153	213	69.80%
				447	337	249	
	Suzhou	Easy Town	Huqiu District, Suzhou	104	85	5	16.50%
		Mansion Yue	Wujiang District, Suzhou	150	147	65	70.00%
		Rocker Park	Huqiu District, Suzhou	240	198	97	30.00%
		Royal Seasons	Taicang City, Suzhou	105	77	45	34.00%
		Scenert East	Zhangjiagang City, Suzhou	108	77	108	100.00%
		Shengze Sky Masion	Wujiang District, Suzhou	262	211	262	34.68%
		Shihu Project	Wuzhong District, Suzhou	49	–	49	100.00%
		Taicang Shaxi Logistics Project I	Taicang City, Suzhou	56	–	56	25.72%
		Taicang Shaxi Logistics Project II	Taicang City, Suzhou	124	–	124	23.41%
		Zhangjiagang Internet Data Center	Zhangjiagang City, Suzhou	24	–	24	75.01%
				1,222	795	835	

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 (%)
	Ningbo	Sino-Fusion Yuyao Simen Logistics Park	Yuyao City, Ningbo	56	–	56	28.19%
	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	109	31.29%
				630	483	516	
	Changzhou	Aegean Place	Wujin District, Changzhou	197	–	197	52.15%
		International Plaza	Wujin District, Changzhou	508	374	85	52.15%
				705	374	282	
	Wenzhou	Aegean Place	Longwan District, Wenzhou	82	–	82	100.00%
		Binhai Sky Masion	Longwan District, Wenzhou	488	306	25	100.00%
		Center Mansion (formerly known as Plot ZX-14a-1, Center District, Leqing)	Leqing City, Wenzhou	40	30	40	100.00%
		Center Mansion (formerly known as Shan Hai One)	Leqing City, Wenzhou	123	100	123	100.00%
		Four Seasons Mansion	Longwan District, Wenzhou	85	60	85	100.00%
		Harbor Heart	Ouhai District, Wenzhou	87	66	87	84.70%
		Ocean Peninsula No.9	Ouhai District, Wenzhou	276	174	276	35.74%
		Xingfuli	Lucheng District, Wenzhou	234	168	234	33.90%
				1,415	904	952	
	Yangzhou	Grand Canal Milestone	Guangling District, Yangzhou	56	43	4	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	615	
	Jiaxing	Pinghu Logistics Project	Pinghu City, Jiaxing	72	–	72	23.41%
	Jinhua	Ocean Mountain Courtyard	Wucheng District, Jinhua	171	124	171	26.60%
	Zhenjiang	Central Mansion	Danyang City, Zhenjiang	607	502	607	50.00%
	Huai’an	International Plaza	Qingjiangpu District, Huai’an	319	264	87	22.42%
	Suqian	Aegean Place	Sucheng District, Suqian	117	–	117	36.50%
		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	36.50%
				1,253	818	1,253	
	Huzhou	Anji Internet Data Center	Anji County, Huzhou	135	–	135	64.30%
				10,521	6,682	7,199	

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 (%)
Southern Region	Shenzhen	Lishan Project	Nanshan District, Shenzhen	156	70	156	48.00%
		Longhua District De Ai Industrial Park	Longhua District, Shenzhen	533	282	533	80.00%
		Ocean Express	Longgang District, Shenzhen	556	437	129	100.00%
		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	1,162	
	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	
	Fuzhou	East Bay Upgrade	Mawei District, Fuzhou	51	42	1	33.50%
		Ocean Tianfu	Cangshan District, Fuzhou	128	97	128	51.00%
		Sino-Ocean Landscape	Mawei District, Fuzhou	89	74	3	55.00%
				268	213	132	
	Foshan	Delight River	Sanshui District, Foshan	207	192	46	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	277	
	Quanzhou	Ocean Prospect	Luojiang District, Quanzhou	51	35	51	70.00%
	Xiamen	Ocean Prospect	Tong’an District, Xiamen	199	144	199	51.00%
	Zhangzhou	Sea and Star	Longwen District, Zhangzhou	266	210	266	51.00%
	Maoming	Sino-Ocean Landscape	Maonan District, Maoming	299	249	226	51.00%
	Jiangmen	Cloud Mansion	Pengjiang District, Jiangmen	176	133	176	51.00%
		Top Mansion	Pengjiang District, Jiangmen	131	101	131	100.00%
				307	234	307	

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 (%)
	Zhongshan	Blossoms Valley	Shenwan Town, Zhongshan	1,172	1,037	958	75.00%
		Natural Mansion	Xiaolan Town, Zhongshan	76	62	76	51.00%
		Ocean Palace	Southern District, Zhongshan	181	134	181	69.80%
		SCity (formerly known as Suixicun 162 Project, Nantou)	Nantou Town, Zhongshan	90	68	77	34.00%
		SCity (formerly known as Suixicun 163 Project, Nantou)	Nantou Town, Zhongshan	34	26	15	34.00%
		Sino-Ocean Landscape	Minzhong Town, Zhongshan	210	159	141	51.00%
				1,763	1,486	1,448	
	Zhanjiang	Ocean City	Xiashan District, Zhanjiang	612	493	381	67.50%
	Longyan	Sino-Ocean Landscape	Xinluo District, Longyan	203	160	109	51.00%
	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%
		Nga Tsin Long Road Project, Kowloon City	Kowloon City District, Hong Kong	6	5	6	100.00%
		Uptify	Yau Tsim Mong District, Hong Kong	3	3	3	100.00%
				149	147	40	
				7,653	5,765	5,133	
Central Region	Wuhan	Aegean Place	Xinzhou District, Wuhan	62	–	62	26.59%
		Citylane	Hanyang District, Wuhan	450	–	450	70.00%
		Dongxihu Xingou Logistics Project	Dongxihu District, Wuhan	112	–	112	64.30%
		Heart of Hankow	Jiangnan District, Wuhan	1,054	997	223	55.90%
		Huazhong Big Data Industrial Park	Jiangxia District, Wuhan	89	–	89	12.50%
		Oriental World View	Hanyang District, Wuhan	1,917	1,430	887	70.00%
		Sky Masion	Xinzhou District, Wuhan	371	268	8	26.59%
		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	2,331	

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 (%)
	Zhengzhou	Fontaine Polaris	Zhongmu County, Zhengzhou	176	141	176	24.50%
		Glory Mansion	Xinzheng City, Zhengzhou	135	103	135	27.85%
		Grand Apartment	Jinshui District, Zhengzhou	172	133	172	24.50%
		Ocean Landscape Courtyard	Yingyang District, Zhengzhou	204	150	168	55.00%
		Ocean Melody	Zhongmu County, Zhengzhou	43	38	12	69.30%
		Ocean Prospect	Xinzheng City, Zhengzhou	169	158	42	38.00%
		Rong Fu	Xinzheng City, Zhengzhou	156	101	118	17.84%
		The Collection	Erqi District, Zhengzhou	182	141	182	49.00%
				1,237	965	1,005	
	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	36	100.00%
		Ocean Landscape	Feidong County, Hefei	200	180	33	59.29%
		West Furong Road Plot, Jingkai District	Jingkai District, Hefei	455	279	455	30.00%
				1,022	728	694	
	Changsha	Aegean Place	Yuhua District, Changsha	69	–	69	40.51%
		Sky Masion	Yuhua District, Changsha	878	616	878	40.51%
		Special Mansion	Wangcheng District, Changsha	482	384	482	24.50%
				1,429	1,000	1,429	
	Nanchang	Aegean Place	Wanli District, Nanchang	124	–	124	50.63%
		Cloud View	Jingkai District, Nanchang	81	61	81	51.00%
		Ocean Palace	Wanli District, Nanchang	173	122	77	51.00%
		Sky Masion	Wanli District, Nanchang	175	163	38	50.63%
				553	346	320	
	Ganzhou	Aegean Place	Nankang District, Ganzhou	144	–	144	53.59%
		Sky Masion	Nankang District, Ganzhou	888	705	508	53.59%
				1,032	705	652	
				9,828	6,748	6,431	

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 (%)
Western Region	Chengdu	Ocean Ecological Land	Xindu District, Chengdu	199	127	199	51.00%
		Ocean Luxury City	Qingyang District, Chengdu	122	106	11	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%
		Wenjiang Internet Data Center	Wenjiang District, Chengdu	54	–	54	24.50%
				1,023	595	678	
	Chongqing	Fenghua Melody	Shapingba District, Chongqing	102	71	19	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	64.30%
		Poetry of Landscape	Shapingba District, Chongqing	166	119	18	100.00%
		Sino-Ocean Garden	Banan District, Chongqing	592	480	192	56.10%
				1,256	964	419	
	Xi’an	Aegean Place	Xincheng District, Xi’an	104	–	104	25.82%
		Emperor Chic	Weiyang District, Xi’an	321	316	215	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	25.82%
				1,944	1,363	1,838	
	Kunming	In Galaxy (formerly known as Chenggong Project)	Chenggong District, Kunming	222	218	115	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	273	

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 (%)
	Guiyang	Sino-Ocean Aristocratic Family	Shuanglong New District, Guiyang	165	135	165	100.00%
		Sino-Ocean Prospect	Yunyan District, Guiyang	100	75	19	89.80%
		Sky Masion	Guanshanhu District, Guiyang	780	565	780	25.82%
		Sky Masion, Retail	Guanshanhu District, Guiyang	89	–	89	25.82%
				1,134	775	1,053	
	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	
	Lanzhou	Sky Masion	Yuzhong County, Lanzhou	397	301	269	30.38%
	Liuzhou	Aegean Place	Yufeng District, Liuzhou	85	–	85	76.55%
		Glory Mansion	Yufeng District, Liuzhou	357	251	200	76.55%
				442	251	285	
	Luzhou	Sky Masion	Jiangyang District, Luzhou	279	207	279	52.15%
	Xining	Aegean Place	Haihu New District, Xining	121	–	121	76.55%
		Sky Masion	Chengzhong District, Xining	1,278	1,018	664	40.51%
		Sky Palace	Chengxi District, Xining	311	254	122	76.55%
				1,710	1,272	907	
	Xishuangbanna	Ocean Rainforest Resorts	Jinghong City, Xishuangbanna	515	429	370	25.32%
				9,894	7,143	7,080	
Other Region	Singapore	Cairnhill 16	Area 9, Singapore	4	4	4	30.00%
	Jakarta	Auraya	Greater Jakarta	66	57	66	28.00%
				70	61	70	
Total				70,982	50,695	49,484	

Property Investment

During the first half of 2022, revenue from property investment increased by 3% to RMB210 million (first half of 2021: RMB203 million), maintained at similar level as the corresponding period of 2021. As at 30 June 2022, the Group (including its joint ventures and associates) held more than 22 operating investment properties. We would continue to implement the asset-light mode for the Group's investment properties and accelerate the cash collection.

The investment properties of the Group and its joint ventures and associates as at 30 June 2022 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	86%	100%
Ocean Plaza (Beijing)	Xicheng District, Beijing	30,000	26,000	–	–	4,000	97%	72%
San Francisco Project (USA)	Financial District, San Francisco	7,000	7,000	–	–	–	100%	100%
Other projects		69,000	–	38,000	–	31,000		
Subtotal		209,000	109,000	47,000	–	53,000		
Other								
China Life Financial Center (Beijing)	Chaoyang District, Beijing	111,000	111,000	–	–	–	67%	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	97%	50%
Ocean International Center, Phase II (Beijing)	Chaoyang District, Beijing	70,000	46,000	13,000	–	11,000	88%	35%
Ocean Office Park (Beijing)	Chaoyang District, Beijing	108,000	81,000	12,000	–	15,000	85%	29%
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	–	–	87%	52%
Hedong Aegean Place (Tianjin)	Hedong District, Tianjin	94,000	–	94,000	–	–	90%	34%
Ocean International Center (Tianjin)	Hedong District, Tianjin	53,000	53,000	–	–	–	79%	69%
Ocean We-life (Tianjin)	Binhai New District, Tianjin	28,000	–	28,000	–	–	89%	70%
Ocean We-life Plaza (Tianjin)	Hedong District, Tianjin	42,000	–	42,000	–	–	87%	64%
Aegean Place (Jinan)	Shanghe County, Jinan	35,000	–	35,000	–	–	90%	30%
H88 Yuehong Plaza (Shanghai)	Xuhui District, Shanghai	56,000	56,000	–	–	–	87%	24%
Haixing Plaza (Shanghai)	Huangpu District, Shanghai	14,000	10,000	–	–	4,000	97%	37%
Sino-Ocean Tower (Shanghai)	Huangpu District, Shanghai	64,000	46,000	4,000	–	14,000	85%	15%
Grand Canal Place (Hangzhou)	Gongshu District, Hangzhou	69,000	–	68,000	–	1,000	95%	60%
Aegean Place (Suzhou)	Wujiang District, Suzhou	49,000	–	49,000	–	–	85%	25%
Aegean Place (Fuzhou)	Cangshan District, Fuzhou	92,000	–	92,000	–	–	97%	31%
Sino-Ocean Taikoo Li (Chengdu)	Jinjiang District, Chengdu	174,000	–	84,000	–	90,000	96%	50%
Other projects		2,289,000	242,000	114,000	1,868,000	65,000		
Subtotal		3,613,000	709,000	755,000	1,868,000	281,000		
Total		3,822,000	818,000	802,000	1,868,000	334,000		

Employees and Human Resources

As of 30 June 2022, the Group had 14,222 employees (31 December 2021: 14,890). The decrease in the number of employees was mainly due to the regular adjustments based on the progress of projects.

The Group's remuneration system has been determined by reference to, including but not limited to, the corporate business performance, the efficiency and accomplishments of the staff and the remuneration level of the same industry in the market. The Company offers share options to motivate competitive staff at appropriate times. The Group will always keep pace with the times and strive to improve human resource efficiency and corporate governance capabilities, provide different training and development programmes to attract, motivate and retain talented staff, so that these talented staff can ultimately bring in higher return to our Shareholders and investors.

EVENT AFTER THE PERIOD ENDED 30 JUNE 2022

Acquisition of the entire equity interests in a property management company

On 12 August 2022, (i) Ocean Homeplus Property Service Corporation Limited* (遠洋億家物業服務股份有限公司), a wholly-owned subsidiary of Sino-Ocean Service Holding Limited (遠洋服務控股有限公司) ("**Sino-Ocean Service**", together with its subsidiaries, the "**Sino-Ocean Service Group**") and a non wholly-owned subsidiary of the Company, as purchaser (the "**Purchaser**"), and (ii) Dalian Sky-Upright Property Limited* (大連正乾置業有限公司), a wholly-owned subsidiary of the Company, and Sino-Ocean Capital Limited* (遠洋資本有限公司) as vendors (collectively, the "**Vendors**") entered into a framework agreement in relation to the acquisition by the Purchaser of 50% equity interests in Tianjin Xihe Supply Chain Services Co., Ltd.* (天津熙合供應鏈服務有限公司) (the "**Target Company**") from each of the Vendors for RMB250 million, i.e. a total consideration of RMB500 million for the entire equity interests in the Target Company (the "**Acquisition**"). The Target Company and its subsidiaries (the "**Target Group**") are principally engaged in property management business in China. Upon completion of the Acquisition, the Target Company will become a wholly-owned subsidiary of Sino-Ocean Service and a non wholly-owned subsidiary of the Company, and the financial results of the Target Group will be consolidated into the financial statements of each of the Sino-Ocean Service Group and the Group. The Acquisition has not been completed as at the date of this announcement.

Details of the Acquisition are set out in the joint announcement of the Company and Sino-Ocean Service dated 12 August 2022.

* For identification purposes only.

The unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2022 are as follows:

Condensed Consolidated Interim Balance Sheet

		As at 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000 (Audited)
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment		3,726,357	3,204,097
Right-of-use assets		384,090	406,749
Land use rights		212,855	197,949
Intangible assets		205,601	219,074
Goodwill		395,280	378,198
Investment properties		6,347,970	6,441,213
Investments in joint ventures		25,366,924	25,290,806
Investments in associates		6,413,675	6,730,935
Financial assets at fair value through other comprehensive income		5,743,138	6,234,811
Financial assets at fair value through profit or loss		4,396,855	4,924,143
Trade and other receivables and prepayments	5	14,402,028	12,506,992
Deferred income tax assets		1,456,057	1,983,856
Total non-current assets		69,050,830	68,518,823
Current assets			
Properties under development		74,531,004	81,334,265
Inventories, at cost		128,862	779,431
Land development cost recoverable		1,323,955	1,283,191
Completed properties held for sale		21,631,542	23,498,303
Financial assets at fair value through profit or loss		756,180	563,118
Trade and other receivables and prepayments	5	76,501,396	77,969,815
Contract assets		435,643	226,052
Restricted bank deposits		5,026,185	5,423,573
Cash and cash equivalents		14,615,320	21,655,471
Total current assets		194,950,087	212,733,219
Total assets		264,000,917	281,252,042

Sino-Ocean Group Holding Limited

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

Stock Code : 03377

		As at 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000 (Audited)
	Note		
EQUITY			
Equity attributable to owners of the Company			
Capital		27,329,232	27,329,232
Shares held for Restricted Share Award Scheme		(23,118)	(52,317)
Reserves		(1,620,581)	(87,891)
Retained earnings		26,599,416	27,884,787
		<u>52,284,949</u>	<u>27,073,811</u>
Non-controlling interests		19,461,905	21,373,558
		<u>71,746,854</u>	<u>76,447,369</u>
LIABILITIES			
Non-current liabilities			
Borrowings		76,527,138	73,556,834
Lease liabilities		346,973	361,241
Trade and other payables	6	55,861	19,167
Deferred income tax liabilities		1,530,932	2,201,998
		<u>78,460,904</u>	<u>76,139,240</u>
Total non-current liabilities			
Current liabilities			
Borrowings		18,224,794	18,667,628
Lease liabilities		77,058	65,832
Trade and other payables	6	47,824,049	55,235,731
Contract liabilities		35,209,388	42,348,003
Income tax payables		12,290,209	11,964,046
Financial liabilities at fair value through profit or loss		167,661	384,193
		<u>113,793,159</u>	<u>128,665,433</u>
Total current liabilities		113,793,159	128,665,433
		<u>192,254,063</u>	<u>204,804,673</u>
Total liabilities		192,254,063	204,804,673
		<u>264,000,917</u>	<u>281,252,042</u>
Total equity and liabilities		264,000,917	281,252,042

Sino-Ocean Group Holding Limited

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

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Condensed Consolidated Interim Income Statement

		Unaudited	
		Six months ended 30 June	
		2022	2021
	Note	RMB'000	RMB'000
Revenue	4	23,412,414	20,512,993
Cost of sales		(19,101,833)	(15,900,724)
Gross profit		4,310,581	4,612,269
Interest and other income		968,241	1,119,723
Other (losses)/gains — net	7	(1,114,973)	65,489
Fair value losses on investment properties		(73,599)	(57,380)
Selling and marketing expenses		(532,885)	(783,253)
Administrative expenses		(697,603)	(775,311)
Operating profit		2,859,762	4,181,537
Finance costs	8	(1,344,637)	(1,039,199)
Share of net profits of joint ventures		67,094	622,005
Share of net profits of associates		170,708	156,105
Profit before income tax		1,752,927	3,920,448
Income tax expense	9	(1,645,043)	(1,994,161)
Profit for the period		107,884	1,926,287
Attributable to:			
Owners of the Company		(1,087,353)	1,009,770
Non-controlling interests		1,195,237	916,517
		107,884	1,926,287
Basic (loss)/earnings per share for (loss)/profit attributable to owners of the Company (expressed in RMB)	10	(0.143)	0.133
Diluted (loss)/earnings per share for (loss)/profit attributable to owners of the Company (expressed in RMB)	10	(0.143)	0.133

Sino-Ocean Group Holding Limited

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

Stock Code : 03377

Condensed Consolidated Interim Statement of Comprehensive Income

	Unaudited	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Profit for the period	107,884	1,926,287
Other comprehensive (loss)/income		
Items that will not be reclassified subsequently to profit or loss		
Fair value losses on financial assets at fair value through other comprehensive income	(122,182)	(165,106)
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	(866,029)	(152,550)
Deferred hedging gains	–	43,700
Share of other comprehensive income of investments accounted for using the equity method	430	12,545
Other comprehensive loss for the period, net of tax	(987,781)	(261,411)
Total comprehensive (loss)/income for the period	(879,897)	1,664,876
Total comprehensive (loss)/income attributable to:		
— Owners of the Company	(2,283,082)	783,069
— Non-controlling interests	1,403,185	881,807
	(879,897)	1,664,876

Notes to the Unaudited Condensed Consolidated Interim Financial Information

1 GENERAL INFORMATION

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

The Company is a limited liability company incorporated 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’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The condensed consolidated interim financial information has not been audited and is presented in Renminbi (“RMB”), unless otherwise stated. The condensed consolidated interim financial information was approved for issue on 31 August 2022 by the Board of Directors of the Company (the “Board”).

2 BASIS OF PREPARATION

The condensed consolidated interim financial information for the six months ended 30 June 2022 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The condensed consolidated interim financial information does not include all the notes of the type normally included in the annual financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

The financial information relating to the year ended 31 December 2021 that is included in the condensed consolidated interim financial information for the six months ended 30 June 2022 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year 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 Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2021 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021, as described in those annual financial statements, except for the adoption of new and amended standards as set out below.

- Property, Plant and Equipment: Proceeds before intended use — Amendments to HKAS 16
- Reference to the Conceptual Framework — Amendments to HKFRS 3
- Onerous Contracts — Cost of Fulfilling a Contract — Amendments to HKAS 37
- Annual Improvements to HKFRS Standards 2018–2020
- Amendments to AG 5 Merger Accounting for Common Control Combinations

These standards and amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

The Group has not early adopted any of the new or amended standards and interpretations which have been published but not yet effective for financial period commencing 1 January 2022.

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 upfitting services and other property related 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 profits/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 condensed consolidated interim financial information.

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 assets and liabilities as recognized in the balance sheet.

	Unaudited									
	Property development									
	Beijing	Bohai Rim	Eastern	Southern	Central	Western	Property	Property	All other	Total
	RMB'000	RMB'000	China	China	China	China	investment	management	segments	RMB'000
			RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Six months ended 30 June 2022										
Total segment revenue	2,487,785	6,681,788	2,339,437	1,893,857	4,176,755	915,882	211,098	1,600,278	4,832,352	25,139,232
Inter-segment revenue	(626)	-	-	(230)	-	-	(1,001)	(210,157)	(1,514,804)	(1,726,818)
Revenue (from external customers)	2,487,159	6,681,788	2,339,437	1,893,627	4,176,755	915,882	210,097	1,390,121	3,317,548	23,412,414
Segment operating profit/(loss)	453,367	1,797,840	109,932	124,258	812,033	(48,757)	86,596	205,981	615,044	4,156,294
Depreciation and amortization	(10,208)	(810)	(1,940)	(5,822)	(989)	(871)	(168)	(18,013)	(105,422)	(144,243)
Six months ended 30 June 2021										
Total segment revenue	900,457	6,065,729	5,545,218	2,273,848	1,154,179	1,016,366	206,790	1,384,601	3,625,692	22,172,880
Inter-segment revenue	-	-	-	-	-	-	(3,943)	(206,900)	(1,449,044)	(1,659,887)
Revenue (from external customers)	900,457	6,065,729	5,545,218	2,273,848	1,154,179	1,016,366	202,847	1,177,701	2,176,648	20,512,993
Segment operating profit/(loss)	192,764	1,419,118	1,128,127	184,969	(135,883)	(154,446)	148,032	183,759	1,459,524	4,425,964
Depreciation and amortization	(7,224)	(852)	(5,779)	(6,393)	(601)	(1,436)	(107)	(12,781)	(144,882)	(180,055)
	Property development									
	Beijing	Bohai Rim	Eastern	Southern	Central	Western	Property	Property	All other	Total
	RMB'000	RMB'000	China	China	China	China	investment	management	segments	RMB'000
			RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 30 June 2022 (Unaudited)										
Total segment assets	15,361,527	21,625,267	20,142,034	27,842,802	30,247,656	6,095,449	6,637,183	3,740,731	88,168,991	219,861,640
Additions to non-current assets (other than financial instruments and deferred income tax assets)	550,084	202	18	15,574	49	-	376	34,679	100,357	701,339
Total segment liabilities	5,868,503	16,651,007	12,203,762	15,319,632	15,676,704	3,009,137	750,204	1,547,429	24,777,160	95,803,538
As at 31 December 2021 (Audited)										
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

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

	Unaudited	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Segment operating profit	4,156,294	4,425,964
Corporate finance income	623	442
Corporate overheads	(108,583)	(252,978)
Fair value losses on investment properties	(73,599)	(57,380)
Other (losses)/gains — net (Note 7)	(1,114,973)	65,489
Finance costs (Note 8)	(1,344,637)	(1,039,199)
Share of net profits of joint ventures	67,094	622,005
Share of net profits of associates	170,708	156,105
Profit before income tax	1,752,927	3,920,448

	As at	As at
	30 June	31 December
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Audited)

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

Total segment assets	219,861,640	235,446,860
Corporate cash and cash equivalents	6,448	77,513
Investments in joint ventures	25,366,924	25,290,806
Investments in associates	6,413,675	6,730,935
Financial assets at fair value through other comprehensive income	5,743,138	6,234,811
Financial assets at fair value through profit or loss	5,153,035	5,487,261
Deferred income tax assets	1,456,057	1,983,856
Total assets per consolidated balance sheet	264,000,917	281,252,042

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

Total segment liabilities	95,803,538	109,994,020
Current borrowings	18,224,794	18,667,628
Non-current borrowings	76,527,138	73,556,834
Deferred income tax liabilities	1,530,932	2,201,998
Financial liabilities at fair value through profit or loss	167,661	384,193
Total liabilities per consolidated balance sheet	192,254,063	204,804,673

For the six months ended 30 June 2022, included in the revenue of sales of properties, RMB18,383,668,000 was recognized as a point in time, RMB110,980,000 was recognized over time.

The Company is incorporated in Hong Kong, with most of its major subsidiaries being domiciled in the Mainland China. Revenues of the Group are mainly derived from external customers in the Mainland China for the six months ended 30 June 2022 and 2021.

As at 30 June 2022, total non-current assets other than financial instruments and deferred income tax assets located in the Mainland China, Hong Kong and the United States of America amounted to approximately RMB42,794,002,000, RMB3,717,000 and RMB255,033,000 (31 December 2021: RMB42,622,070,000, RMB4,675,000 and RMB242,276,000), respectively.

For the six months ended 30 June 2022 and 2021, the Group does not have any single customer with the transaction value over 10% of the Group's total external sales.

5 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000 (Audited)
Trade receivables (a)	6,247,208	6,036,278
Other receivables and prepayments (b)	84,656,216	84,440,529
	90,903,424	90,476,807
Less: non-current portion	(14,402,028)	(12,506,992)
Current portion	76,501,396	77,969,815

(a) Trade receivables

	As at 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000 (Audited)
Trade receivables	6,412,012	6,186,858
Less: provision for impairment of trade receivables	(164,804)	(150,580)
	6,247,208	6,036,278
Less: non-current portion	–	–
Current portion	6,247,208	6,036,278

Proceeds from services and sales rendered are to be received in accordance with the term of respective agreement and provided with a brief credit term. 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 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000 (Audited)
Within 6 months	3,042,065	3,747,552
Between 6 months to 1 year	1,702,889	980,880
Between 1 year to 2 years	1,299,922	1,144,667
Between 2 years to 3 years	317,128	214,573
Over 3 years	50,008	99,186
	<u>6,412,012</u>	<u>6,186,858</u>

As at 30 June 2022, no trade receivables were pledged as collateral for the Group's borrowings (31 December 2021: nil).

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

	As at 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000 (Audited)
Opening amount at beginning of the period	(150,580)	(149,198)
Provision for receivable impairment	(50,011)	(57,406)
Write-off	35,787	56,024
Closing amount at end of the period	<u>(164,804)</u>	<u>(150,580)</u>

(b) Other receivables and prepayments

	As at 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000 (Audited)
Entrusted loans to joint ventures	5,507,336	8,032,571
Entrusted loans to associates	1,356,732	5,168,878
Entrusted loans to non-controlling interests	230,000	325,000
Entrusted loans to third parties	1,698,640	3,563,491
Amounts due from joint ventures	35,526,255	26,809,010
Amounts due from associates	7,444,191	7,722,884
Amounts due from non-controlling interests	7,087,842	8,307,710
Amounts due from third parties	4,456,147	2,500,802
	63,307,143	62,430,346
Less: provision for impairment	(288,573)	(224,234)
	63,018,570	62,206,112
Receivables from government	2,687,911	2,547,202
Payment for the cooperation of potential properties development projects	2,888,789	2,778,550
Receivables from disposal of interests in subsidiaries	2,692,128	2,594,299
Other receivables	3,511,805	3,535,039
	11,780,633	11,455,090
Less: provision for impairment	(53,700)	(118,104)
	11,726,933	11,336,986
Tax prepayments	9,211,293	9,575,364
Other prepayments	699,420	1,322,067
	9,910,713	10,897,431
Total other receivables and prepayments	84,656,216	84,440,529
Less: non-current portion	(14,402,028)	(12,506,992)
Current portion	70,254,188	71,933,537

6 TRADE AND OTHER PAYABLES

	As at 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000 (Audited)
Trade payables (a)	16,684,408	20,967,265
Accrued expenses	4,706,503	5,773,016
Amounts due to joint ventures (b)	5,963,996	6,292,286
Amounts due to associates (b)	2,219,603	2,035,391
Amounts due to non-controlling interests (b)	1,636,175	2,252,897
Amounts due to government	351,921	46,003
Other taxes payable	5,234,601	5,944,699
Deposits received	4,607,765	5,729,677
Other payables	6,474,938	6,213,664
	47,879,910	55,254,898
Less: non-current portion	(55,861)	(19,167)
Current portion	47,824,049	55,235,731

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

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

	As at 30 June 2022 RMB'000 (Unaudited)	As at 31 December 2021 RMB'000 (Audited)
Within 6 months	8,207,067	9,676,634
Between 6 months to 12 months	3,920,337	6,150,387
Between 1 year to 2 years	3,460,610	4,144,319
Between 2 years to 3 years	1,069,414	957,530
Over 3 years	26,980	38,395
	16,684,408	20,967,265

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

7 OTHER (LOSSES)/GAINS — NET

	Unaudited	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Fair value losses of financial assets and liabilities		
at fair value through profit or loss	(213,711)	(151,685)
Exchange (losses)/gains	(893,870)	218,658
Payment for the settlement of contracted obligations	(51,842)	(55,831)
Gains/(losses) on disposal of interests in subsidiaries	44,225	(26,039)
Losses on disposal of joint ventures and associates	(3,333)	—
Gains on deemed disposal of joint ventures and associates	3,277	77,965
Other gains	281	2,421
	(1,114,973)	65,489

8 FINANCE COSTS

	Unaudited	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Interest expense:		
— Bank borrowings	819,223	702,309
— Other borrowings	1,598,875	1,576,806
— Lease liabilities	12,884	5,373
	2,430,982	2,284,488
Less: interest capitalized at a capitalization rate of 5.07% (2021: 5.04%) per annum	(1,086,345)	(1,245,289)
	1,344,637	1,039,199

9 INCOME TAX EXPENSE

Majority of the Group entities are subjected to PRC enterprise income tax, which has been provided for based on the statutory income tax rate of 25% of the assessable income of each of these group entities for the six months ended 30 June 2022 and 2021. Other companies are mainly subjected to Hong Kong profits tax.

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

	Unaudited	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Current income tax:		
— PRC enterprise income tax	1,077,698	552,876
— PRC land appreciation tax	629,401	1,035,066
Deferred income tax	(62,056)	406,219
	<u>1,645,043</u>	<u>1,994,161</u>

10 EARNINGS PER SHARE

(a) Basic

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

	Unaudited	
	Six months ended 30 June	
	2022	2021
(Loss)/profit attributable to owners of the Company (RMB'000)	<u>(1,087,353)</u>	<u>1,009,770</u>
Weighted average number of ordinary shares in issue (thousands)	<u>7,616,096</u>	<u>7,616,096</u>
Basic (loss)/earnings per share (RMB per share)	<u>(0.143)</u>	<u>0.133</u>

(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 period) based on the monetary value of the subscription rights attached to outstanding share options and the unvested 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

	Unaudited	
	Six months ended 30 June	
	2022	2021
(Loss)/profit attributable to owners of the Company (RMB'000)	(1,087,353)	1,009,770
Weighted average number of ordinary shares in issue (thousands)	7,616,096	7,616,096
Adjustment for:		
— share options and shares held for the Restricted Share Award Scheme (thousands)	—	—
Weighted average number of ordinary shares for diluted (loss)/earnings per share (thousands)	7,616,096	7,616,096
Diluted (loss)/earnings per share (RMB per share)	(0.143)	0.133

11 DIVIDENDS

On 31 August 2022, the Board did not recommend the payment of interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: RMB350,340,000).

	Unaudited	
	Six months ended 30 June	
	2022	2021
	RMB'000	RMB'000
Final dividend paid of RMB0.026 (2020: RMB0.075) per ordinary share	198,018	571,239
Interim dividend declared of RMB Nil (2021: RMB0.046) per ordinary share	—	350,340

12 SUBSEQUENT EVENTS

On 12 August 2022, (i) Ocean Homeplus Property Service Corporation Limited* (遠洋億家物業服務股份有限公司), a non wholly-owned subsidiary of the Company, as purchaser (the “**Purchaser**”), and (ii) Dalian Sky-Upright Property Limited* (大連正乾置業有限公司), a wholly-owned subsidiary of the Company, and Sino-Ocean Capital Limited* (遠洋資本有限公司) as vendors (collectively, the “**Vendors**”) entered into a framework agreement in relation to the acquisition by the Purchaser of 50% equity interests in Tianjin Xihe Supply Chain Services Co., Ltd.* (天津熙合供應鏈服務有限公司) (the “**Target Company**”) from each of the Vendors for RMB250 million, i.e. a total consideration of RMB500 million for the entire equity interests in the Target Company (the “**Acquisition**”). Upon completion of the Acquisition, the Target Company will become a non wholly-owned subsidiary of the Company, and the financial results of the Target Company and its subsidiaries will be consolidated into the financial statements of the Group.

As at the approval date of the condensed consolidated interim financial information, the abovementioned transaction has not been completed.

* For identification purposes only.

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

Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary of the Company, has redeemed its USD500,000,000 5.25% guaranteed notes due 2022 (the “**Notes**”) in full at its outstanding principal amount of USD498,000,000, plus interest accrued on its final maturity date, with a total amount of USD511,072,500 paid at maturity, and the redeemed Notes had been cancelled. For details of the redemption, please refer to the announcement of the Company dated 2 May 2022.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2022.

AUDIT COMMITTEE AND REVIEW OF INTERIM FINANCIAL INFORMATION

The audit committee of the Company (the “**Audit Committee**”) consists of three independent non-executive Directors namely Ms. LAM Sin Lai Judy, Mr. SUEN Man Tak and Mr. JIN Qingjun, and two non-executive Directors, namely Ms. HUANG Xiumei and Mr. ZHAO Peng. Ms. LAM Sin Lai Judy is the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited interim financial information of the Company for the six months ended 30 June 2022. The Audit Committee has also discussed with the Company's management regarding risk management, internal control and other important matters.

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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (“**Listing Rules**”) throughout the six months ended 30 June 2022, except for the deviations 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 C.2.1 of the CG Code. The Company considers that the combination of the roles of the Chairman and the CEO involves a realignment of power and authority under the existing corporate structure and facilitates 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.

Code provision C.6.2 of the CG Code stipulates that a board meeting should be held to discuss the appointment of the company secretary and the matter should be dealt with by a physical board meeting rather than a written resolution. The appointment of the company secretary of the Company (the “**Company Secretary**”) during the period was approved by a written resolution in lieu of a physical board meeting in accordance with the articles of association of the Company. Prior to the execution of the written resolution, board papers regarding the appointment of the Company Secretary were provided to all Directors in advance for their review and consideration. It is considered that the approval process by the adoption of a written resolution is an efficient and appropriate way for the appointment of the Company Secretary.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding directors’ securities transactions (the “**Code of Conduct**”) on terms no less exacting than those required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules. The Company has made specific enquiries with all Directors and each of them has confirmed that he or she had complied with all required standards set out in the Model Code and the Code of Conduct throughout the six months ended 30 June 2022.

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2022 (2021: RMB0.046 per ordinary share).

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND THE INTERIM 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 the Company (www.sinooceangroup.com). The Company’s interim report for the six months ended 30 June 2022 will be despatched to the shareholders of the Company (the “**Shareholders**”) who have elected to receive printed copies and published on the websites of the Stock Exchange and the Company in due course.

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, 31 August 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.