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**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024,
CHANGE OF DIRECTORS,
CHANGES IN COMPOSITION OF BOARD COMMITTEES
AND
LIST OF DIRECTORS AND THEIR ROLE AND FUNCTION**

(Stock code: 03377)

(Debt stock codes: 5782, 5869, 5276, 5623, 40115, 40670, 40760, 5202)

FINANCIAL HIGHLIGHTS

- Total contracted sales amounted to RMB18,330 million, representing a YoY decrease of 49%.
- Revenue amounted to RMB13,313 million, representing a YoY decrease of 36%.
- Gross profit was RMB297 million. Gross profit margin was 2%.
- Loss attributable to owners was RMB5,382 million, representing a YoY reduction of 71%. Basic and diluted loss per share was RMB0.707. The recorded reduction in loss was mainly attributable to (i) the decrease in the provision for impairment of property projects; and (ii) the reduction in the share of losses from joint ventures and associates, for the reporting period.

The Board is pleased to announce the unaudited consolidated results of the Group for the six months ended 30 June 2024.

REVIEW OF THE INTERIM RESULTS

For the six months ended 30 June 2024, the Group's revenue was RMB13,313 million, representing a YoY decrease of 36%. Due to the continuous downturn in the real estate market in the PRC, the Group's gross profit was RMB297 million (first half of 2023: gross loss of RMB125 million), and the Group's gross profit margin was 2% (first half of 2023: gross loss margin of 1%). Loss attributable to owners of the Company and loss per share (basic and diluted) were RMB5,382 million and RMB0.707, respectively.

MARKET REVIEW AND OUTLOOK

In the first half of 2024, the real estate market in China remained sluggish. On 17 May 2024, the Central Government issued a package of policies such as 'lowering the down payment ratio of the first two residential units' and 'removing the lower limit of mortgage rate'. They also encouraged state-owned enterprises to absorb existing housing stock. But despite the follow-up adjustments in core cities and positive policy changes, it would take some time for the market to pick up. In the first six months of 2024, GFA of commodity housing sold nationwide was approximately 480 million sq.m., a drop of 19% YoY, of which residential housing dropped by 21.9%; property enterprises had achieved a capital inflow of approximately RMB5.4 trillion, a reduction of 22.6% YoY. Under the pressure of decreased cash collection from sales, difficulty in asset disposal and restrictive re-financing, property enterprises were faced with considerable risks and challenges. The industry continues to undergo consolidation.

Looking ahead to the second half of the year, the Group anticipates that the property market will continue to face significant challenges in the short term, with ongoing industry risk reduction. The era of large-scale urban redevelopment and concentrated development has come to an end. Reduction in development scale and project size is the way to go. The industry turns to high-quality growth and the property market enters an era of stock. Future real estate will be mainly on micro-renovations and existing stock. Opportunities exist in agent construction, urban renewal, asset management, non-performing assets and individual residential unit construction.

FINANCIAL REVIEW¹

The components of the revenue are analyzed as follows:

<i>(RMB million)</i>	Unaudited		Changes
	Six months ended 30 June		
	2024	2023	
Property development	10,300	17,318	-41%
Property investment	181	197	-8%
Property management and related services	1,361	1,440	-5%
Other real estate related businesses	1,471	1,852	-21%
Total	13,313	20,807	-36%

The revenue of the Group in the first half of 2024 was RMB13,313 million, representing a 36% decrease as compared to RMB20,807 million in the first half of 2023. The property development segment remained the largest contributor, which accounted for approximately 77% of the Group's total revenue. During the first half of 2024, the revenue from property development contributed by the Beijing, Bohai Rim, Eastern, Southern, Central and Western Regions were 9%, 18%, 38%, 15%, 13% and 7%, respectively. We will persistently maintain a balanced project portfolio for mitigating the risk from single market fluctuations and enabling more effective usage of resources.

Property management and related services mainly include (i) property management services; (ii) community value-added services; and (iii) value-added services to non-property owners.

Due to the downturn of the overall real estate market in the PRC, the revenue of other real estate related businesses (including whole-industrial chain construction services, internet data center and senior living services and etc.) recorded a relatively larger decrease during the first half of 2024.

Note 1: As disclosed in the 2023 annual report of the Company, when the Group prepared the consolidated financial statements for the year ended 31 December 2023, prior period adjustments were made to the financial statements of the Group for the year of 2022. Accordingly, in preparing the interim condensed consolidated financial statements for the six months ended 30 June 2024, certain account balances as at 1 January 2023 and 30 June 2023 have been restated. For details on the prior period adjustments, please refer to note 2.2 of the interim condensed consolidated financial statements in this announcement.

The Group's total cost of sales for the period was RMB13,016 million (first half of 2023: RMB20,931 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 RMB8,400 (first half of 2023: RMB8,500 per sq.m.). The average construction cost per sq.m. (excluding car parks) for property development business was approximately RMB5,800 for the first half of 2024 (first half of 2023: RMB5,700 per sq.m.). The average land cost and construction cost maintained same level as the corresponding period of 2023.

Gross profit for the period was RMB297 million (first half of 2023: gross loss of RMB125 million). Gross profit margin was approximately 2% (first half of 2023: gross loss margin of 1%). Gross profit for the period did not recover significantly, which was primarily attributed to the weak market sentiment in the overall PRC real estate market, which led to the decrease in the Group's revenue and the lack of substantial improvement in the industry gross profit margin.

Interests and other income for the six months ended 30 June 2024 decreased by 26% to RMB353 million (first half of 2023: RMB477 million). Such decrease was mainly due to the decrease in the interest income during the period.

The Group recorded other losses (net) of RMB479 million for the period (first half of 2023: RMB1,194 million). The recorded other losses (net) for the period were primarily due to the downturn and operational difficulties in the real estate market in the PRC. Other losses (net) for the first half of 2024 mainly comprised of fair value losses of financial assets and financial liabilities at fair value through profit or loss and losses on disposal of interests in subsidiaries.

The Group recognized fair value losses on its investment properties (before tax and non-controlling interests) of RMB293 million for the first half of 2024 (first half of 2023: fair value gains of RMB150 million).

Selling and marketing expenses for the first half of 2024 were RMB282 million (first half of 2023: RMB572 million). The decrease for the period was in line with the decrease in the Group's contracted sales. These costs accounted for approximately 1.5% of the total contracted sales amount for the first half of 2024 (first half of 2023: 1.6%).

Administrative expenses for the first half of 2024 decreased to RMB658 million (first half of 2023: RMB816 million). The decrease for the period was mainly due to the further implementation of cost control measures in the first half of 2024. These costs represent approximately 4.9% of the total revenue for the first half of 2024 (first half of 2023: 3.9%). We will continue to adopt strict cost control measures to maintain these costs at a relatively stable and low level.

For the first half of 2024, the Group recorded the net impairment losses on financial assets of RMB297 million (first half of 2023: RMB11,294 million). The decrease in such losses was mainly due to less provision made by the Group for the expected credit losses on the trade and other receivables during the period.

For the first half of 2024, the Group recorded the impairment losses on assets classified as held for sale of RMB1,707 million (first half of 2023: nil). Such losses were due to the disposal arrangement of the equity interests and creditor's rights in a joint venture.

Our weighted average interest rate decreased from 5.78% for the first half of 2023 to 5.59% for the first half of 2024. During the first half of 2024, the total interest expenses paid or accrued for the period decreased to RMB2,740 million (first half of 2023: RMB2,747 million), of which RMB1,875 million (first half of 2023: RMB1,881 million) was not capitalized and charged to interim condensed consolidated statement of profit or loss.

The aggregate of enterprise income tax and deferred income tax decreased to RMB216 million for the first half of 2024 (first half of 2023: RMB304 million). The decrease was mainly attributed to the combined effects of the decrease in revenue and the relatively low gross profit margin during the first half of 2024. In addition, land appreciation tax credit for the first half of 2024 was RMB646 million (first half of 2023: tax expense of RMB89 million). It was mainly due to the reversal of the previous recognized land appreciation tax expense for several projects during the period.

The loss attributable to owners of the Company was RMB5,382 million for the first half of 2024 (first half of 2023: RMB18,369 million). The recorded reduction in loss for the reporting period was mainly attributed to (i) the decrease in the provision for impairment of property projects and (ii) the reduction in the share of losses from joint ventures and associates, during the period.

As at 30 June 2024, the Group had total cash resources (including cash and cash equivalents and restricted bank deposits) of RMB4,709 million, of which approximately 99.5% (31 December 2023: 99.4%) of the Group's cash resources were denominated in RMB with the remaining balances mainly denominated in USD and HKD. The current ratio was 1.02 times. During the first half of 2024, the Group was taking the initiative in mitigating liquidity risks, so as to ensure the Group will have sufficient cash resources to continue as a going concern and pay its debts when they fall due.

As at 30 June 2024, the Group's net gearing ratio (i.e. total borrowings less total cash resources divided by total equity) was approximately 650% (31 December 2023: 438%). The increase in net gearing ratio was a result of combined impact from multiple extreme factors including continuous deep adjustments of the real estate market, noticeable decline in overall sales returns, difficulties in asset disposal and a very harsh financing environment in the first half of the year in the PRC. In addition, the profitability of the overall industry was being eroded and cash collection process remained slow. All these pushed up the net gearing ratio. Following more stimulus policies in the real estate market are released in the PRC, we would continue to resolve the debt risks and focus on ensuring the delivery of property projects and lowering the net gearing ratio.

As at 30 June 2024, approximately 63% of the Group's borrowings were made at fixed interest rate. The Group has closely monitored interest rate movements and assessed its impacts to the Group's financial performance and operations.

As at 30 June 2024, approximately 60% of the Group's total borrowings were denominated in RMB and the remaining were denominated in other currencies, such as USD and HKD. 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. The Group has never engaged in the dealing of any financial derivative instruments for speculative purposes. Our operation has not been materially affected by the exchange rate fluctuations. The Group will continuously monitor exchange rate movements and consider appropriate measures to reduce the exchange rate risk.

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

<i>(RMB million)</i>	As at 30 June 2024	As a percentage of total borrowings	As at 31 December 2023	As a percentage of total borrowings
Within 1 year	58,713	61%	69,751	73%
1 to 2 years	12,064	12%	11,027	11%
2 to 5 years	20,000	21%	9,386	10%
Over 5 years	5,892	6%	5,979	6%
Total	96,669	100%	96,143	100%

As at 30 June 2024, total pledged assets accounted for approximately 32% of the total assets of the Group (31 December 2023: 27%).

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 2024, the total amount of the aforesaid guarantees provided by the Group was RMB15,499 million (31 December 2023: RMB16,591 million).

BUSINESS REVIEW

Property development

Recognized sales

The Group's revenue from property development segment decreased by approximately 41% in the first half of 2024 to RMB10,300 million as compared to RMB17,318 million for the corresponding period in 2023. Saleable GFA delivered decreased by approximately 38% from 1,223,000 sq.m. for the first half of 2023 to 755,000 sq.m. for the first half of 2024. Excluding car park sales, the average selling price recognized for the first half of 2024 decreased to approximately RMB15,000 per sq.m. (first half of 2023: RMB15,900 per sq.m.). The decrease was mainly due to more mid-to-high end projects in tier-one and core tier-two cities being delivered during the first half of 2023.

Revenue and saleable GFA delivered by cities during the first half of 2024 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	11	691	15,900
	Shijiazhuang	18	5,252	3,400
	Taiyuan	20	2,115	9,500
	Qinhuangdao	53	2,766	19,200
	Langfang	828	57,275	14,500
		930	68,099	13,700
Bohai Rim Region	Tianjin	545	31,087	17,500
	Qingdao	89	10,173	8,700
	Jinan	718	110,656	6,500
	Dalian	70	4,612	15,200
	Shenyang	245	28,511	8,600
		1,667	185,039	9,000

Sino-Ocean Group Holding Limited

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Stock Code : 03377

Regions	Cities	Approximate average selling price recognized		
		Revenue (RMB million)	Saleable GFA delivered (sq.m.)	(RMB/sq.m.)
Eastern Region	Shanghai	3,129	56,490	55,400
	Hangzhou	1	21	47,600
	Nanjing	1	222	4,500
	Suzhou	45	4,523	9,900
	Wenzhou	620	30,285	20,500
		3,796	91,541	41,500
Southern Region	Shenzhen	96	5,066	18,900
	Guangzhou	414	21,914	18,900
	Maoming	1	361	2,800
	Jiangmen	55	7,045	7,800
	Zhongshan	512	53,011	9,700
	Zhanjiang	243	35,807	6,800
	Sanya	29	762	38,100
	Hong Kong	43	231	186,100
		1,393	124,197	11,200
Central Region	Wuhan	360	17,483	20,600
	Zhengzhou	7	962	7,300
	Hefei	484	42,579	11,400
	Nanchang	307	34,333	8,900
	Ganzhou	129	16,326	7,900
		1,287	111,683	11,500
Western Region	Chengdu	682	60,716	11,200
	Xi'an	1	59	16,900
	Guiyang	10	1,543	6,500
		693	62,318	11,100
	Other projects	305	26,668	11,400
Subtotal (excluding car parks)		10,071	669,545	15,000
Carparks (various projects)		229	85,438	2,700
Total		10,300	754,983	13,600

Contracted sales

Due to the impact caused by the downturn in the overall real estate market in the PRC, the Group's contracted sales (including its joint ventures and associates) during the six months ended 30 June 2024 amounted to RMB18,330 million, representing an approximately 49% decrease as compared to RMB35,660 million from the corresponding period in 2023. GFA sold for the first half of 2024 decreased by approximately 45% to 1,514,100 sq.m. (first half of 2023: 2,760,900 sq.m.). Excluding car park sales, the average selling price decreased by approximately 9% to RMB13,400 per sq.m. (first half of 2023: RMB14,700 per sq.m.). The decrease in average selling price was primarily because (i) the recovery of the real estate market in the PRC was against expectation and the overall selling price decreased; and (ii) the decrease in the number of the Group's new pre-sale projects located in tier-one cities, which were in higher selling price.

There were around 160 projects available for sale during the first half of 2024 (first half of 2023: 180 projects). In terms of distribution, contracted sales from tier-one and tier-two cities accounted for over 89%.

The contracted sales amounts and saleable GFA sold by cities during the first half of 2024 are set out as follows:

Regions	Cities	Contracted sales <i>(RMB million)</i>	Approximate saleable GFA sold <i>(sq.m.)</i>	Approximate average selling price <i>(RMB/sq.m.)</i>
Beijing Region	Beijing	7,046	301,300	23,400
	Shijiazhuang	163	28,400	5,700
	Taiyuan	192	21,900	8,800
	Qinhuangdao	292	14,900	19,600
	Langfang	142	9,600	14,800
	Zhangjiakou	42	6,200	6,800
	Jinzhong	256	34,600	7,400
		8,133	416,900	19,500

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Bohai Rim Region	Tianjin	1,331	87,700	15,200
	Qingdao	197	11,900	16,600
	Jinan	2,427	296,000	8,200
	Dalian	290	32,600	8,900
	Shenyang	37	3,600	10,300
	Changchun	40	5,200	7,700
		4,322	437,000	9,900
Eastern Region	Shanghai	424	18,800	22,600
	Nanjing	35	5,200	6,700
	Suzhou	603	85,200	7,100
	Wuxi	374	14,800	25,300
	Wenzhou	339	14,800	22,900
	Jinhua	121	10,700	11,300
	Zhenjiang	169	19,300	8,800
	Suqian	115	26,600	4,300
		2,180	195,400	11,200
Southern Region	Shenzhen	288	10,100	28,500
	Guangzhou	279	15,700	17,800
	Fuzhou	74	5,700	13,000
	Foshan	118	8,400	14,000
	Xiamen	245	12,800	19,100
	Maoming	10	2,700	3,700
	Jiangmen	73	8,600	8,500
	Zhongshan	120	15,500	7,700
	Hong Kong	48	250	192,000
		1,255	79,750	15,700
Central Region	Wuhan	467	23,700	19,700
	Zhengzhou	16	3,300	4,800
	Changsha	194	20,700	9,400
	Nanchang	27	3,900	6,900
	Ganzhou	217	23,100	9,400
		921	74,700	12,300

Regions	Cities	Contracted sales <i>(RMB million)</i>	Approximate saleable GFA sold <i>(sq.m.)</i>	Approximate average selling price <i>(RMB/sq.m.)</i>
Western Region	Chengdu	86	6,800	12,600
	Chongqing	56	8,700	6,400
	Xi'an	345	25,600	13,500
	Kunming	2	100	20,000
	Urumqi	231	58,800	3,900
	Xining	39	3,600	10,800
	Xishuangbanna	113	15,900	7,100
			872	119,500
	Other projects	269	17,500	15,400
Subtotal (excluding car parks)		17,952	1,340,750	13,400
Carparks (various projects)		378	173,350	2,200
Total		18,330	1,514,100	12,100

Landbank

As at 30 June 2024, the landbank of the Group (including its joint ventures and associates) decreased to 34,139,000 sq.m. (31 December 2023: 36,213,000 sq.m.); and landbank with attributable interest decreased to 17,983,000 sq.m. (31 December 2023: 19,073,000 sq.m.) accordingly. During the first half of 2024, we together with our joint ventures and associates did not acquire any plot of land. In terms of saleable GFA, the average land cost per sq.m. for our landbank as at 30 June 2024 was approximately RMB6,400 (31 December 2023: RMB6,500 per sq.m.).

The landbank details of the Group and its joint ventures and associates as at 30 June 2024 are set out as follows:

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 (%)		
Beijing Region	Beijing	Captain House	Fengtai District, Beijing	131	100	11	51.00%		
		CBD Plot Z6	Chaoyang District, Beijing	27	21	27	28.57%		
		Central Peak	Changping District, Beijing	256	193	201	50.00%		
		Gold Mansion	Daxing District, Beijing	118	99	79	25.00%		
		Grand Harmony Emerald Residence	Daxing District, Beijing	224	165	88	40.00%		
		Hilltime	Mentougou District, Beijing	430	344	430	10.00%		
		Jasper Epoch	Daxing District, Beijing	92	78	9	100.00%		
		Jialihua Project, Shunyi District	Shunyi District, Beijing	277	206	277	100.00%		
		Liangxiang Project	Fangshan District, Beijing	126	102	38	11.10%		
		Ocean LA VIE	Chaoyang District, Beijing	318	305	40	85.72%		
		Ocean Metropolis	Mentougou District, Beijing	330	276	50	56.88%		
		Ocean Poetic Dwelling	Shijingshan District, Beijing	249	187	249	31.00%		
		Ocean Wulieepoch	Shijingshan District, Beijing	595	458	108	21.00%		
		Our New World	Fangshan District, Beijing	109	91	13	100.00%		
		Plot 6002, Mentougou New Town	Mentougou District, Beijing	125	97	75	21.00%		
		Polaris Plaza	Chaoyang District, Beijing	46	–	46	17.96%		
		Royal River Villa	Chaoyang District, Beijing	132	118	12	20.00%		
		Sino-Ocean Apple Garden No.6	Shijingshan District, Beijing	69	50	43	51.00%		
		World View	Chaoyang District, Beijing	71	52	71	25.00%		
		Xanadu & Ocean Epoch	Chaoyang District, Beijing	230	193	29	50.00%		
		Xanadu & Ocean Palace	Daxing District, Beijing	300	207	97	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	52.15%		
						5,153	4,073	2,891	
			Shijiazhuang	Ande Memorial Park	Jingxing County, Shijiazhuang	110	110	109	88.89%
				Gaocheng Logistics Project	Gaocheng District, Shijiazhuang	54	–	54	64.30%
				Harmony Palace	Zhengding New Area, Shijiazhuang	152	140	29	38.35%
				Sino-Ocean No. 7	Chang’an District, Shijiazhuang	115	103	109	24.26%
						431	353	301	
	Taiyuan	Glory Mansion	Xinghualing District, Taiyuan	288	198	288	52.15%		
		Jiefang Road Aegean Place	Xinghualing District, Taiyuan	125	–	125	52.15%		
		Ocean Crown	Xiaodian District, Taiyuan	53	38	53	100.00%		
		Ocean Seasons	Wanbailin District, Taiyuan	308	254	111	100.00%		
		Sky Masion	Yingze District, Taiyuan	394	286	313	36.21%		
		Sky of Palace	Wanbailin District, Taiyuan	897	529	897	26.60%		
		Villa Epoch	Yangqu County, Taiyuan	54	34	18	44.00%		
	Wangjiafeng Aegean Place	Yingze District, Taiyuan	109	–	109	36.21%			
				2,228	1,339	1,914			

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 (%)
	Qinhuangdao	Seatopia	Funing District, Qinhuangdao	1,438	1,243	1,098	100.00%
	Langfang	Capital Palace	Anci District, Langfang	404	292	20	52.15%
		Jingkai Logistics Project	Jingkai District, Langfang	151	–	151	19.29%
		Ocean Brilliant City	Guangyang District, Langfang	1,897	954	1,261	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	1,690	
	Zhangjiakou	Centrality Mansion	Qiaodong District, Zhangjiakou	203	163	27	60.00%
	Jinzhong	Sky Masion	Yuci District, Jinzhong	2,067	1,537	1,348	30.85%
				14,230	9,954	9,269	
Bohai Rim Region	Tianjin	Boda Logistics Project	Wuqing District, Tianjin	285	–	285	64.30%
		Capital Palace	Jizhou District, Tianjin	346	213	193	52.15%
		Happy Light Year	Wuqing District, Tianjin	504	317	276	49.98%
		Jixian Aegean Place	Jizhou District, Tianjin	87	–	87	52.15%
		Neo-metropolis	Beichen District, Tianjin	3,034	2,615	1,898	51.00%
		Ocean Fantastic Time	Dongli District, Tianjin	151	115	49	100.00%
		Ocean Orient	Binhai New Area, Tianjin	164	126	82	100.00%
		Sky Masion	Binhai New Area, Tianjin	388	231	5	52.15%
		Sky Masion Bay	Binhai New Area, Tianjin	253	182	17	52.15%
		UPED	Binhai New Area, Tianjin	653	445	483	51.00%
		Xanadu	Binhai New Area, Tianjin	185	135	185	30.00%
				6,050	4,379	3,560	
	Qingdao	Ocean Glory	Shibei District, Qingdao	102	76	102	10.75%
		Sino-Ocean Harmony	Shibei District, Qingdao	377	270	9	43.00%
		Sino-Ocean Landscape	Jimo District, Qingdao	113	86	35	100.00%
				592	432	146	
	Jinan	Fantastic Time	Tianqiao District, Jinan	535	435	535	100.00%
		Minghu Mansion	Tianqiao District, Jinan	555	461	555	100.00%
		Ocean Crown	Huaiyin District, Jinan	103	87	97	70.00%
		Ocean Epoch	Lixia District, Jinan	390	371	147	50.00%
		Ocean Mansion	Huaiyin District, Jinan	228	190	48	79.60%
		Ocean Orient	Licheng District, Jinan	544	422	517	42.00%
		Ocean Precious Land	Licheng District, Jinan	226	172	5	37.90%
		Sino-Ocean Metropolis	Tianqiao District, Jinan	379	255	47	70.00%
		Sky Masion	Shanghe County, Jinan	583	520	298	30.66%
				3,543	2,913	2,249	
	Dalian	Diamond Bay	Ganjingzi District, Dalian	1,497	1,345	585	100.00%
		Joy of Mountain and Sea	Ganjingzi District, Dalian	189	150	5	51.00%
		Ocean Orient	Jinpu New Area, Dalian	116	113	116	70.00%
		Ocean Tower River Bay	Lvshunkou District, Dalian	234	200	234	100.00%
				2,036	1,808	940	

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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 (%)
	Shenyang	Ocean Elite River Prospect	Shenbei New Area, Shenyang	400	313	364	60.00%
		Ocean Noble Mansion	Tiexi District, Shenyang	47	32	21	100.00%
				447	345	385	
	Changchun	Dream Jilin	Shuangyang District, Changchun	326	255	256	52.15%
	Anshan	International Plaza	Tiedong District, Anshan	350	294	39	52.15%
				13,344	10,426	7,575	
Eastern Region	Shanghai	Baoshan Sky Masion	Baoshan District, Shanghai	213	115	76	52.15%
		Hongqiao Origin	Qingpu District, Shanghai	75	53	18	100.00%
		Lingang Aegean Place	Pudong New Area, Shanghai	66	–	66	52.15%
		Lingang Sky Masion	Pudong New Area, Shanghai	172	108	144	52.15%
		Moon Mirage	Chongming District, Shanghai	1,072	672	668	41.03%
		Ocean Fortune Center	Pudong New Area, Shanghai	59	45	16	100.00%
		Yuanbo Hotel Project	Putuo District, Shanghai	54	–	54	35.91%
				1,711	993	1,042	
	Hangzhou	Neo 1	Gongshu District, Hangzhou	43	40	15	50.00%
		Ocean New Masterpiece	Gongshu District, Hangzhou	44	33	1	51.00%
				87	73	16	
	Nanjing	Ocean Seasons	Lishui District, Nanjing	234	184	24	100.00%
		The One	Jiangning District, Nanjing	213	153	1	100.00%
				447	337	25	
	Suzhou	Mansion Yue	Wujiang District, Suzhou	150	147	50	70.00%
		Rocker Park	Huqiu District, Suzhou	240	198	24	30.00%
		Royal Seasons	Taicang City, Suzhou	105	77	28	34.00%
		Scenert East	Zhangjiagang City, Suzhou	108	77	70	100.00%
		Shengze Sky Masion	Wujiang District, Suzhou	262	211	28	44.27%
		Shihu Project	Wuzhong District, Suzhou	49	–	49	100.00%
		Zhangjiagang Internet Data Center	Zhangjiagang City, Suzhou	24	–	24	87.75%
				938	710	273	
	Ningbo	Yuyao Supply Chain Industrial Park	Yuyao City, Ningbo	56	–	56	28.19%
	Wuxi	Life in Park	Xinwu District, Wuxi	196	157	103	15.00%
		One Residence	Xinwu District, Wuxi	211	154	51	19.80%
				407	311	154	
	Changzhou	Aegean Place	Wujin District, Changzhou	197	–	197	52.15%
		International Plaza	Wujin District, Changzhou	508	374	66	52.15%
				705	374	263	
	Wenzhou	Aegean Place	Longwan District, Wenzhou	82	–	82	100.00%
		Four Seasons Mansion	Longwan District, Wenzhou	85	60	85	100.00%
		Harbor Heart	Ouhai District, Wenzhou	87	66	12	100.00%
		Peninsula No.9	Ouhai District, Wenzhou	276	174	276	41.36%
				530	300	455	

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 (%)
	Yangzhou	Home Furniture Mall Sky Masion	Hanjiang District, Yangzhou Hanjiang District, Yangzhou	81 467	– 348	81 467	52.15% 52.15%
				548	348	548	
	Jiaxing	Pinghu Logistics Project	Pinghu City, Jiaxing	72	–	72	21.86%
	Jinhua	Mountain Courtyard	Wucheng District, Jinhua	171	124	171	26.60%
	Zhenjiang	Central Mansion	Danyang City, Zhenjiang	607	502	441	50.00%
	Suqian	Aegean Place Shuyang Sky Masion Sky Masion	Sucheng District, Suqian Shuyang County, Suqian Sucheng District, Suqian	117 545 484	– 407 411	117 33 258	14.08% 100.00% 14.08%
				1,146	818	408	
	Huzhou	Anji Internet Data Center	Anji County, Huzhou	135	–	135	64.30%
				7,560	4,890	4,059	
Southern Region	Shenzhen	Longhua District De Ai Industrial Park	Longhua District, Shenzhen	533	282	533	80.00%
		Ocean Express	Longgang District, Shenzhen	556	437	91	100.00%
		Ocean Filter	Longgang District, Shenzhen	92	64	92	100.00%
		Ocean Glitter	Nanshan District, Shenzhen	141	106	141	48.00%
		Ocean Purity	Longgang District, Shenzhen	152	108	152	39.20%
		Ocean Seafront Towers	Nanshan District, Shenzhen	115	52	59	64.90%
		Peace Palace	Longhua District, Shenzhen	278	201	278	63.01%
	Shanxia Project	Longgang District, Shenzhen	323	303	323	81.00%	
				2,190	1,553	1,669	
	Guangzhou	East Bay	Zengcheng District, Guangzhou	141	96	8	40.00%
		Elite Palace	Tianhe District, Guangzhou	310	279	41	100.00%
		Hibiscus Villa	Huadu District, Guangzhou	179	87	19	51.00%
		Natural Mansion	Zengcheng District, Guangzhou	76	48	43	100.00%
Ocean Prospect		Zengcheng District, Guangzhou	133	96	67	100.00%	
			839	606	178		
Fuzhou	Ocean Tianfu	Cangshan District, Fuzhou	128	97	52	63.01%	
Foshan	Delight River	Sanshui District, Foshan	207	192	46	100.00%	
	Landscape	Shunde District, Foshan	80	63	80	49.00%	
	Natural Mansion	Nanhai District, Foshan	140	107	118	50.00%	
			427	362	244		

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 (%)
	Quanzhou	Ocean Prospect	Luojiang District, Quanzhou	51	35	51	42.00%
	Xiamen	Ocean Prospect	Tong'an District, Xiamen	199	144	133	51.00%
	Maoming	Sino-Ocean Landscape	Maonan District, Maoming	299	249	164	51.00%
	Jiangmen	Cloud Mansion	Pengjiang District, Jiangmen	176	133	56	51.00%
		Top Mansion	Pengjiang District, Jiangmen	131	101	52	100.00%
				307	234	108	
	Zhongshan	Blossoms Valley	Shenwan Town, Zhongshan	1,172	1,037	847	75.00%
		Ocean Palace	Southern District, Zhongshan	181	134	116	100.00%
				1,353	1,171	963	
	Zhanjiang	Ocean City	Xiashan District, Zhanjiang	612	493	241	67.50%
	Sanya	Ocean Hill	Jiyang District, Sanya	177	111	74	100.00%
	Hong Kong	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	60.00%
				9	8	9	
				6,591	5,063	3,886	
Central Region	Wuhan	Aegean Place	Xinzhou District, Wuhan	62	–	62	52.15%
		Citylane	Hanyang District, Wuhan	450	–	450	70.00%
		Dongxihu Xingou Logistics Project	Dongxihu District, Wuhan	112	–	112	64.30%
		Huazhong Big Data Industrial Park	Jiangxia District, Wuhan	89	–	89	12.50%
		Oriental World View	Hanyang District, Wuhan	1,917	1,430	175	70.00%
		Oriental Worldview II	Hanyang District, Wuhan	322	229	322	7.75%
		Yangtze Opus	Jiang'an District, Wuhan	178	80	178	70.00%
				3,130	1,739	1,388	
	Zhengzhou	Fontaine Polaris	Zhongmu County, Zhengzhou	176	141	176	24.50%
		Glory Mansion	Xinzheng City, Zhengzhou	135	103	61	28.68%
		Grand Apartment	Jinshui District, Zhengzhou	172	133	172	36.98%
		Ocean Landscape Courtyard	Yingyang District, Zhengzhou	204	150	14	55.00%
		Ocean Melody	Zhongmu County, Zhengzhou	43	38	8	69.30%
		Ocean Prospect	Xinzheng City, Zhengzhou	169	158	34	100.00%
		Rong Fu	Xinzheng City, Zhengzhou	156	101	118	22.72%
		The Collection	Erqi District, Zhengzhou	182	141	182	49.00%
				1,237	965	765	
	Hefei	Hefei Logistics Project, Phase IV	Feidong County, Hefei	66	–	66	64.30%
		Ideal Bourn	Feidong County, Hefei	104	83	104	100.00%
		Ocean Landscape	Feidong County, Hefei	200	180	33	70.00%
				370	263	203	

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 (%)
	Changsha	Aegean Place	Yuhua District, Changsha	69	–	69	41.72%
		Sky Masion	Yuhua District, Changsha	878	616	486	41.72%
		Special Mansion	Wangcheng District, Changsha	482	384	482	24.50%
				1,429	1,000	1,037	
	Nanchang	Cloud View	Jingkai District, Nanchang	81	61	37	51.00%
		Ocean Palace	Wanli District, Nanchang	173	122	13	51.00%
		Sky Masion	Wanli District, Nanchang	175	163	33	52.15%
				429	346	83	
	Ganzhou	Sky Masion	Nankang District, Ganzhou	888	705	133	53.59%
				7,483	5,018	3,609	
Western Region	Chengdu	Ocean Ecological Land	Xindu District, Chengdu	199	127	104	100.00%
		Ocean Luxury City	Qingyang District, Chengdu	122	106	11	24.50%
		Qingbaijiang Internet Data Center, Zone A	Qingbaijiang District, Chengdu	193	–	193	36.51%
		Wenjiang Internet Data Center	Wenjiang District, Chengdu	54	–	54	24.50%
				568	233	362	
	Chongqing	Fenghua Melody	Shapingba District, Chongqing	102	71	20	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	22	34.00%
		Sino-Ocean Garden	Banan District, Chongqing	592	480	36	56.10%
				964	720	121	
	Xi'an	Aegean Place	Xincheng District, Xi'an	104	–	104	26.60%
		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 Royal Landscape	Chanba Ecological District, Xi'an	292	208	113	80.00%
		Sky Masion	Xincheng District, Xi'an	462	312	462	26.60%
				1,884	1,363	1,599	
	Kunming	In Galaxy (formerly known as Chenggong Project)	Chenggong District, Kunming	222	218	84	69.80%
		In Galaxy (formerly known as Chenggong Project, Phase II)	Chenggong District, Kunming	99	88	99	69.80%
				321	306	183	
	Guiyang	Sino-Ocean Aristocratic Family	Shuanglong New Area, Guiyang	165	135	109	100.00%
		Sino-Ocean Prospect	Yunyan District, Guiyang	100	75	11	100.00%
		Sky Masion	Guanshanhu District, Guiyang	780	565	780	26.60%
		Sky Masion, Retail	Guanshanhu District, Guiyang	89	–	89	26.60%
				1,134	775	989	

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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 (%)
	Urumqi	Natural Century	Saybag District, Urumqi	74	63	74	2.61%
		Royal Mansion	Saybag District, Urumqi	402	293	302	28.97%
		Sky Masion	Saybag District, Urumqi	148	111	148	52.15%
				624	467	524	
	Lanzhou	Sky Masion	Yuzhong County, Lanzhou	397	301	264	31.29%
	Liuzhou	Aegean Place	Yufeng District, Liuzhou	85	–	85	76.55%
		Glory Mansion	Yufeng District, Liuzhou	357	251	108	76.55%
				442	251	193	
	Luzhou	Sky Masion	Jiangyang District, Luzhou	279	207	279	52.15%
	Xining	Aegean Place	Haihu New Area, Xining	121	–	121	76.55%
		Sky Masion	Chengzhong District, Xining	1,278	1,018	660	41.72%
		Sky Palace	Chengxi District, Xining	311	254	117	76.55%
				1,710	1,272	898	
	Xishuangbanna	Rainforest Resorts	Jinghong City, Xishuangbanna	515	429	259	26.07%
				8,838	6,324	5,671	
Other Region	Singapore	Cairnhill 16	Area 9, Singapore	4	4	4	30.00%
	Jakarta	Auraya	Greater Jakarta, Indonesia	66	57	66	28.00%
				70	61	70	
Total				58,116	41,736	34,139	

Property Investment

During the first half of 2024, affected by the downturn in the property leasing market in the PRC, revenue from property investment decreased by approximately 8% to RMB181 million (first half of 2023: RMB197 million). As at 30 June 2024, the Group (including its joint ventures and associates) held more than 23 operating investment properties. We could 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 2024 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 (%)
E-wing Center (Beijing)	Haidian District, Beijing	12,000	12,000	-	-	-	64%	100%
Grand Canal Place (Beijing)	Tongzhou District, Beijing	111,000	60,000	51,000	-	-	43%	62%
Ocean Incom (Beijing)	Shunyi District, Beijing	45,000	32,000	2,000	-	11,000	72%	100%
Ocean International Center (Beijing)	Chaoyang District, Beijing	103,000	76,000	9,000	-	18,000	86%	100%
Ocean International Center (Tianjin)	Hedong District, Tianjin	53,000	53,000	-	-	-	61%	100%
Aegean Place (Suqian)	Shuyang County, Suqian	40,000	-	40,000	-	-	68%	100%
San Francisco Project (USA)	Financial District, San Francisco	7,000	7,000	-	-	-	98%	100%
Other projects		110,000	-	62,000	-	48,000		
Subtotal		481,000	240,000	164,000	-	77,000		
Other								
INDIGO (Beijing)	Chaoyang District, Beijing	181,000	52,000	48,000	-	81,000	90%	50%
Ocean International Center, Phase II (Beijing)	Chaoyang District, Beijing	70,000	46,000	13,000	-	11,000	90%	35%
Ocean Plaza (Beijing)	Xicheng District, Beijing	30,000	26,000	-	-	4,000	75%	72%
Ocean Office Park (Beijing)	Chaoyang District, Beijing	93,000	81,000	12,000	-	-	85%	29%
Eco-city Aegean Place (Tianjin)	Binhai New Area, Tianjin	42,000	-	42,000	-	-	87%	52%
Hedong Aegean Place (Tianjin)	Hedong District, Tianjin	97,000	-	97,000	-	-	90%	34%
Ocean We-life (Tianjin)	Binhai New Area, Tianjin	28,000	-	28,000	-	-	93%	70%
Ocean We-life Plaza (Tianjin)	Hedong District, Tianjin	42,000	-	42,000	-	-	95%	64%
Aegean Place (Jinan)	Shanghe County, Jinan	34,000	-	34,000	-	-	74%	31%
H88 Yuehong Plaza (Shanghai)	Xuhui District, Shanghai	56,000	56,000	-	-	-	74%	36%
Haixing Plaza (Shanghai)	Huangpu District, Shanghai	14,000	10,000	-	-	4,000	65%	30%
Sino-Ocean Tower (Shanghai)	Huangpu District, Shanghai	64,000	46,000	4,000	-	14,000	68%	15%
Grand Canal Place (Hangzhou)	Gongshu District, Hangzhou	132,000	-	81,000	-	51,000	97%	60%
Aegean Place (Suzhou)	Wujiang District, Suzhou	49,000	-	49,000	-	-	93%	26%
Aegean Place (Fuzhou)	Cangshan District, Fuzhou	93,000	-	93,000	-	-	91%	31%
Aegean Place (Nanchang)	Wanli District, Nanchang	27,000	-	27,000	-	-	98%	52%
Other projects		2,134,000	225,000	115,000	1,781,000	13,000		
Subtotal		3,186,000	542,000	685,000	1,781,000	178,000		
Total		3,667,000	782,000	849,000	1,781,000	255,000		

Employees and Human Resources

As at 30 June 2024, the Group had 12,798 employees (31 December 2023: 13,942 employees). The decrease in the number of employees was mainly due to the continuous optimization of manpower in the property development related businesses. The Group's staff cost in the period decreased to RMB1,182 million (first half of 2023: RMB1,187 million). The decrease in staff cost was mainly the net effect of the reduction of staff cost in the property development segment and the increase of one-off cost related to the optimization of manpower during the period.

The Group's remuneration system has been established with reference 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. We adhere to the performance-oriented payment concept and incentive scheme, focusing on channeling limited resources towards front-line teams and core performance personnel for ensuring the housing delivery and risk mitigation. To facilitate continuous employee development, the Group provides a variety of learning and training programmes, enhancing team capabilities through workshops, collaborative team efforts. This strategic focus aims to attract, motivate and retain talented staff, who in return can ultimately bring in higher return to our investors.

HOLISTIC DEBT MANAGEMENT FOR OFFSHORE DEBTS

References are made to the announcements of the Company dated 15 September 2023, 12 October 2023, 10 November 2023, 8 February 2024, 30 April 2024, 28 June 2024, 18 July 2024 and 22 August 2024 in relation to, among others, the proposed holistic offshore debt restructuring of the Group (collectively, the "**Offshore Debts Announcements**").

As set out in the Offshore Debts Announcements, in order to facilitate the holistic debt restructuring, except for payments which would facilitate or be incidental to the debt restructuring having regard to the rights and priorities of the relevant creditors, the Group has suspended payments under its offshore debts. At the request of the relevant issuers of the offshore USD securities, the trading in the offshore USD securities on the Stock Exchange has been suspended with effect from 9:00 a.m. on 15 September 2023, and will remain suspended until further notice(s).

As further set out in the Offshore Debts Announcements, the Company and certain in-scope creditors, together with their respective advisors, have been engaged in constructive dialogue towards a restructuring of the Group's relevant offshore indebtedness. The contemplated restructuring in respect of certain existing offshore debt instruments of the Group (the "**Restructuring**") is intended to (1) maximize recoveries for the in-scope creditors while providing fair and equitable treatment to all creditors; and (2) establish a long-term and sustainable capital structure for the Company.

On 18 July 2024, the Company announced a holistic debt management proposal, pursuant to which the scope of the Restructuring covers certain existing offshore debt instruments of the Group, comprising existing syndicated loans, an existing bilateral loan and certain existing offshore USD securities, with an aggregate outstanding principal amount of approximately USD5,636 million, subject to the Company's election to exclude any debt from the above scope and include any additional debt into the above scope.

The Restructuring provides fair and equitable treatment to all in-scope creditors based on their existing legal standing and inter-creditor legal priorities in repayment. As at 22 August 2024, being the original Base Consent Fee Deadline (as defined in the Offshore Debts Announcements), holders representing 72.5% of the Class A Debt (as defined in the Offshore Debts Announcements) have acceded to the restructuring support agreement dated 18 July 2024 (as may be amended and/or supplemented from time to time, the "**RSA**"). The Company understands that many other creditors are supportive of the restructuring plan and are going through internal procedures for acceding to the RSA. The Company would like to express its sincere gratitude for the support shown by the acceding creditors. The Company values the support of each creditor and would like to sincerely encourage and invite the remaining creditors to accede to the RSA as soon as possible.

The Restructuring is envisaged to be effectuated via a combination of restructuring processes. As at the date of this announcement, the Company has commenced the process of implementing the Restructuring on terms set forth in the RSA. Further announcement(s) will be made by the Company to inform Shareholders and other investors of the Company of any material development on the Restructuring as and when appropriate.

RELEVANT INFORMATION ON ONSHORE OPEN MARKET DEBTS

References are made to the announcements of the Company dated 28 March 2024, 27 June 2024 and 7 August 2024 published on the Stock Exchange and the announcements of SOG China dated 28 March 2024, 26 June 2024 and 7 August 2024 published on The Shanghai Stock Exchange, in relation to the onshore open market debts of the Group (collectively, the "**Onshore Open Market Debts Announcements**").

As set out in the Onshore Open Market Debts Announcements, SOG China successively convened holders' meetings in respect of the seven corporate bonds (abbreviations of which are "H18 Sino-Ocean 1* (H18遠洋1)", "H15 Sino-Ocean 5* (H15遠洋5)", "H15 Sino-Ocean 3* (H15遠洋3)", "H19 Sino-Ocean 1* (H19遠洋1)", "H19 Sino-Ocean 2* (H19遠洋2)", "H21 Sino-Ocean 1* (H21遠洋1)" and "H21 Sino-Ocean 2* (H21遠洋2)", collectively the "**Relevant Bonds**") in January 2024 to consider the relevant resolutions in relation to the adjustment of the arrangement for the payment of principal and interest of the corporate bonds and the provision of credit enhancement and safeguard measures, among other things (the "**Extension Resolutions**"). The Extension Resolutions in respect of the Relevant Bonds were approved by the holders by way of voting, involving a total outstanding principal amount of RMB13.27 billion. As of the date of this announcement, SOG China is implementing the debt repayment arrangements pursuant to the requirements of the Extension Resolutions of the Relevant Bonds.

Please refer to the Onshore Open Market Debts Announcements for details.

IMPORTANT EVENT AFTER THE PERIOD ENDED 30 JUNE 2024

Save as disclosed in the above paragraphs headed "HOLISTIC DEBT MANAGEMENT FOR OFFSHORE DEBTS" and "RELEVANT INFORMATION ON ONSHORE OPEN MARKET DEBTS" and note 12 to the interim condensed consolidated financial statements in this announcement, as at the date of this announcement, there was no important event affecting the Group after the period ended 30 June 2024.

The unaudited interim results of the Group for the six months ended 30 June 2024 are as follows:

Interim Condensed Consolidated Statement of Profit or Loss

		Unaudited	
		Six months ended 30 June	
	<i>Notes</i>	2024	2023
		RMB'000	RMB'000
Revenue	4	13,313,451	20,806,596
Cost of sales		(13,016,643)	(20,931,389)
Gross profit/(loss)		296,808	(124,793)
Interests and other income		353,276	476,630
Other losses — net	7	(478,723)	(1,193,515)
Fair value change on investment properties		(292,770)	150,368
Selling and marketing expense		(282,350)	(572,267)
Impairment loss on financial assets		(296,780)	(11,294,463)
Impairment loss on assets classified as held for sale		(1,706,630)	–
Administrative expense		(657,843)	(815,519)
Operating loss		(3,065,012)	(13,373,559)
Finance costs	8	(1,874,864)	(1,881,267)
Share of results of joint ventures		(751,265)	(1,255,889)
Share of results of associates		(55,983)	(1,405,411)
Loss before income tax		(5,747,124)	(17,916,126)
Income tax credit/(expense)	9	429,950	(393,264)
Loss for the period		(5,317,174)	(18,309,390)
Attributable to:			
— Owners of the Company		(5,381,705)	(18,369,229)
— Non-controlling interests		64,531	59,839
		(5,317,174)	(18,309,390)
Loss per share attributable to owners of the Company during the period (expressed in RMB)	10		
Basic loss per share		(0.707)	(2.412)
Diluted loss per share		(0.707)	(2.412)

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Interim Condensed Consolidated Statement of Comprehensive Income

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Loss for the period	(5,317,174)	(18,309,390)
Other comprehensive (loss)/income, net of tax		
Items that will not be reclassified subsequently to profit or loss		
Fair value change on financial assets at fair value through other comprehensive income, net of tax	(43,829)	4,961
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	(133,173)	(372,000)
Deferred hedging gains	-	56,486
Share of other comprehensive income of investments accounted for using the equity method	(313,407)	2,089
Other comprehensive loss for the period	(490,409)	(308,464)
Total comprehensive loss for the period	(5,807,583)	(18,617,854)
Total comprehensive (loss)/income attributable to:		
— Owners of the Company	(5,900,271)	(18,826,273)
— Non-controlling interests	92,688	208,419
Total comprehensive loss for the period	(5,807,583)	(18,617,854)

Interim Condensed Consolidated Statement of Financial Position

	Notes	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		3,453,327	3,492,480
Right-of-use assets		1,689,000	1,745,946
Land use rights		185,421	212,009
Intangible assets		378,849	400,164
Goodwill		1,233,967	1,243,182
Investment properties		13,521,123	15,857,341
Interests in joint ventures		14,042,011	18,679,921
Interests in associates		3,693,972	3,915,886
Financial assets at fair value through other comprehensive income		765,177	777,280
Financial assets at fair value through profit or loss		4,439,113	4,748,336
Trade and other receivables and prepayments	5	6,909,243	6,878,282
Deferred income tax assets		2,141,219	2,207,743
Total non-current assets		52,452,422	60,158,570
Current assets			
Properties under development		43,986,107	48,516,015
Inventories, at cost		958,214	1,379,381
Land development cost recoverable		1,301,168	1,279,428
Completed properties held for sale		25,985,110	26,713,610
Financial assets at fair value through profit or loss		624,495	646,833
Trade and other receivables and prepayments	5	61,570,367	62,409,893
Contract assets		91,801	46,590
Restricted bank deposits		2,999,880	3,033,268
Cash and cash equivalents		1,708,972	1,988,738
		139,226,114	146,013,756
Assets classified as held for sale		3,815,324	–
Total current assets		143,041,438	146,013,756

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 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Current liabilities		
Borrowings	58,713,306	69,750,588
Lease liabilities	203,775	150,898
Trade and other payables	49,752,277	49,096,209
Contract liabilities	16,661,696	20,872,878
Current tax payable	14,304,616	14,560,975
Financial liabilities at fair value through profit or loss	–	33,764
Total current liabilities	139,635,670	154,465,312
Non-current liabilities		
Borrowings	37,955,314	26,392,734
Lease liabilities	1,783,283	1,822,109
Trade and other payables	669,677	683,491
Deferred income tax liabilities	1,305,129	2,016,697
Total non-current liabilities	41,713,403	30,915,031
Net assets	14,144,787	20,791,983
EQUITY		
Equity attributable to owners of the Company		
Share capital	27,329,232	27,329,232
Shares held for Restricted Share Award Scheme	–	–
Reserves	(8,497,960)	(7,854,369)
Accumulated losses	(17,828,011)	(12,446,306)
	1,003,261	7,028,557
Non-controlling interests	13,141,526	13,763,426
Total equity	14,144,787	20,791,983

Notes to the Interim Condensed Consolidated Financial Statements

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 interim condensed consolidated financial statements have not been audited and is 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 interim condensed consolidated financial statements were approved for issue on 28 August 2024 by the Board of directors of the Company (the “**Board**”).

2. BASIS OF PREPARATION AND PRIOR YEAR ADJUSTMENTS

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have 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**”) and the applicable disclosure provisions of Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, this interim condensed consolidated financial statement should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”).

The financial information relating to the year ended 31 December 2023 that is included in the interim condensed consolidated financial statements for the six months ended 30 June 2024 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 2023 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 for the year ended 31 December 2023 was disclaimed; 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 Hong Kong Companies Ordinance.

2.1 Going concern assumption

The Group incurred a net loss of approximately RMB5.32 billion for the period ended 30 June 2024 and, the Group had total borrowings of approximately RMB96.67 billion, of which the current borrowings amounted to approximately RMB58.71 billion, while the Group had cash and cash equivalents of approximately RMB1.71 billion only.

As of 30 June 2024, the total principal and interest amounts of two of the Group's onshore bonds are approximately RMB3.50 billion which has already matured but has not been repaid. As of the approval date of the interim condensed consolidated financial statements, the Group is still in communication with the bondholders regarding the repayment adjustment arrangements.

In view of the Group's tight liquidity position, on 15 September 2023, the Group announced to commence a holistic restructuring of its offshore debts ("**Offshore Debt Restructuring**") and to suspend payments of all its offshore debts (except for payments which would facilitate or be incidental to the debt restructuring having regard to the rights and priorities of the relevant creditors) until the Offshore Debt Restructuring and/or extension solutions are implemented. The Offshore Debt Restructuring is still in progress and the trading in the offshore USD securities on The Stock Exchange of Hong Kong Limited has been suspended. These offshore debts include various existing syndicated loans and bilateral loan with carrying amount of approximately RMB13.69 billion; six USD-denominated guaranteed notes with carrying amount of approximately RMB22.04 billion and one USD-denominated perpetual subordinated guaranteed capital securities with carrying amount of approximately RMB4.70 billion as at 30 June 2024, totaling RMB40.43 billion (principal amount approximately USD5.64 billion). Due to the suspended payments, the Group has received demand letters, acceleration notices and other legal letters with respect to certain offshore debts, and these letters are expected to be withdrawn when the restructuring plan successfully proceeds. Additionally, on 27 June 2024, the Company received a winding-up petition (the "**Petition**") at the High Court of the Hong Kong Special Administrative Region (the "**High Court**") in relation to the non-repayment of the interest of the 3.25% guaranteed notes due 2026 issued by Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary of the Company and guaranteed by the Company in the aggregate principal amount of approximately USD0.4 billion and accrued interests. The Company is opposing the Petition vigorously. The High Court has set the first hearing date for the Petition on 11 September 2024.

In addition, the Group has been involved in various litigation cases for unpaid borrowings, outstanding construction and daily operations payables, delayed delivery of several projects and other matters for which the Group has made provision.

During the period ended 30 June 2024, the real estate sector in the PRC continued to experience volatility. This mainly includes the continued downturn of property market and the deteriorating consumer sentiment in the PRC, resulting in the whole real estate sector suffering from short-term liquidity pressures. As a result, contracted sales of Chinese property developers have generally decreased and the Group also experienced a significant decline of its contracted sales.

The Group's internal funds were progressively shrinking. The Group also experienced liquidity pressure due to limited access to external capital to finance its construction projects. The current macroeconomic conditions and the timing of recovery in real estate industry has brought additional material uncertainties to the Group. It may be more challenging for the Group to generate operating cash inflows or refinance guaranteed notes, corporate bond and bank and other borrowings than it has historically been.

All these events or conditions indicate that multiple material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern.

In view of these circumstances, the directors of the Company have carefully considered the Group's cash flow forecast for the next twelve months from 30 June 2024 and have given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, have proactively come up with certain plans and measures to ensure the Group will have sufficient cash resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken or will be taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, the following:

- The Group has been actively negotiating with bondholders on adjusting the principal and interest repayment arrangements for or extending the repayment for its onshore bonds.

As of the date of the approval of the interim condensed consolidated financial statements, adjusted principal and interest repayment arrangements have been made in respect of seven onshore corporate bonds with total outstanding principal amount of approximately RMB13.27 billion. Under the adjusted arrangements, the repayment of the relevant onshore corporate bonds has been extended to pay in accordance with repayment schedules from one to five years.

As of the date of the approval of the interim condensed consolidated financial statements, one of the Group's onshore bonds, with a principal amount of approximately RMB2.00 billion and originally set to mature in 2025, had its maturity date extended with the agreement of bondholders at their meeting. The repayment of the bond has been extended to pay in accordance with repayment schedules from one to four years.

In respect of another onshore bond, with a principal amount of RMB3.00 billion and originally set to mature in January 2024, had an exchange offer initiated by the Group, 91.40% of bondholders, representing principal amount of approximately RMB2.74 billion in total, agreed to exchange for a new onshore bond at an interest rate of 4.6% with repayment scheduled from 2025 to 2026. The Group is actively communicating with the remaining bondholders, representing the principal amount of approximately RMB0.26 billion in total, on the extension plans.

As of the date of the approval of the interim condensed consolidated financial statements, the Group was still actively communicating with bondholders of one onshore bond with a principal amount of approximately RMB3.13 billion and maturity date in 2024 on the extension plans.

- The Group has been actively working with its advisors to formulate a practicable restructuring proposal for the Group's offshore debts. Following the announcement dated on 15 September 2023, the Group has initiated the Offshore Debt Restructuring and has engaged professional experts to assist in assessing and formulating an optimal solution for its existing capital structure and liquidity challenges.

On 18 July 2024, the Group announced a holistic debt management proposal to restructure the debts under the Company along with some of its wholly-owned subsidiaries. The restructuring scope encompasses the existing debt instruments, comprising the various existing syndicated loans, the existing bilateral loan and the existing notes, with an aggregate outstanding principal amount of approximately USD5.64 billion in total.

The restructuring, based on the drafted liquidation analysis report issued by independent liquidation analysis service provider, classified creditors into four classes with the specified allocation ratio for distributing the new loan or notes (the “**New Debts**”). Creditors have an option to choose between two-year mandatory convertible bonds (the “**MCBs**”) or 1% interest-bearing new perpetual securities (the “**perpetual securities**”) for the residual debts after deducting the New Debts.

When the restructuring plan is successfully implemented, New Debts with a principal amount of USD2.2 billion will be issued, with a maturity date to 8 years and starting repayments in the 3rd year in varying proportions until the 8th year. However, there is a deferral mechanism based on the return from a particular project and the performance of the Group which allows the Group to start repayments in the 4th until the 10th year.

The management of the Company has carefully considered the restructuring plan and believes it will be successfully implemented. The plan has already been agreed upon by part of creditors, and active negotiations with the remaining creditors are ongoing to secure their agreement to the restructuring support agreement as soon as possible. The longstop date is set for 31 March 2025, or a later date as may be agreed upon in writing between the Group and the requisite majorities of creditors, subject to any court approval as may be required.

- The Group has been proactive in seeking ways to resolve the Petition, the Board is of the view that the Petition does not represent the interests of other stakeholders and may impair the value of the Group. Therefore, the Group is seeking legal measures to resolutely oppose the Petition and taking all necessary actions to protect the Group’s legal rights. Meanwhile, the Company will endeavor to keep active and good communication with the Petitioner, and, adhering to the principle of fairness to other creditors, to negotiate with the Petitioner amicably and properly handle related matters (including making efforts to procure the withdrawal or dismissal of the Petition as soon as possible).
- The Group has been proactive in seeking ways to resolve the outstanding litigations of the Group and continuing to communicate with the plaintiffs. The Group is positive that it can reach an amicable solution on the litigations which have not yet reached a definite outcome.
- The Group is actively in discussions with the other existing lenders to renew the Group’s certain borrowings and/or not to demand immediate repayment until the Group has successfully completed the property construction projects and generated sufficient cash flows therefrom. These discussions have been constructive and focused on possible actions in light of current circumstances but do require time to formulate or implement due to ongoing changes in market conditions.
- The Group will continue to seek to obtain additional new sources of financing through all possible channels such as assets disposal:

On 7 June 2024, the Group entered into a very substantial disposal arrangement with various parties, conditionally agreed to sell an aggregate of 64.79% equity interests in a joint venture and assign the entire loan owing to the Group by the joint venture to the various parties as at the completion of this disposal.

The net cash consideration of approximately RMB3.8 billion will be settled in accordance with the terms under the sale and purchase agreement. The consideration for the disposal shall be paid in two instalments upon satisfaction of the conditions precedent to the payment of the two instalments. Additionally, the disposal resolution was duly passed as an ordinary resolution on 11 July 2024.

On 5 August 2024, the 64.79% equity interests in the joint venture was successfully transferred to the related parties. The cash consideration payment will be completed subsequently;

- The Group will continue to maintain active dialogue to secure a continuing and normal business relationship with major constructors and suppliers, including agreement on the payment arrangements with them and to complete the construction progress by them as scheduled;
- The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables. Subject to the market sentiment, the Group will actively adjust sales and pre-sale activities to better respond to changing markets to achieve the latest budgeted sales and pre-sales volumes and amounts;
- The Group will continue to control administrative costs and contain unnecessary capital expenditures to preserve liquidity. The Group will also continue to actively assess additional measures to further reduce discretionary spending;

The directors of the Company have reviewed the cash flow forecast and consider multiple material uncertainties exist as to whether the Group will be able to achieve the plans and measures as described above. Specifically, whether the Group will be able to continue as a going concern will depend on the following:

- Successful obtaining approvals on the extension plans from the bondholders of two onshore bonds with maturity dates in 2024;
- Successful implementation of the Offshore Debt Restructuring;
- The Group's ability to reach an amicable solution on the litigations which have not yet reached a definite outcome;
- Successful negotiation with existing lenders on the renewal of the Group's certain borrowings and not to demand immediate repayment of bank and other borrowings until the Group has successfully completed the construction projects and generated sufficient cash flows therefrom;
- The Group's ability to successfully obtain additional new financing as and when needed;
- The Group's ability to maintain continuing and normal business relationship with major constructors and suppliers;
- The Group's ability to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables; and

- Successful implementation of the Group's business strategy plan and cost control measures so as to improve the Group's working capital and cash flow position.

The directors of the Company consider that, assuming the success of the above-mentioned assumptions, plans and measures, the Group will have sufficient working capital to finance its operations and to meet its obligations as and when they fall due for at least twelve months from 30 June 2024. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the interim condensed consolidated financial statements on a going concern basis.

Should the Group fail to achieve the intended effects resulting from the above-mentioned plans and measures on a timely basis, it may not be able to continue to operate as a going concern basis, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the interim condensed consolidated financial statements.

2.2 Restatement due to prior year adjustments for the year ended 31 December 2022

As disclosed in the Group's audited consolidated financial statements for the year ended 31 December 2023, due to (i) restatements in relation to the interests in associates and (ii) restatements in relation to the transaction and balance relating to the funds transferred to a third party for the year ended 31 December 2022, the certain account balance of interim condensed consolidated financial statements as at 1 January 2023 and 30 June 2023 were restated. For details on the prior year adjustments for the year ended 31 December 2022, please refer to the Group's audited consolidated financial statements for the year ended 31 December 2023.

The impact on the Group's interim condensed consolidated financial statements as follows:

	Prior year adjustments for the year ended 31 December 2022			
	(As previously reported) RMB'000	(i) RMB'000	(ii) RMB'000	(As restated) RMB'000
Retained earnings as at 1 January 2023	11,756,560	(410,789)	(2,695,536)	8,650,235
Accumulated losses as at 30 June 2023	(6,612,669)	(410,789)	(2,695,536)	(9,718,994)
Interests in associates as at 1 January 2023	4,847,594	(410,789)	–	4,436,805
Interests in associates as at 30 June 2023	4,586,467	(410,789)	–	4,175,678
Trade and other receivables and prepayments as at 1 January 2023	83,490,813	–	(2,695,536)	80,795,277
Trade and other receivables and prepayments as at 30 June 2023	65,951,399	–	(2,695,536)	63,255,863
Provision for impairment of other receivables as at 1 January 2023	(5,132,691)	–	(2,695,536)	(7,828,227)
Provision for impairment of other receivables as at 30 June 2023	(16,042,485)	–	(2,695,536)	(18,738,021)

3. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2023, as described in those annual financial statements, except for the adoption of amendments to standards as set out below.

Amendments to HKFRS 16 Leases	Lease liability in a Sale and Leaseback
Amendments to HKAS 1 Presentation of Financial Statements	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1 Presentation of Financial Statements	Non-current Liabilities with Covenants
Amendments to HKAS 7 Statement of Cash Flows and HKFRS 7 Financial Instruments: Disclosures	Supplier Finance Arrangements

These amendments had no effect and 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 amendments to standards and interpretations which have been published but not yet effective for financial period beginning on 1 January 2024.

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 consider 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 assess 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 interests in joint ventures and associates as well as fair value change from investment properties, corporate overheads, other gains and losses-net and impairment losses on assets classified as held for sale. 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, interests in joint ventures and associates, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, deferred income tax assets and assets classified as held for sale, 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 statement of financial position assets and liabilities.

The segment information provided to the executive directors of the Company for the reportable segments is as follows:

	Unaudited									
	Property Development						Property investment	Property management	All other segments	Total
	Beijing	Bohai Rim	Eastern China	Southern China	Central China	Western China				
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Six months ended 30 June 2024										
Total segment revenue	975,020	1,823,092	3,938,773	1,504,702	1,358,195	700,122	183,285	1,436,013	2,352,010	14,271,212
Inter-segment revenue	-	-	-	-	-	-	(1,978)	(74,537)	(881,246)	(957,761)
Revenue (from external customers)	975,020	1,823,092	3,938,773	1,504,702	1,358,195	700,122	181,307	1,361,476	1,470,764	13,313,451
Segment operating profit/(loss)	(223,666)	12,540	(22,822)	(126,771)	62,551	(134,834)	101,690	56,415	(255,523)	(530,420)
Depreciation and amortization	(9,055)	(137)	(735)	(523)	(1,044)	(505)	(1,268)	(19,275)	(147,311)	(179,853)
Six months ended 30 June 2023										
Total segment revenue	1,918,707	4,267,028	2,428,180	2,191,938	5,728,035	786,955	199,642	1,555,837	3,216,649	22,292,971
Inter-segment revenue	(663)	-	(2,469)	-	-	-	(2,563)	(116,105)	(1,364,575)	(1,486,375)
Revenue (from external customers)	1,918,044	4,267,028	2,425,711	2,191,938	5,728,035	786,955	197,079	1,439,732	1,852,074	20,806,596
Segment operating profit/(loss)	(349,928)	272,316	(1,345,363)	(131,120)	(338,351)	(222,660)	85,828	246,860	(10,454,064)	(12,236,482)
Depreciation and amortization	(9,419)	(2,280)	(165)	(478)	(251)	(75)	(58)	(21,028)	(131,821)	(165,575)
As at 30 June 2024 (Unaudited)										
Total segment assets	18,733,558	16,174,101	10,020,993	19,504,305	14,800,529	7,520,292	13,826,361	4,098,474	61,261,634	165,940,247
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,323	59	327	11,883	-	20	-	1,205	60,090	74,907
Total segment liabilities	8,073,120	12,702,996	7,373,317	10,737,842	6,002,110	4,348,052	637,883	1,687,520	31,812,484	83,375,324
As at 31 December 2023 (Audited)										
Total segment assets	18,956,191	15,850,019	14,392,027	19,716,285	14,895,793	7,542,554	15,709,032	3,794,514	64,310,813	175,167,228
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,627	104	3,492	97	18	12	2,372	24,833	789,730	822,285
Total segment liabilities	8,165,428	12,409,641	11,417,437	12,036,938	7,754,430	4,600,007	1,049,603	1,822,321	27,930,755	87,186,560

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

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Segment operating loss	(530,420)	(12,236,482)
Corporate finance income	56	128
Corporate overheads	(56,525)	(94,058)
Fair value change on investment properties	(292,770)	150,368
Other losses — net (Note 7)	(478,723)	(1,193,515)
Finance costs (Note 8)	(1,874,864)	(1,881,267)
Share of results of joint ventures	(751,265)	(1,255,889)
Share of results of associates	(55,983)	(1,405,411)
Impairment loss on assets classified as held for sale	(1,706,630)	–
	<u>(5,747,124)</u>	<u>(17,916,126)</u>

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

	As at	As at
	30 June	31 December
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Total segment assets	165,940,247	175,167,228
Corporate cash and cash equivalents	32,302	29,099
Interests in joint ventures	14,042,011	18,679,921
Interests in associates	3,693,972	3,915,886
Financial assets at fair value through other comprehensive income	765,177	777,280
Financial assets at fair value through profit or loss	5,063,608	5,395,169
Assets classified as held for sale	3,815,324	–
Deferred income tax assets	2,141,219	2,207,743
	<u>195,493,860</u>	<u>206,172,326</u>
Total assets per condensed consolidated statement of financial position		
Total segment liabilities	83,375,324	87,186,560
Current borrowings	58,713,306	69,750,588
Non-current borrowings	37,955,314	26,392,734
Deferred income tax liabilities	1,305,129	2,016,697
Financial liabilities at fair value through profit or loss	–	33,764
	<u>181,349,073</u>	<u>185,380,343</u>
Total liabilities per condensed consolidated statement of financial position		

The Company was incorporated in Hong Kong, with its major subsidiaries domiciled in the PRC. Revenues from external customers of the Group are mainly derived in the PRC for the six months ended 30 June 2024 and 2023.

As at 30 June 2024, total non-current assets (other than financial instruments and deferred income tax assets) located in the PRC, Hong Kong and the United States amounted to approximately RMB38,129,983,000, RMB1,052,000 and RMB66,635,000 (31 December 2023: RMB45,479,399,000, RMB1,307,000 and RMB66,223,000), respectively. For the six months ended 30 June 2024 and 2023, 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 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Trade receivables (a)	5,422,803	5,155,256
Other receivables and prepayments (b)	63,056,807	64,132,919
	68,479,610	69,288,175
Less: non-current portion	(6,909,243)	(6,878,282)
Current portion	61,570,367	62,409,893

(a) Trade receivables

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Trade receivables	6,208,707	5,935,207
Less: provision for impairment of trade receivables	(785,904)	(779,951)
	5,422,803	5,155,256
Less: non-current portion	-	-
Current portion	5,422,803	5,155,256

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 gross trade receivables mainly based on invoice or bills issuance date at the respective statement of financial position dates is as follows:

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Within 6 months	1,742,245	1,590,839
Between 6 months to 1 year	1,515,397	2,332,846
Between 1 year to 2 years	1,831,210	1,467,025
Between 2 years to 3 years	839,784	308,612
Over 3 years	280,071	235,885
	<u>6,208,707</u>	<u>5,935,207</u>

As at 30 June 2024, trade receivables with carrying amount of approximately RMB320,383,000 (31 December 2023: RMB67,105,000) were pledged as collateral for the Group's borrowings.

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

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Opening amount at beginning of the period/year	(779,951)	(510,632)
Provision for receivable impairment	(5,953)	(269,567)
Write-off	–	248
Closing amount at end of the period/year	<u>(785,904)</u>	<u>(779,951)</u>

(b) Other receivables and prepayments

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Entrusted loans due from joint ventures	3,204,304	3,648,544
Entrusted loans due from associates	636,206	636,206
Entrusted loans due from third parties	1,249,405	1,163,097
Amounts due from joint ventures	24,534,670	24,771,325
Amounts due from non-controlling interests	4,472,501	5,469,140
Amounts due from associates	9,856,522	10,038,587
Amounts due from third parties	17,081,451	16,370,118
	61,035,059	62,097,017
Less: provision for impairment	(16,588,420)	(16,496,229)
	44,446,639	45,600,788
Receivables from government	761,529	788,173
Payment for the cooperation of potential properties development projects	1,447,819	1,447,819
Receivables from disposal of interest in subsidiaries	3,000,908	2,930,492
Other receivables	2,593,073	2,322,218
	7,803,329	7,488,702
Less: provision for impairment	(1,149,040)	(953,379)
	6,654,289	6,535,323
Other tax prepayments	6,596,128	6,774,393
Other prepayments	5,359,751	5,222,415
	11,955,879	11,996,808
Total other receivables and prepayments	63,056,807	64,132,919
Less: non-current portion	(6,909,243)	(6,878,282)
Current portion	56,147,564	57,254,637

6. TRADE AND OTHER PAYABLES

	As at 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Trade payables (a)	14,278,957	13,908,768
Accrued expenses	6,986,425	9,080,971
Amounts due to joint ventures (b)	6,830,614	7,038,388
Amounts due to associates (b)	1,036,509	1,040,195
Amounts due to non-controlling interests (b)	2,087,403	2,180,839
Amounts due to government	553,953	527,052
Other taxes payable	3,322,335	4,023,022
Deposits received	1,606,358	1,928,202
Other payables	13,719,400	10,052,263
	<u>50,421,954</u>	<u>49,779,700</u>
Less: non-current portion	(669,677)	(683,491)
Current portion	<u>49,752,277</u>	<u>49,096,209</u>

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

- (a) 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 30 June 2024 RMB'000 (Unaudited)	As at 31 December 2023 RMB'000 (Audited)
Within 6 months	5,763,725	4,543,671
Between 6 months to 1 year	1,574,084	1,902,685
Between 1 year to 2 years	1,876,748	3,682,485
Between 2 years to 3 years	2,202,086	1,273,307
Over 3 years	2,862,314	2,506,620
	<u>14,278,957</u>	<u>13,908,768</u>

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

7. OTHER LOSSES — NET

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Fair value change of financial assets and financial liabilities at fair value through profit or loss	(238,463)	(446,624)
Exchange losses	(56,491)	(279,443)
Payment for the settlement of contracted obligations	(37,783)	(15,802)
Losses on disposal of interests in subsidiaries	(135,171)	(61,382)
(Losses)/gains on disposal of joint ventures and associates	(6,538)	52,542
Gains on disposal of financial assets at fair value through profit or loss	–	24,015
Provision for litigation	–	(467,074)
Other (losses)/gains	(4,277)	253
	<u>(478,723)</u>	<u>(1,193,515)</u>

8. FINANCE COSTS

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Interest expense:		
— Bank borrowings	1,081,799	1,035,170
— Other borrowings	1,598,858	1,653,803
— Lease liabilities	59,574	58,479
	<u>2,740,231</u>	<u>2,747,452</u>
Less: interest capitalized at a capitalization rate of 5.59% (2023: 5.78%) per annum	<u>(865,367)</u>	<u>(866,185)</u>
	<u>1,874,864</u>	<u>1,881,267</u>

9. INCOME TAX (CREDIT)/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 six months ended 30 June 2024 and 2023. Other Group entities are mainly subject to Hong Kong profits tax.

The amount of income tax (credit)/expense charged to the statement of profit or loss represents:

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Current income tax:		
— PRC enterprise income tax	403,404	273,873
— PRC land appreciation tax	(646,028)	89,112
Deferred income tax	(187,326)	30,279
	(429,950)	393,264

10. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss 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	
	2024	2023
Loss attributable to owners of the Company (RMB'000)	(5,381,705)	(18,369,229)
Weighted average number of ordinary shares in issue (thousands)	7,616,096	7,616,096
Basic loss per share (RMB per share)	(0.707)	(2.412)

(b) Diluted

Diluted loss 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 one categories of dilutive potential ordinary shares: share options (30 June 2023: 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 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 vesting of awarded shares.

	Unaudited	
	Six months ended 30 June	
	2024	2023
Loss attributable to owners of the Company (RMB'000)	<u>(5,381,705)</u>	<u>(18,369,229)</u>
Loss used to determine diluted earnings per share (RMB'000)	<u>(5,381,705)</u>	<u>(18,369,229)</u>
Weighted average number of ordinary shares in issue (thousands)	<u>7,616,096</u>	<u>7,616,096</u>
Weighted average number of ordinary shares for diluted loss per share (thousands)	<u>7,616,096</u>	<u>7,616,096</u>
Diluted loss per share (RMB per share)	<u><u>(0.707)</u></u>	<u><u>(2.412)</u></u>

11. DIVIDENDS

The Board did not recommend the payment of interim dividend for the six months ended 30 June 2024 and 2023.

12 SUBSEQUENT EVENT

Save as the events disclosed under the "Note 2.1 Going concern assumption", there was no other significant subsequent event affecting the Group after the six-month period ended 30 June 2024 and up to the date of issuance of the interim condensed consolidated financial statements.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including the sale of treasury shares, if any) of the Company during the six months ended 30 June 2024. As at 30 June 2024, the Company did not hold any treasury shares.

REVIEW OF INTERIM FINANCIAL INFORMATION

The interim condensed consolidated financial statements for the six months ended 30 June 2024 has been reviewed by the auditor of the Company, BDO, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee has reviewed with the management of the Company the accounting policies and practices adopted by the Group and discussed, among other things, internal control, risk management and financial reporting matters including a review of the unaudited interim results of the Group for the six months ended 30 June 2024.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Company's auditor, BDO, has issued a disclaimer of conclusion on the independent auditor's report on the Group's interim condensed consolidated financial statements for the period ended 30 June 2024. An extract from the independent auditor's report is as follows:

BASIS FOR DISCLAIMER OF CONCLUSION

Multiple Uncertainties Relating to Going Concern

The Group incurred a net loss of approximately RMB5.32 billion for the period ended 30 June 2024 and, the Group had total borrowings of approximately RMB96.67 billion, of which the current borrowings amounted to approximately RMB58.71 billion, while the Group had cash and cash equivalents of approximately RMB1.71 billion only.

As of 30 June 2024, the total principal and interest amounts of two of the Group's onshore bonds are approximately RMB3.50 billion which has already matured but has not been repaid. As of the approval date of the interim condensed consolidated financial statements, the Group is still in communication with the bondholders regarding the repayment adjustment arrangements.

In view of the Group's tight liquidity position, on 15 September 2023, the Group announced to commence a holistic restructuring of its offshore debts ("**Offshore Debt Restructuring**") and to suspend payments of all its offshore debts (except for payments which would facilitate or be incidental to the debt restructuring having regard to the rights and priorities of the relevant creditors) until the Offshore Debt Restructuring and/or extension solutions are implemented. The Offshore Debt Restructuring is still in progress and the trading in the offshore USD securities on The Stock Exchange of Hong Kong Limited has been suspended. These offshore debts include various existing syndicated loans and bilateral loan with carrying amount of approximately RMB13.69 billion; six USD-denominated guaranteed notes with carrying amount of approximately RMB22.04 billion and one USD-denominated perpetual subordinated guaranteed capital securities with carrying amount of approximately RMB4.70 billion as at 30 June 2024, totaling RMB40.43 billion (principal amount approximately USD5.64 billion). Due to the suspended payments, the Group has received demand letters, acceleration notices and other legal letters with respect to certain offshore debts, and these letters are expected to be withdrawn when the restructuring plan is successfully proceeds. Additionally, on 27 June 2024, the Company received a winding-up petition (the "**Petition**") at the High Court of the Hong Kong Special Administrative Region (the "**High Court**") in relation to the non-repayment of the interest of the 3.25% guaranteed notes due 2026 issued by Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary of the Company and guaranteed by the Company in the aggregate principal amount of approximately USD0.4 billion and accrued interests. The Company is opposing the Petition vigorously. The High Court has set the first hearing date for the Petition on 11 September 2024.

In addition, the Group has involved in various litigation cases for unpaid borrowings, outstanding construction and daily operations payables, delayed delivery of several projects and other matters for which the Group has made provision.

All these events or conditions indicate that multiple material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern.

In view of these circumstances, the directors of the Company have carefully considered the Group's cash flow forecast for the next twelve months from 30 June 2024 and have given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, have proactively come up with certain plans and measures to ensure the Group will have sufficient cash resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken or will be taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, those set out in the Note 2.1 to the interim condensed consolidated financial statements. The validity of going concern assumption on which the interim condensed consolidated financial statements have been prepared depends upon the successful implementation of these plans and measures, which are subject to multiple uncertainties, including, but not limited to:

- Successful obtaining approvals on the extension plans from the bondholders of two onshore bonds with maturity dates in 2024;
- Successful implementation of the Offshore Debt Restructuring;
- The Group's ability to reach an amicable solution on the litigations which have not yet reached a definite outcome;
- Successful negotiation with existing lenders on the renewal of the Group's certain borrowings and not to demand immediate repayment of bank and other borrowings until the Group has successfully completed the project construction projects and generated sufficient cash flows therefrom;
- The Group's ability to successfully obtain additional new financing as and when needed;
- The Group's ability to maintain continuing and normal business relationship with major constructors and suppliers;
- The Group's ability to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables; and
- Successful implementation of the Group's business strategy plan and cost control measures so as to improve the Group's working capital and cash flow position.

As a result of the above-mentioned multiple uncertainties, the potential interaction of these uncertainties, and the possible cumulative effect thereof, we were unable to form a conclusion as to whether the use of the going concern basis of preparation is appropriate.

Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned in the interim condensed consolidated financial statements, it may not be able to continue to operate as a going concern basis, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the interim condensed consolidated financial statements.

We disclaimed our opinion on the consolidated financial statements for the year ended 31 December 2023 relating to the going concern basis of preparing the consolidated financial statements. Any adjustments to the balances as at 31 December 2023 would affect the balances of these interim condensed consolidated statement of financial position items as at 1 January 2024 and the corresponding movements, if any, during the six months ended 30 June 2024. The balances as at 31 December 2023 are presented as corresponding figures in the interim condensed consolidated statement of financial position as at 30 June 2024. We disclaimed our review conclusion on the interim condensed consolidated financial statements for the six months ended 30 June 2024 also for the possible effect of the disclaimer of audit opinion on the consolidated financial statements for the year ended 31 December 2023 on the comparability of 2023 figures and 2024 figures in these interim condensed consolidated financial statements.

DISCLAIMER OF CONCLUSION

Because of the potential interaction of the multiple uncertainties related to going concern and their possible cumulative effect on these interim condensed consolidated financial statements described in the “Basis for Disclaimer of Conclusion” section of our report, we do not express a conclusion on these interim condensed consolidated financial statements.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company had applied the principles of the CG Code, which was in force throughout the six months ended 30 June 2024, to its corporate governance structure and practices which have been described in the annual report of the Company for the year ended 31 December 2023 and complied with the applicable code provisions of the CG Code throughout the six months ended 30 June 2024, except for the deviations as disclosed below.

The roles of the Chairman and the CEO 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.5.7 of the CG Code stipulates that if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. During the period under review, the Board approved a very substantial disposal and connected transaction (the “**Transaction**”) by way of passing written resolutions in lieu of a physical board meeting, in respect of which a substantial Shareholder and certain Directors who were nominated by such substantial Shareholder were regarded as having material interests. It is considered that the adoption of written resolutions in lieu of a physical board meeting allowed the Board to make decision in relation to the Transaction in a more efficient manner. Prior to the execution of the written resolutions, Board papers regarding details and information, reasons for and benefits, as well as fairness of the Transaction were provided to all Directors in advance for their review and consideration, and all Directors had declared their interests in the matters (if any) in accordance with the Articles and applicable laws. The Directors who had material interests in the Transaction abstained from passing the written resolutions.

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

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 2024 will be available 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.

CHANGE OF DIRECTORS

The Board also hereby announces the following change of Directors with effect from 29 August 2024:

- (i) Mr. CHEN Guogang (“**Mr. CHEN**”) has been appointed as an Independent Non-executive Director; and
- (ii) Mr. JIN Qingjun (“**Mr. JIN**”) has resigned as an Independent Non-executive Director in order to devote more time to focus on his other engagements.

Sino-Ocean Group Holding Limited

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

Stock Code : 03377

Mr. JIN has confirmed that he has no disagreement with the Board and there are no other matters relating to his resignation that need to be brought to the attention of the Shareholders and/or the Stock Exchange.

Biographical details of Mr. CHEN are set out below:

Mr. CHEN Guogang, aged 64, is currently the senior advisor of Canopath Company Limited. Mr. CHEN is currently an independent non-executive director of China Dongxiang (Group) Co., Ltd., a company listed on the Stock Exchange and an independent director of Allinpay Network Services Co., Ltd.* (通聯支付網絡服務股份有限公司). Mr. CHEN was the chief executive officer of Shenzhen Qianjin Enterprise Management Consulting Co., Ltd.* (深圳前海金企業管理諮詢有限公司) (formerly known as Shenzhen Qianhai Financial Assets Exchange Ltd.* (深圳前海金融資產交易所有限公司)), the vice president of China Minsheng Investment Corp., Ltd.* (中國民生投資股份有限公司), the vice president and the chief financial officer of New China Life Insurance Company Ltd. (新華人壽保險股份有限公司), a company listed on The Shanghai Stock Exchange and the Stock Exchange, the chief financial officer, the general manager of the finance department and the deputy chief financial officer of Sinochem Group Co., Ltd.* (中國中化集團有限公司), and the vice president of China International United Petroleum & Chemicals Co., Ltd.* (中國國際石油化工聯合有限責任公司). Mr. CHEN is a senior accountant and a certified public accountant of The Chinese Institute of Certified Public Accountants. Mr. CHEN has extensive working experience in financial management, with unique insights and practices in the fields of international financing, capital operations and corporate risk control. Mr. CHEN graduated from Xiamen University and obtained a doctorate degree in Economics in 1988.

Mr. CHEN has entered into an appointment letter with the Company for a term of one year commencing from 29 August 2024, subject to retirement from office and re-election at the next following general meeting of the Company in accordance with the Articles. Pursuant to the appointment letter with the Company, Mr. CHEN will be entitled to a Director's fee of HKD460,000 per annum, which is determined by the Board upon the recommendation of the Remuneration Committee by reference to his experience, qualifications, duties and responsibilities undertaken in the Company and the prevailing market conditions.

Save as disclosed herein, as at the date of this announcement, Mr. CHEN (i) does not have any relationship with any Directors, senior management of the Company or substantial Shareholders or controlling Shareholders (as defined in the Listing Rules); (ii) does not have any interest in the Shares within the meaning of Part XV of the SFO; (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years nor other major appointments and professional qualifications; and (iv) does not hold any other positions with other members of the Group.

Mr. CHEN has confirmed to the Company (i) his independence as regards each of the factors referred to in Rule 3.13(1) to (8) of the Listing Rules; (ii) that he has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the Listing Rules) of the Company; and (iii) that there are no other factors that may affect his independence at the time of his appointment. Save as disclosed herein, Mr. CHEN has confirmed that there are no other matters relating to his appointment that need to be brought to the attention of the Shareholders or the Stock Exchange and there is no other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to take this opportunity to express its sincere gratitude to Mr. JIN for his valuable contribution to the Company during his tenure of services. The Board also extends its warm welcome to Mr. CHEN in joining the Board.

CHANGES IN COMPOSITION OF THE BOARD COMMITTEES

The Board also hereby announces the following changes in composition of the Board committees with effect from 29 August 2024:

- (i) Mr. CHEN has been appointed as a member of each of the Audit Committee and the Nomination Committee; and
- (ii) Mr. JIN will cease to be a member of each of the Audit Committee and the Nomination Committee.

LIST OF DIRECTORS AND THEIR ROLE AND FUNCTION

With effect from 29 August 2024, the composition of the Board, the Audit Committee, the Nomination Committee, the Remuneration Committee and the Strategic and Investment Committee will be as follows:

Director	Board Committee	Audit Committee	Nomination Committee	Remuneration Committee	Strategic and Investment Committee
Executive Directors					
Mr. LI Ming (<i>Chairman of the Board and CEO</i>)			C		C
Mr. WANG Honghui					M
Mr. CUI Hongjie					M
Ms. CHAI Juan				M	
Non-executive Directors					
Mr. ZHAO Peng		M			
Mr. ZHANG Zhongdang					M
Mr. YU Zhiqiang		M			
Mr. SUN Jinfeng			M		M
Independent Non-executive Directors					
Mr. HAN Xiaojing			M	C	
Mr. LYU Hongbin		M		M	
Mr. LIU Jingwei		C			M
Mr. JIANG Qi			M	M	
Mr. CHEN Guogang		M	M		

Notes:

C Chairman of the relevant Board committees

M Member of the relevant Board committees

DEFINITIONS

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

“Articles”	the articles of association of the Company
“Audit Committee”	the audit committee of the Company
“BDO”	BDO Limited
“Board”	the board of directors of the Company
“CEO”	the chief executive officer of the Company
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Chairman”	the chairman of the Board
“China” or “PRC”	the People’s Republic of China, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
“Company”	Sino-Ocean Group Holding Limited (遠洋集團控股有限公司), a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03377)
“Director(s)”	director(s) of the Company
“Executive Director(s)”	executive director(s) of the Company
“GFA”	gross floor area
“Group” or “we”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“Independent Non-executive Director(s)”	independent non-executive director(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“net gearing ratio”	total borrowings less total cash resources divided by total equity
“Nomination Committee”	the nomination committee of the Company
“Non-executive Director(s)”	non-executive director(s) of the Company
“Remuneration Committee”	the remuneration committee of the Company
“Restricted Share Award Scheme”	the restricted share award scheme adopted by the Board on 22 March 2010
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company with no nominal value
“Shareholder(s)”	shareholder(s) of the Company
“SOG China”	Sino-Ocean Holding Group (China) Limited (遠洋控股集團(中國)有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic and Investment Committee”	the strategic and investment committee of the Company
“USD”	United States dollars, the lawful currency of the United States

“Xishuangbanna”	Xishuangbanna Dai Autonomous Prefecture
“YoY”	year-on-year
“%”	per cent

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

Hong Kong, 28 August 2024

As at the date of this announcement, the Board comprises Mr. LI Ming, Mr. WANG Honghui, Mr. CUI Hongjie and Ms. CHAI Juan as Executive Directors; Mr. ZHAO Peng, Mr. ZHANG Zhongdang, Mr. YU Zhiqiang and Mr. SUN Jinfeng as Non-executive Directors; and Mr. HAN Xiaojing, Mr. JIN Qingjun, Mr. LYU Hongbin, Mr. LIU Jingwei and Mr. JIANG Qi as Independent Non-executive Directors.

* *For identification purposes only*