

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Overseas Chinese Town (Asia) Holdings Limited

華僑城（亞洲）控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03366)

PRELIMINARY ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

RESULTS

The board (the “Board”) of directors (“Directors”) of Overseas Chinese Town (Asia) Holdings Limited (the “Company”) is pleased to present the audited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2014 prepared in accordance with the Hong Kong Financial Reporting Standards (“HKFRSs”), together with the comparative figures for the year ended 31 December 2013.

Audited financial information of the Group for the year ended 31 December 2014 prepared in accordance with the HKFRSs are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2014

	Note	2014 RMB'000	2013 RMB'000
Turnover	4	3,796,572	4,058,517
Cost of sales		<u>(2,550,308)</u>	<u>(2,578,885)</u>
Gross profit		1,246,264	1,479,632
Other revenue		55,687	20,374
Other net gains		15,173	52,892
Distribution costs		(221,459)	(206,477)
Administrative expenses		(190,093)	(200,658)
Other operating expenses		<u>(46,958)</u>	<u>(8,731)</u>
Profit from operations		858,614	1,137,032
Finance costs	5(a)	(189,867)	(159,042)
Excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition of an associate		–	5,822
Gain on disposal of a subsidiary		335,785	–
Share of (losses)/profits of associates		<u>(13,217)</u>	<u>18,316</u>
Profit before tax	5	991,315	1,002,128
Income tax expense	6	<u>(457,737)</u>	<u>(445,731)</u>
Profit for the year		<u>533,578</u>	<u>556,397</u>
Attributable to:			
Owners of the Company		326,028	235,905
Non-controlling interests		<u>207,550</u>	<u>320,492</u>
		<u>533,578</u>	<u>556,397</u>
Dividend payable to owners of the Company attributable to the year			
Final dividend proposed after the end of the reporting period	7	<u>97,344</u>	<u>47,611</u>
Earnings per share (RMB)	8		
Basic		<u>0.49</u>	<u>0.41</u>
Diluted		<u>0.44</u>	<u>0.38</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2014

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Profit for the year	<u>533,578</u>	<u>556,397</u>
Other comprehensive income for the year, net of tax:		
<i>Items that may be reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	<u>(27,883)</u>	<u>25,104</u>
Total comprehensive income for the year	<u><u>505,695</u></u>	<u><u>581,501</u></u>
Attributable to:		
Owners of the Company	298,145	261,009
Non-controlling interests	<u>207,550</u>	<u>320,492</u>
	<u><u>505,695</u></u>	<u><u>581,501</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2014

	<i>Note</i>	2014 RMB'000	2013 RMB'000
Non-current assets			
Fixed assets			
– Investment property		526,138	578,695
– Other property, plant and equipment		1,491,336	1,463,094
– Interests in leasehold land held for own use		657,756	661,382
		2,675,230	2,703,171
Intangible assets		684	486
Goodwill		223,476	267,195
Investments in associates		155,611	186,299
Other financial assets		4,320	4,320
Deferred tax assets		122,047	114,579
		3,181,368	3,276,050
Current assets			
Inventories		13,699,310	14,565,322
Trade and other receivables	9	1,213,414	1,549,176
Cash and cash equivalents		3,763,918	1,711,357
		18,676,642	17,825,855
Current liabilities			
Trade and other payables	10	2,365,622	3,051,770
Receipts in advance		720,281	817,112
Bank loans		477,835	208,699
Related party loans		1,301,393	671,000
Current tax liabilities		644,725	778,130
		5,509,856	5,526,711
Net current assets		13,166,786	12,299,144
Total assets less current liabilities		16,348,154	15,575,194
Non-current liabilities			
Bank loans		3,044,400	952,481
Related party loans		6,661,154	8,238,876
Deferred tax liabilities		258,937	273,542
		9,964,491	9,464,899
NET ASSETS		6,383,663	6,110,295
CAPITAL AND RESERVES			
Share capital		67,134	67,134
Reserves		2,930,923	2,676,384
Equity attributable to owners of the Company		2,998,057	2,743,518
Non-controlling interests		3,385,606	3,366,777
TOTAL EQUITY		6,383,663	6,110,295

NOTES

1. REVIEW OF ANNUAL RESULTS

The Audit Committee of the Company has reviewed the financial results for the year ended 31 December 2014. The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2014 have been compared by the Company's auditors, RSM Nelson Wheeler, Certified Public Accountants, to the amounts set out in the Group's audited financial statements for the year and the amounts were found to be in agreement. The work performed by RSM Nelson Wheeler in this respect was limited and did not constitute an audit, review or other assurance engagement and consequently no assurance has been expressed by the auditors on this announcement.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong. The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Hong Kong Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The consolidated financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise their judgement in the process of applying the Group's accounting policies.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS AND REQUIREMENTS

In the current year, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2014. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations.

(a) Application of new and revised HKFRSs

The following standards have been adopted by the Group for the first time for the financial year beginning 1 January 2014:

Amendment to HKAS 32, Offsetting financial assets and financial liabilities

This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the Group financial statements.

Amendment to HKAS 36, Recoverable amount disclosures for non-financial assets

The amendments reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount based on fair value less costs of disposal is determined using a present value technique. The amendments do not have an impact on these consolidated financial statements as the recoverable amounts of assets or cash-generating units have been determined on the basis of their value in use.

Amendments to HKFRS 2 (Annual Improvements to HKFRSs 2011-2012 Cycle)

This amendment clarifies the definitions of “vesting condition” and “market condition” and adds definitions for “performance condition” and “service condition”. The amendment is applicable prospectively to share-based payment transactions for which the grant date is on or after 1 July 2014 and had no effect on the Group’s consolidated financial statements.

Amendments to HKFRS 3 (Annual Improvements to HKFRSs 2011-2012 Cycle)

This amendment, applicable prospectively to business combinations for which the acquisition date is on or after 1 July 2014, requires any contingent consideration that is classified as an asset or a liability (i.e. non-equity) to be measured at fair value at each reporting date with changes in fair value recognised in profit or loss. It had no effect on the Group’s consolidated financial statements.

Amendments to HKFRS 13 (Annual Improvements to HKFRSs 2011-2012 Cycle)

This amendment to the standard’s basis for conclusions only clarifies that the ability to measure certain short-term receivables and payables on an undiscounted basis is retained.

(b) New and revised HKFRSs in issue but not yet effective

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2014. The directors anticipate that the new and revised HKFRSs will be adopted in the Group’s consolidated financial statements when they become effective. The Group has assessed, where applicable, the potential effect of all new and revised HKFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

List of New and revised HKFRSs in issue but not yet effective:

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers ²

¹ Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

² Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.

(c) New Hong Kong Companies Ordinance

The requirements of Part 9 “Accounts and Audit” of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company’s first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). So far it has concluded that the impact is unlikely to be significant.

4. TURNOVER AND SEGMENT REPORTING

(a) Turnover

The principal activities of the Group are comprehensive development and paper packaging business.

Turnover represents the sales value of goods or services supplied to customers (net of value-added tax and business tax), including the sales of properties, rental income from investment properties, ticket sales from theme park and sales of paper cartons and products are as follows:

	2014 RMB'000	2013 <i>RMB'000</i>
Comprehensive development business	2,948,376	3,278,978
Paper packaging business	848,196	779,539
	<u>3,796,572</u>	<u>4,058,517</u>

The Group's customer base is diversified and there was no customer with whom transactions exceeded 10% of the Group's revenues in 2014.

Further details regarding the Group's principal activities are disclosed in note 4(b).

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has the following two reportable segments.

- Comprehensive development business: this segment engaged in the development and operation of tourism theme park, developed and sold residential properties, and development and management of properties.
- Paper packaging business: this segment engaged in the manufacture and sale of paper cartons and products.

(i) *Segment results, assets and liabilities*

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets. Segment liabilities include trade creditors, accruals and bills payable attributable to the manufacturing and sales activities of the individual segments and borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment result is “net profit”. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Expenses not specifically attributed to individual segments, such as directors’ and auditors’ remuneration and other head office or corporate administration costs, were allocated to each individual segment in proportion to its turnover.

Information regarding the Group’s reportable segments as provided to the Group’s most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2014 and 2013 is set out below.

	Comprehensive development business		Paper packaging business		Total	
	2014	2013	2014	2013	2014	2013
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Revenue from external customers	2,948,376	3,278,978	848,196	779,539	3,796,572	4,058,517
Reportable segment net profit	307,594	220,520	18,434	15,385	326,028	235,905
Interest income	44,118	16,204	5,943	3,904	50,061	20,108
Interest expense	184,258	154,121	5,609	4,921	189,867	159,042
Depreciation and amortisation for the year	138,770	146,579	28,941	36,728	167,711	183,307
Share of (losses)/profits of associates	(13,217)	18,316	–	–	(13,217)	18,316
Income tax expense	451,026	443,916	6,711	1,815	457,737	445,731
Addition to segment non-current assets during the year	168,849	300,070	35,227	3,840	204,076	303,910
Reportable segment assets	19,769,285	19,051,328	2,088,725	2,050,577	21,858,010	21,101,905
Reportable segment liabilities	13,889,138	13,437,036	1,585,209	1,554,574	15,474,347	14,991,610
Investments in associates	155,611	186,299	–	–	155,611	186,299

(ii) *Reconciliations of reportable segment revenue, profit or loss, assets and liabilities*

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Revenue		
Reportable segment revenue	3,796,572	4,058,517
Elimination of inter segment revenue	—	—
	<u>3,796,572</u>	<u>4,058,517</u>
Consolidated turnover	<u><u>3,796,572</u></u>	<u><u>4,058,517</u></u>
Profit		
Reportable segment profit	326,028	235,905
Elimination of inter segment profits	—	—
	<u>326,028</u>	<u>235,905</u>
Reportable segment profit derived from Group's external customers	<u>326,028</u>	<u>235,905</u>
Consolidated net profit	<u><u>326,028</u></u>	<u><u>235,905</u></u>
Assets		
Reportable segment assets	21,858,010	21,101,905
	<u>21,858,010</u>	<u>21,101,905</u>
Consolidated total assets	<u><u>21,858,010</u></u>	<u><u>21,101,905</u></u>
Liabilities		
Reportable segment liabilities	15,474,347	14,991,610
	<u>15,474,347</u>	<u>14,991,610</u>
Consolidated total liabilities	<u><u>15,474,347</u></u>	<u><u>14,991,610</u></u>

(iii) *Geographical information*

As at 31 December 2014, the revenues from external customers and non-current assets of the Group are located in the People's Republic of China (the "PRC") (2013: PRC).

5. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
(a) Finance costs:		
Interest on bank and other loans	78,133	45,260
Interest on related party loans	493,819	518,337
	<u>571,952</u>	<u>563,597</u>
Total borrowing costs wholly repayable within five years	571,952	563,597
Amount capitalised *	(382,085)	(404,555)
	<u><u>189,867</u></u>	<u><u>159,042</u></u>

* The weighted average capitalisation rate of funds borrowed generally is at a rate of 6.04% per annum (2013: 5.24% per annum).

	2014 RMB'000	2013 <i>RMB'000</i>
(b) Staff costs:		
Contributions to defined contribution retirement schemes	11,924	13,497
Salaries, wages and other benefits	227,984	204,864
Equity-settled share-based payment expenses	4,380	7,828
	244,288	226,189
	2014 RMB'000	2013 <i>RMB'000</i>
(c) Other items:		
Amortisation of intangible assets [#]	192	226
Depreciation [#]		
– investment property	23,685	28,552
– interests in leasehold land held for own use	20,289	20,079
– other assets	123,545	134,450
Impairment losses		
– goodwill	43,719	–
– trade and other receivables	1,858	2,005
Loss on write-off of fixed assets	32,966	–
Operating lease charges in respect of properties [#]	22,381	29,632
Net exchange gain	(13,893)	(52,415)
Auditors' remuneration		
– audit services	1,300	1,200
– other services	320	–
Rentals receivable from investment properties less direct outgoings of RMB26,457,000 (2013: RMB25,432,000)	(23,019)	(14,713)
Cost of inventories [#]	2,527,802	2,265,151
Reversal of impairment losses for trade and other receivables	(590)	(824)
[#] Cost of inventories included RMB235,447,000 (2013: RMB254,052,000) relating to staff costs, depreciation and amortisation expenses and operating lease charges, which amount is also included in the respective total amounts disclosed separately above.		

6. INCOME TAX EXPENSE

(a) Taxation in the consolidated statement of profit or loss represents:

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Current tax		
– PRC Corporate income tax (“CIT”)		
Charge for the year	240,380	287,788
Overprovision in previous year	(31,540)	(29,719)
	<u>208,840</u>	<u>258,069</u>
– PRC Land appreciation tax (“LAT”)	270,970	226,123
	<u>479,810</u>	<u>484,192</u>
Deferred tax		
Origination and reversal of temporary differences	(22,073)	(38,461)
	<u>(22,073)</u>	<u>(38,461)</u>
	<u><u>457,737</u></u>	<u><u>445,731</u></u>

(i) CIT

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands during the year (2013: Nil).

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profits subject to Hong Kong Profits Tax during the year (2013: Nil).

Pursuant to the income tax rules and regulations of the PRC, taxation for PRC subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant cities in the PRC at 25% (2013: 25%).

Additionally, a 10% withholding tax is levied on dividends declared to foreign investors from the PRC effective from 1 January 2008. A lower withholding tax rate may be applied if there is a tax treaty arrangement between the PRC and jurisdiction of the foreign investors. According to the tax treaty between Hong Kong Special Administrative Region and PRC for avoidance of double taxation and prevention of tax evasion, dividends declared from PRC subsidiaries to Hong Kong holding companies are subject to 5% withholding income tax from 1 January 2008 and onwards.

(ii) PRC LAT

PRC LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including lease charges of land use rights and all property development expenditures, which is included in the consolidated statement of profit or loss as income tax. The Group has estimated the tax provision for PRC LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual PRC LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the tax authorities might disagree with the basis on which the provision for PRC LAT is calculated.

(b) Reconciliation between income tax expense and accounting profit at applicable tax rates:

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Profit before tax	<u>991,315</u>	<u>1,002,128</u>
Tax at the PRC CIT rate of 25%	247,829	250,532
Tax effect of non-deductible expenses	64,525	48,409
Tax effect of non-taxable income	(57,200)	(24,878)
Tax effect of prior years' unrecognised tax losses utilised	–	(5)
Over provision in previous year	(31,540)	(29,719)
Temporary difference not included in deferred tax assets	30,896	31,800
PRC LAT	270,970	226,123
Tax effect of PRC LAT	<u>(67,743)</u>	<u>(56,531)</u>
Income tax expense	<u>457,737</u>	<u>445,731</u>

7. DIVIDENDS

(i) Dividends payable to owners of the Company attributable to the year:

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Final dividend proposed after the end of the reporting period of HK16.00 cents per ordinary share (equivalent RMB12.62 cents per ordinary share) (2013: HK8.00 cents per ordinary share (equivalent RMB6.29 cents per ordinary share))	82,003	40,869
Final dividend proposed after the end of the reporting period of HK20.25 cents per convertible preference share (equivalent RMB15.98 cents per convertible preference share) (2013: HK8.93 cents per convertible preference share (equivalent RMB7.02 cents per convertible preference share))	<u>15,341</u>	<u>6,742</u>
	<u>97,344</u>	<u>47,611</u>

(ii) Dividends payables to owners of the Company attributable to the previous financial year, approved and paid during the year:

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of HK8.00 cents per ordinary share (equivalent RMB6.34 cents per ordinary share) (2013: HK8.00 cents per ordinary share (equivalent RMB6.38 cents per ordinary share))	41,191	32,488
Final dividend in respect of the previous financial year, approved and paid during the year, of HK8.93 cents per convertible preference share (equivalent RMB7.08 cents per convertible preference share) (2013: HKNil cents)	<u>6,795</u>	<u>–</u>
	<u>47,986</u>	<u>32,488</u>

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following:

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Earnings		
Earnings attributable to ordinary equity holders for the purpose of calculating basic earnings per share	319,233	235,905
Preference share dividends saving on conversion of convertible preference shares	<u>6,795</u>	<u>—</u>
Earnings attributable to ordinary equity holders for the purpose of calculating diluted earnings per share	<u>326,028</u>	<u>235,905</u>
	2014	2013
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	649,790,000	570,776,301
Effect of dilutive potential ordinary shares arising from convertible preference shares	<u>96,000,000</u>	<u>42,345,205</u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u>745,790,000</u>	<u>613,121,506</u>

There was no dilutive potential ordinary shares for the Company's share options (2013: Nil) during the year.

9. TRADE AND OTHER RECEIVABLES

	2014 <i>RMB'000</i>	2013 <i>RMB'000</i>
Trade receivables and bills receivable:		
Amount due from an intermediate parent	—	2
Amounts due from fellow subsidiaries	12,530	17,352
Amounts due from third parties	279,311	266,003
Less: allowance for doubtful debts	<u>(10,368)</u>	<u>(9,100)</u>
	<u>281,473</u>	<u>274,257</u>
Prepayments, deposits and other receivables:		
Amounts due from fellow subsidiaries	4,648	2,878
Amount due from an associate	191,696	886,993
Amount due from an intermediate parent	1,197	—
Amounts due from third parties	<u>734,400</u>	<u>49,218</u>
	<u>931,941</u>	<u>939,089</u>
Prepayment for land cost	<u>—</u>	<u>335,830</u>
	<u>1,213,414</u>	<u>1,549,176</u>

Trade receivables are normally due within 60-120 days from the date of billing.

The amounts due from an intermediate parent and fellow subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment.

Apart from rental deposits of RMB16,867,000 (2013: RMB15,706,000) which are expected to be recovered after one year, all of the trade and other receivables, net of impairment losses for bad and doubtful debts, are expected to be recovered within one year.

Included in trade and other receivables are trade and bills receivable (net of allowance for doubtful debts) with the following ageing analysis as of the end of the reporting period.

	2014 RMB'000	2013 RMB'000
Current	261,760	261,068
Less than 3 months past due	14,864	8,681
More than 3 months but less than 12 months past due	4,560	273
More than 12 months past due	289	4,235
Amount past due	19,713	13,189
	281,473	274,257

10. TRADE AND OTHER PAYABLES

	2014 RMB'000	2013 RMB'000
Trade payables and bills payables:		
Amounts due to fellow subsidiaries	7,465	20,770
Amounts due to third parties	804,531	927,013
	811,996	947,783
Other payables and accruals:		
Amounts due to intermediate parents	220,564	130,114
Amounts due to fellow subsidiaries	233,451	2,096
Amounts due to third parties	1,099,611	1,971,777
	2,365,622	3,051,770

- (a) Included in trade and other payables are trade creditors and bills payable with the following ageing analysis as of the end of the reporting period:

	2014 RMB'000	2013 RMB'000
Due within 3 months or on demand	<u>811,996</u>	<u>947,783</u>

- (b) Chengdu OCT received advances amounting to RMB550,000,000 for construction of infrastructure facilities in previous years. As at 31 December 2014, the balance of the advances received deducting the carrying amount of the related infrastructure facilities was RMB198,400,000 (2013: RMB207,900,000), which was included in other payables.

PROPOSED FINAL DIVIDEND AND CLOSURE OF REGISTER

The register of members of the Company will be closed from 8 May 2015 to 12 May 2015 (both days inclusive), for the purpose of determining shareholders' entitlement to attend the forthcoming annual general meeting (the "Annual General Meeting"), during which period no transfer of shares of the Company will be registered. In order to qualify for attending the Annual General Meeting, shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 7 May 2015.

The Board recommends the payment of a final dividend (the "Final Dividend") of HK16 cents per share to shareholders whose names appear on the register of members of the Company on 15 June 2015. The register of members will be closed from 11 June 2015 to 15 June 2015, both days inclusive, and the proposed Final Dividend is expected to be paid on 25 June 2015. The payment of Final Dividend shall be subject to the approval of the shareholders at the Annual General Meeting to be held on 12 May 2015. In order to be qualified for the proposed Final Dividend, shareholders should deliver share certificates together with transfer documents to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 10 June 2015.

The Board has approved the payment of a preferential dividend (the "Preferential Dividend") for the period from 1 January 2014 to 31 December 2014, to holders of the convertible preference shares of the Company on 15 April 2015. The Preferential Dividend is carried at the rate of 5% per annum (on the basis of a 365 day year) on its issue price (i.e. HK\$4.05).

MANAGEMENT DISCUSSION AND ANALYSIS

During the period under review, the Company proactively addressed the downturn in the domestic economy and stably implemented scheduled strategies and promoted the development and business transformation in the Company's various businesses. For the year ended 31 December 2014, the turnover of the Company reached approximately RMB3,797 million, representing a decrease of 6.5% over the corresponding period of 2013. The profit attributable to owners was approximately RMB326 million, representing an increase of approximately 38% over the corresponding period of 2013. The Board recommends the payment of a dividend of HK\$0.16 per share for 2014, representing an increase of 100% over the corresponding period of 2013.

COMPREHENSIVE DEVELOPMENT BUSINESS

In 2014, an adjustment was made to the real estate market under the pressure from the downturn in the domestic economy, leading to continuous slowdown in the growth of investment, significant decrease in trading amount and area for the year. Although market environment was relatively depressed, the Group overcame the challenges proactively, providing a solid foundation for the sustainable development. During the period under review, the Company's comprehensive development business recorded a turnover of approximately RMB2,948 million, representing a decrease of 10.1% over the corresponding period of 2013. The profit attributable to owners was approximately RMB308 million, representing an increase of 39.5% over the corresponding period of 2013.

Further Expansion in the Key Region and Enrich in the Resource Reserve

During the period under review, the Group acquired three projects successfully, namely Chongqing OCT Real Estate Project, Chengdu Jinhe Land Resumption Project and Shaheyuan Land Consolidation Project. These new projects will be conducive to expand the Group's revenue sources and increase the Group's overall return.

Chongqing OCT Real Estate Project (the Company holds 100% equity interest)

On 3 June 2014, the Group has succeeded in the bid of the land use rights of a piece of land located at Lijia Block, New North Zone, Chongqing, the PRC (the "Chongqing Land") at the public auction at a consideration of approximately RMB986 million. The Chongqing Land is situated in a major development zone in Chongqing and overlooks Jialing River, with superior geographical location, good ancillary facilities and rich landscape resources. Large green area and Happy Valley theme park will be constructed around the Chongqing Land providing it with market competitiveness and development potentials. The Chongqing Land, with a total site area of approximately 180,000 sq.m. and total gross floor area of not more than 450,000 sq.m., will be developed as medium-and-high-class high-rise residential properties and multi-storey residential properties. For further details, please refer to the announcements of the Company dated 4 June 2014 and 24 June 2014, and the circular of the Company dated 24 July 2014.

The abovementioned Chongqing OCT Real Estate Project is an important move for the Group to become deeply involved in China's Western development strategy and new-type urbanization. It is also the first time for the Group to acquire land reserve in Chongqing. Until then, the Group has made strategic layout across the three municipalities directly under the central government, namely Beijing, Shanghai and Chongqing in accordance with the strategies determined.

Chengdu Jinhe Land Resumption Project and Shaheyuan Land Consolidation Project

成都天府華僑城實業發展有限公司 (Chengdu Tianfu OCT Industry Development Company Limited) (“Chengdu OCT”) received a notice of successful tender on 12 June 2014 of a project delegated by the Chengdu Jinniu Government (the “Chengdu Jinhe Land Resumption Project”) in relation to land resumption, consolidation and site clearance works for a plot of land located at area No. 4, No. 6 and No.11 of Tu Qiao Cun, Jinniu District, Chengdu, the PRC with an area of approximately 124.7645 mu and entered into a formal agreement on 17 June 2014, pursuant to which Chengdu OCT shall provide funding of an aggregate amount of RMB300 million for the Chengdu Jinhe Land Resumption Project and will be entitled to investment return of no more than 16% (including cost of fund). For further details, please refer to the announcements of the Company dated 27 May 2014, 12 June 2014 and 17 June 2014.

On 11 July 2014, the independent shareholders of the Company approved a mandate for authority in the tender selection (the “Tender”) of a joint venture with the Chengdu Jinniu Government for a land consolidation project and to engage in the transactions contemplated under the Tender. Chengdu OCT received a notice of successful bid for the tender on 22 July 2014.

Accordingly, Chengdu OCT established a joint venture company (the “JV Company”) with Xinjin Nongfa Investments for the land consolidation project (the “Shaheyuan Land Consolidation Project”) in relation to, among others, site formation (土地平整), removal (拆舊), restoration (複墾), centralized relocation of farmers (農民集中安置) and construction of infrastructure and urban facilities of a plot of land located at Shaheyuan Area, Huancheng Ecological Zone, Jinniu District, Chengdu, the PRC, with a planned area of approximately 3,190 mu. The JV Company is responsible for providing the fund(s) for the Shaheyuan Land Consolidation Project with a maximum amount of RMB4,170 million in return for income from investment and the investment return from cost of fund of not more than 12%.

For further details, please refer to the announcements of the Company dated 3 June 2014, 22 July 2014 and 16 October 2014, and the circular of the Company dated 24 June 2014.

The acquisition of the two new projects in Chengdu is a key move for the Group to further deepen comprehensive development in Chengdu and also a material milestone for the new ten-year development of Chengdu OCT.

Coping with the Adverse Market Environment and Actively Marketing Existing Project

Shanghai Suhewan Project (the Company holds 50.5% equity interest)

The Suhewan Project developed by Overseas Chinese Town (Shanghai) Land Company Limited is advantageously situated at the junction of Suzhou River and Huangpu River banks, spanning across 1 km on the shorelines of Suzhou River and within the core district of the Inner Ring, Shanghai and possesses the scarce landscape resources. The Suhewan Project comprises of three parcels of land, namely 1 Jiefang, 41 Jiefang and 42 Jiefang with a total site area of approximately 71,000 sq.m., a gross floor area (above ground) of approximately 280,000 sq.m. and a total gross floor area of approximately 430,000 sq.m.. The Suhewan Project includes multi-storey riverside residential properties, luxury residential properties, apartment-style offices, luxury hotels, boutique business premises and artists' studios, etc.

The Suhewan Project introduced luxury high-rise and low-density residential properties with exceptional views and some boutique business premises in 2014. During the period under review, the project realized a contracted sales area and revenue of approximately 18,300 sq.m. and approximately RMB1,427 million, respectively. The settled area and revenue was approximately 15,100 sq.m. and approximately RMB1,051 million, respectively.

In 2014, the Suhewan Project was awarded the 2014 Annual Best Habitable Homeland and 2014 Annual City Award by China Business.

Chengdu OCT Project (the Company holds 51% equity interest)

The Chengdu OCT Project is located on both sides of the Shaxi Line of Outer Sanhuan Road, Jinniu District, Chengdu City, Sichuan Province, the PRC, which has been developed into a composite project, comprising residential properties, commercial properties and a theme park, occupying a total site area of approximately 1,827,000 sq.m. and gross floor area of approximately 2,250,000 sq.m..

During the period under review, Chengdu OCT recorded a turnover of approximately RMB1,897 million. The residential products sold in 2014 were mainly high-rise residential properties, and part of the low-density residential properties, multi-storey residential properties and office buildings. In 2014, the contracted sales area and revenue of the residential and office buildings of Chengdu OCT reached approximately 184,900 sq.m. and approximately RMB1,583 million, respectively, while the settled area and revenue were approximately 183,100 sq.m. and approximately RMB1,529 million respectively. The current rentable area for commercial use is approximately 79,100 sq.m., of which 97% has been occupied. Chengdu Happy Valley has widely used internet marketing, including WeChat, microblog and O2O, which better promoted the increase in the sale and revenue of entrance ticket. Chengdu Happy Valley recorded a revenue of approximately RMB300 million, representing an increase of approximately 8% over the same period of 2013, with annual visitors of approximately 2.58 million.

Chuangxiang Center, the office building developed by Chengdu OCT, was awarded 2014 Commercial Property with the Best Investment Value in Western China Award by Sichuan Business Association and related media.

Beijing Unique Garden Project (the Company holds 33% equity interest)

The Unique Garden Project developed by Beijing Guangying Residential Property Development Limited is located at Laiguangyingxiang in Chaoyang District, Beijing, the PRC with a total site area of approximately 73,000 sq.m. and a total gross floor area of approximately 182,000 sq.m.. The Unique Garden Project consists entirely of residential properties and is scheduled to be completed in 2016. In 2014, the Unique Garden Project launched the first batch of high-rise residential properties and received positive response. The contracted sales area and revenue were approximately 107,800 sq.m. and approximately RMB4,974 million respectively. The Unique Garden Project was the sales champion of commercial residential buildings in terms of both revenue and area in Beijing in 2014 and won the third prize in respect of sales revenue of single commercial residential buildings in the PRC in 2014.

Xi'an OCT Project (the Company holds 25% equity interest)

Located at No. 2 of Second Beichitou Road, to the east of Tang Paradise, Qujiang New District, Xi'an City, Shannxi Province, the Xi'an OCT Project is in proximity to several famous scenic spots and has a total site area of approximately 137,000 sq.m.. Most products are low-density residential properties. During the period under review, contracted sales area and revenue reached approximately 11,700 sq.m. and approximately RMB155 million respectively. The settled area and revenue were approximately 14,300 sq.m. and approximately RMB196 million respectively. During the period under review, the project contributed approximately RMB5.7261 million of investment returns to the Company.

Withdrawal from Tianjin Tianxiao Project through Arbitration

Since Tianjin Jinbin Development Company Limited (天津津濱發展股份有限公司) ("Tianjin Jinbin") was unable to deliver the land on time and adjust the planning index according to the contract and also unable to solve above problems in foreseeable period, in order to protect the interest of the whole company, after conciliation by the arbitration tribunal, the Group, Tianjin Jinbin, Everbright Prestige Capital Management Company Limited (首譽光控資產管理有限公司) ("Everbright Prestige", which is not related to Tianjin Jinbin, Tianjin Tianxiao Investment Development Company Limited (天津天瀟投資發展有限公司) ("Tianjin Tianxiao") and the Company) entered into an agreement to solve the dispute. Pursuant to the arbitration award dated 18 December 2014, the Group transferred 100% equity interest in Tianjin Tianxiao to Everbright Prestige, and Everbright Prestige returned approximately RMB734 million (the down payment paid by the Group in acquiring Tianjin Tianxiao) and paid a compensation of approximately RMB337 million to the Group, totaling approximately RMB1,071 million, which guaranteed recovery of the investment cost of the Group in the earlier period and recorded a non-current revenue. Tianjin Tianxiao ceased to be a subsidiary of the Company. For further details, please refer to the announcements of the Company dated 4 June 2014 and 24 June 2014, and the circular of the Company dated 24 July 2014.

Paper Packaging Business

The Group has nearly 30 years of experience in the packaging and printing industry. It has set up five manufacturing bases in the Pearl River Delta and Yangtze River Delta, which are located in Huizhou of Guangdong, Shanghai, Zhongshan of Guangdong, Chuzhou of Anhui, Suzhou of Jiangsu, respectively, and has built up the “Huali” brand with solid customer base and good market reputation.

In 2014, global economy experienced weak recovery while domestic economic growth slowed down. Facing the adverse situation brought about by the weak market demand and the transfer of existing customers and change in the market situation in the Internet era, the Group, on the one hand, put greater effort in expanding the domestic sales market, explored new submarkets, positively developed new clients, in particular making a breakthrough in developing cross-region major clients, which has offset the negative influences brought about by original traditional market fluctuation; on the other hand, focused on enhancing internal control and reducing costs to enhance the efficiency and quality of operation. Currently, Suzhou Project is in the progress of civil construction and other preparation works of phase 1 project, and is expected to be put into operation within the current year.

During the period under review, our paper packaging business recorded a turnover of approximately RMB848 million, representing an increase of approximately 8.8% as compared with the same period of 2013; and profit attributable to shareholders of the Company approximately RMB18.43 million, representing an increase of approximately 19.8% over the same period of 2013.

OPERATING RESULTS

As at 31 December 2014, the Group’s total assets amounted to approximately RMB21,858 million, representing an increase of approximately 3.6% over that as at 31 December 2013; total equity amounted to approximately RMB6,384 million, representing an increase of approximately 4.5% over that as at 31 December 2013, primarily due to the increase in the profit for the period.

For the year ended 31 December 2014, the Group realized turnover of approximately RMB3,797 million, representing a decrease of approximately 6.5% over the same period in 2013, of which, revenue of the comprehensive development business was approximately RMB2,948 million, representing a decrease of approximately 10.1% over the same period in 2013, primarily due to the decrease in sales from Overseas Chinese Town (Shanghai) Land Company Limited; and revenue of the paper packaging business was approximately RMB848 million, representing an increase of approximately 8.8% over the same period in 2013, primarily due to the increase of customer orders resulted from effective expansion into new sectors of the market. Profit attributable to owners of the Company were approximately RMB326 million, representing an increase of approximately 38.2% over the same period in 2013, of which, profit attributable to owners of the Company of the comprehensive development business was approximately RMB308 million, representing an increase of approximately 39.5% over the same period in 2013, mainly as a result of gains on the withdrawal from the Tianjin Tianxiao Project; and profit attributable to owners of the Company of the paper packaging business was approximately RMB18.43 million, representing an increase of approximately 19.8% over the same period in 2013, mainly as a result of increase of customer orders resulting from effective expansion into new sectors of the market. The basic earnings per share for 2014 was RMB0.49, representing an increase of approximately 19.5% as compared to the same period of 2013 (the same period of 2013 was RMB0.41).

During the period under review, gross profit margin of the Group was approximately 32.8% (2013: approximately 36.5%), representing a decrease of 3.7% over the same period in 2013, of which, the gross profit margin of the comprehensive development business was approximately 38.5%, representing a decrease of 3.9% over the same period in 2013, mainly due to the decrease of revenue recognized during the period from high gross profit margin products; and the gross profit margin of the paper packaging business was approximately 13.1%, representing an increase of approximately 1.8% over the same period in 2013, mainly due to effective production cost control. Net profit margin attributable to owners of the Company was approximately 8.6% (2013: approximately 5.8%), representing an increase of approximately 2.8% as compared with that of 2013. Of which, the net profit margin attributable to owners of the comprehensive development business was approximately 10.4%, representing an increase of approximately 3.7% over the same period in 2013; and the net profit margin attributable to owners of the paper packaging business was approximately 2.2%, representing an increase of 0.2% over the same period in 2013.

DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES

Distribution costs of the Group for the year ended 31 December 2014 were approximately RMB221 million (2013: approximately RMB206 million), representing an increase of approximately 7.3% over the same period in 2013, mainly due to the increase in promotion expenses incurred by Overseas Chinese Town (Shanghai) Land Company Limited as compared to that of last year and the increase in transportation cost as compared to that of last year.

The Group's administrative expenses for the year ended 31 December 2014 were approximately RMB190 million (2013: approximately RMB201 million), representing a decrease of approximately 5.3% over the same period in 2013, mainly due to the strict control on the daily operating expenses by management.

INTEREST EXPENSES

The interest expenses of the Group were approximately RMB190 million for the year ended 31 December 2014 (2013: approximately RMB159 million), representing an increase of approximately 19.4% over the same period in 2013. Of which, the interest expenses of the comprehensive development business were approximately RMB184 million, representing an increase of approximately 19.6% over the same period in 2013, mainly due to the increased principal of loan for new development projects; and the interest expenses of the paper packaging business were approximately RMB5.61 million, representing an increase of approximately 14.0% over the same period in 2013, mainly due to the increased amount of loan for working capital purpose.

DIVIDENDS

The Board has resolved to recommend the payment of a final dividend of HK16.0 cents per ordinary share for the year ended 31 December 2014 (2013: HK8.0 cents per ordinary share).

The Board has resolved to approve the payment of a preferential dividend of approximately HK20.25 cents per convertible preference share for the year ended 31 December 2014 (2013: approximately HK8.93 cents).

INVENTORIES, DEBTORS' AND CREDITORS' TURNOVER

For the year ended 31 December 2014, the Group's inventory turnover days for the paper packaging business were 35 days, representing a decrease of 7 days as compared to 42 days for the year ended 31 December 2013, due to the decline in inventory. The Group's debtors' turnover days for the paper packaging business were 114 days for the year ended 31 December 2014, representing a decrease of 14 days as compared to 128 days for the year ended 31 December 2013, which was mainly due to the strengthened management of credit term for receivables. The Group's creditors' turnover days for the paper packaging business were 76 days for the year ended 31 December 2014, representing a decrease of 13 days as compared to 89 days for the year ended 31 December 2013, which was mainly due to the reduced credit period granted by the suppliers.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total equity of the Group as at 31 December 2014 was RMB6,384 million (31 December 2013: RMB6,110 million). As at 31 December 2014, the Group had current assets of RMB18,677 million (31 December 2013: RMB17,826 million) and current liabilities of RMB5,510 million (31 December 2013: RMB5,527 million). The current ratio was 3.39 as at 31 December 2014 as compared to 3.23 as at 31 December 2013. The Group generally finances its operations with internally generated cash flow and credit facilities provided by banks and shareholder's loan.

As at 31 December 2014, the Group had outstanding bank and other loans of RMB3,522 million, without any fixed-rate loans (31 December 2013: outstanding bank and other loans of RMB1,161 million, without any fixed-rate loans). As at 31 December 2014, the bank loan interest rates of the Group ranged from 1.50% to 6.64% per annum (while for the year ended 31 December 2013, the bank loan interest rates of the Group ranged from 1.42% to 4.02% per annum). Some of those bank loans were secured by floating charges of certain inventories of the Group and corporate guarantees provided by certain subsidiaries of the Company. the Group's gearing ratio (being the total borrowings including bills payable and loans divided by total assets) was approximately 53.0% as at 31 December 2014, representing an increase of approximately 4.9% as compared to 48.1% as at 31 December 2013, which was mainly due to the year-on-year increase in interest-bearing liabilities at the end of the period.

As at 31 December 2014, approximately 34.0% of the total amount of outstanding bank loans of the Group amounting to HK\$1,693 million was in Hong Kong Dollars (31 December 2013: 100%), and approximately 30.0% of which amounting to US\$172 million was in United States Dollars. As at 31 December 2014, approximately 69.8% of the total amount of cash and cash equivalents of the Group was in Renminbi (31 December 2013: 93%), approximately 7.4% of its cash and cash equivalents was in Hong Kong Dollars (31 December 2013: 6%) and approximately 9.7% of its cash and cash equivalents was in United States Dollars (31 December 2013: 1%).

The Group's liquidity position remains stable. The Group's transactions and monetary assets are principally denominated in Renminbi, Hong Kong Dollars or United States Dollars. The Group has not experienced any material difficulties in or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the year ended 31 December 2014. During the year ended 31 December 2014, the Group did not enter into any foreign exchange forward contracts and other material financial instruments for hedging foreign exchange risks purpose.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2014, the Group employed approximately 1,704 full-time staffs. The basic remunerations of the employees are determined with reference to the industry's remuneration benchmark, the employees' experience and their performance, and equal opportunities will be offered to all staffs. Salaries of the employees are maintained at a competitive level and are reviewed annually, with reference to the relevant labour market and economic situation. Directors' remuneration is determined basing on a variety of factors such as market conditions and responsibilities assumed by each director. Apart from the basic remuneration and statutory benefits, the Group also provides discretionary bonuses based on the Group's results and the individual performance of the staff.

The Group has not experienced any significant problems with its employees or disruption to its operations due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staffs. The Group maintains a good relationship with its employees. Most members of senior management have been working for the Group for many years.

Under the ordinary resolution passed at the extraordinary general meeting on 15 February 2011, the Board adopted a new share option scheme and simultaneously terminated the share option scheme which was adopted by the Company on 12 October 2005. During the year ended 31 December 2014, no share options were exercised and none of the share options lapsed.

CONTINGENT LIABILITIES

The Group had no contingent liabilities as of 31 December 2014.

OTHER IMPORTANT EVENT(S)

Acquisition of Property

On 12 December 2014, an indirectly wholly-owned subsidiary of the Company entered into a sale and purchase agreement with Easywise Limited in relation to sale and purchase the property located at Unit Nos. 1, 2 & 3 on 26th Floor and seven car parks on Ground Floor and 1st Floor, One Harbour Square, No.181 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong with the purchase price of HK\$289,185,600.

For further details, please refer to the announcement of the Company dated 12 December 2014.

SUBSEQUENT EVENTS

Change of Executive Director

On 12 March 2015, the Board of the Company announced that Mr. Yang Jie has resigned from his position of executive Director due to work reallocation. The Board appointed Mr. Lin Kaihua as an executive Director to fill the casual vacancy on the same day.

For further details, please refer to the announcement of the Company dated 12 March 2015.

OUTLOOK

Looking ahead to 2015, the “New normal” situation of Chinese economy will become more prominent, economic growth will drop from “high speed” and maintain at “medium-to-high speed”, economic structure will be further optimized and upgraded and will rapidly transform from factor-driven and investment-driven to innovation-driven. Economic downward pressure will remain serious, while the reform bonus effect in the currency policy, financial market, state-owned enterprises, industrial development and other areas will magnify continuously and bring more opportunities for the innovation and development of enterprises.

Comprehensive Development Business

Since the reduction of interest rate in November 2014, the real estate market has rebounded gradually, which constantly boosted the demand of first-tier cities. The Group remains cautiously optimistic about the real estate market in 2015; meanwhile, the real estate industry will also accelerate market transformation, market differentiation will continue, and growth and profitability will gradually return to being rational and stable. As for the Group, having benefited from the accumulation of projects in core cities and a leading market position, it still possesses competitive development advantages in the future real estate market.

In 2015, we will continue to rely on our leading development principle and clear market positioning, sufficiently leverage on the resource edges in brands, products, capital, talents and other respects, positively seek land resource and projects merger and acquisition opportunities in line with our strategic positioning in the premium regions of first and second-tier cities, expand premium projects reserve, maintain development progress of the projects, accelerate products turnover, deepen diversification of cooperation pattern of project equities and strengthen investment effort in commercial comprehensive development projects to enhance the future development potential of the Group.

The Company has made the following plans for the projects in 2015 according to its established development plan and various market conditions faced by each project: for Suhewan Project, will continue to sell luxury high-rise and low density residential and premium commercial buildings with saleable area of approximately 138,400 sq.m.; for Chengdu OCT Project, will sell high-rise residential properties, low-density residential properties, multi-storey residential properties and office buildings with saleable area of approximately 250,800 sq.m., complete Chengdu Jinhe Land Resumption Project and Shaheyuan Land Consolidation Project to prepare for acquiring the land and strive to innovate in commercial operation; for Unique Garden Project, record part of the income and contribute profit to the Group for the first time; for Xi'an OCT Project, put more effort in market promotion and continue to sell low density products with saleable area of approximately 59,000 sq.m.; for Chongqing OCT Real Estate Project, will promote the planning and construction of earlier period in a systemic way, endeavoring to enter into the market as soon as possible.

Paper Packaging Business

The Group continues to strengthen and optimize the paper packaging business and further explores the value of this business in capital market. In 2015, the Group will actively promote the market development of paper packaging business, closely follow the changes of packaging need of customers to adjust our products structures, and further explore the market potential of IKEA and other major clients, expand multi-point cooperation in Southern China and Eastern China, fully break into the international clothing brand, e-business, logistics and other market segments, seek new breakthroughs in market expansion to further enlarge our sale scale. Moreover, we will continue to enhance management and improve our work, enhance delicacy management, improve production efficiency and reduce production cost. In 2015, the Group will complete preparation work for Suzhou project, positively promote plant infrastructure construction to ensure a successful operation in 2015. Meanwhile, we will take the opportunity of Suzhou new project to explore a new direction of innovation and development in paper packaging business.

Dividend Distribution Policy

Following the stable growth in the Company's results, the Group will adopt a more positive dividend distribution policy and maintain the distribution rate at about 30%.

The Board has full confidence in the development prospect in the future. As a member of OCT Group, the Company believes that it will receive support and continued concern from its parent company. The Company commits to being a prominent developer and operator of commercial complex, and strives to bring satisfactory return to its shareholders.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not purchased its own listed shares during the reporting period. During the period, save as disclosed in this announcement, the Company or any of its subsidiaries has not purchased or sold or redeemed any of the listed shares in the Company.

CORPORATE GOVERNANCE REPORT

The Company believes that high standard corporate governance and highly efficient management team can not only enhance investors' confidence and return to the shareholders, but can also increase long-term share value. Therefore, the Company is committed to implementing and maintaining a high standard of corporate governance, emphasizing good communication with shareholders and investors, and nurturing the corporate culture of strict code of conduct, with a view to continuously improving the Company's transparency in management. This includes timely, comprehensive and accurate disclosure of information of the Company to safeguard the shareholders' interest and to raise long-term share value.

The Company had complied with all the code provisions as set out in the "Corporate Governance Code" contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the year ended 31 December 2014.

AUDIT COMMITTEE

This results announcement and audited financial statements of the Company for the year ended 31 December 2014 had been reviewed by the audit committee of the Company before they were presented to the Board for approval.

By Order of the Board
Overseas Chinese Town (Asia) Holdings Limited
Wang Xiaowen
Chairman

Hong Kong, 12 March 2015

As at the date of this announcement, the Board comprises seven Directors, including three executive Directors namely Ms. Wang Xiaowen, Ms. Xie Mei and Mr. Lin Kaihua, one non-executive Director namely Mr. Zhou Ping and three independent non-executive Directors namely Mr. Lu Gong, Ms. Wong Wai Ling and Mr. Lam Sing Kwong Simon.