远洋地产

SINO-OCEAN

遠洋地產控股有限公司

Sino-Ocean Land Holdings Limited

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

(Stock Code: 03377)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

FINANCIAL HIGHLIGHTS

- Total contracted sales maintained a steady growth, amounting to RMB40,537 million.

- Revenue amounted to RMB30,824 million.

- Total cash resources increased by 45% to RMB23,726 million. The net gearing ratio reduced by 7 percentage points to 59%, with the proportion of borrowings maturing within one year out of total borrowings reduced to 16%.

- Total assets increased by 12% to RMB148,185 million, and equity attributable to owners of the Company (including capital securities) amounted to RMB43,764 million.

- The Group's weighted average interest rate decreased to 6.25%, a decrease of 83 basis points compared to 2014.

- Core profit amounted to RMB3,065 million, and core profit margin increased to approximately 10%.

- Profit attributable to owners of the Company amounted to RMB2,384 million. Basic earnings per share was RMB0.284.

- The Board is pleased to propose a final dividend of HKD0.05 per share, in the form of cash. Together with the interim dividend of HKD0.075 per share, total dividend declared for the year was HKD0.125 per share. Dividend payout ratio increased by 2 percentage points to 33%.

The Board of Directors (the “Board”) of Sino-Ocean Land Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (“our Group”, “the Group” or “We”) for the year ended 31 December 2015.

For the twelve months ended 31 December 2015, our Group recorded RMB30,824 million in revenue, a decrease of 21% compared to the previous year. Gross profit margin for the year remained stable at 21%. Profit attributable to owners of the Company and core profit were RMB2,384 million and RMB3,065 million, dropping 48% and 14% respectively, and earnings per share were RMB0.284.

Based on the profit attributable to owners of the Company in 2015, the Board is pleased to propose a final dividend of HK$0.05 per share for the year ended 31 December 2015. Together with the interim dividend of HK$0.075 per share, total dividend per share for 2015 was HK$0.125 (2014: HK$0.24), representing a dividend payout ratio of 33% (2014: 31%). The payment of the 2015 final dividend would be subject to shareholders’ approval at the Company’s annual general meeting (the “AGM”).

MARKET REVIEW AND PROSPECT

Following the trend in 2014, profound changes in China’s real estate industry continued in 2015. As China’s economy went into a new norm and policies for the real estate industry still aimed at ‘encouraging consumption and de-stocking’, numerous beneficial policies were rolled out. To boost demand for commodity housing, the Central Government reduced interest rates, required reserve ratio and deposit for personal home mortgage several times. Transaction tax for second-hand properties was also reduced. Local authorities lowered the purchase threshold by adjusting the policies for provident funds and household registration and offered deed tax allowance and cash subsidy. On the supply side, both the Central Government and local authorities rolled out policies to optimize land supply, regenerate existing stock, allow conversion of finished commodity housing to settlement housing or public housing to speed up ‘supply-side reforms’.

Data from the National Bureau of Statistics of China indicated that total sales of commodity housing in China in 2015 was RMB8,728.1 billion, not only exceeded that in 2014 (14.4% increase year-on-year) but also in 2013 (7.2% increase year-to-year), reaching the highest in history. Total gross floor area (the “GFA”) of commodity housing sold was 1.285 billion sq.m., a 6.5% increase year-on-year compared to that in 2014 but 1.6% lower than in 2013.

Despite a record high sales volume, the imbalance in supply and demand was still a serious problem for the industry as stock of commodity housing also reached a new height. Data from the National Bureau of Statistics of China showed that the GFA of commodity housing ready to be sold at the year end of 2015 was 718 million sq.m., 15.6% more than that in the end of the year before and at a record high. Besides, total investment in property development in China slowed down and grew 1% to RMB9,597.9 billion only in 2015 compared to the previous year.

Differentiation of the property market also intensified. The strong consumption capacities of first-tier cities and some prosperous second-tier cities contributed to the strong market demand, coupled with the easing policies of the government, housing prices stayed high for the year. Third and fourth-tier cities and some less prosperous second-tier cities, despite the increase in their trade volume, were still under considerable pressure from the high stock level, as a result, housing prices remained stable or slightly declined. Home prices in 100 major cities released by the China Index Academy showed that accumulated growths in home prices in the past year were 4.15%, 17.2%, 0.53% and -1.09% in first-tier, second-tier and third-tier cities respectively. Disparity between different regions and tiers continued to widen with major property developers increasingly focusing on first-tier and major second-tier cities.

Under the new norm of stable growth in China's macro economy in 2016, the real estate industry is still challenged by continued stockpiling, sluggish investment and lower profitability. Differentiation of market will carry on while companies continue to focus on de-stocking and encouraging spending. Upgrading and transformation of companies, mergers and acquisitions, restructuring and elimination of weaker players will all be intensified.

In 2016, policies for the real estate industry will continue to relax. The Central Government clearly outline the objective of 'Removing the over-piling stock, facilitating the real estate industry development.' In the short-term, the monetary policy can be further flexible while reforms in the household registration system and land system will beef up urbanization and further encourage demand. Driven by de-stocking and supply-side reform, the property market will remain stable. Total sales in the year both in terms of GFA and amount will be similar to last year. When the pressure of stock is eased and supply is adjusted, price in general is expected to be stable or even looking up. Differentiation among cities, however, remains. Economic outlook in first and major second-tier cities is comparatively stronger as they are able to attract mobility. These cities have the potential to drive up property price and thus are more favored by developers. Restrained by high stock level, third and fourth-tier cities will continue to encourage transactions with favorable prices to customers.

In the silver era, it is commonly acknowledged by the industry that changes and reforms are necessary. The golden era for property development being the principal business is in the past. Real estate based financing, customer services and 'Internet +' are all emerging. Companies are competing on different platforms and are all taking on new challenges of reinvention and new ventures. Industry competition will be more fierce and diverse in the coming future. To secure a better future, developers can only follow with the trend and reinvent themselves, develop new business models and ideas for profit growth, and embrace a diversified development.

FINANCIAL REVIEW

Our Group's revenue in 2015 dropped by 21% to RMB30,824 million, from RMB38,896 million in 2014. The property development segment remains the largest contributor which accounted for about 88% of total revenue.

(RMB million)	**2015**	2014	Change (%)
Property development	**27,095**	35,243	-23%
Property investment	**767**	679	13%
Property management	**819**	729	12%
Other real estate related businesses	**2,143**	2,245	-5%
Total	**30,824**	38,896	-21%

Beijing as our home base accounted for approximately 39% of our Group's total revenue in 2015 (2014: 28%) and amounted to RMB11,884 million (2014: RMB11,057 million). There were strong contributions from the other major cities including Dalian, Tianjin, Hangzhou, Shenzhen and Zhongshan, with an aggregate revenue of RMB16,204 million in 2015, accounting for approximately 53% of the total revenue.

The cost of property development, mainly comprising of land cost and construction cost, accounted for approximately 90% of our Group's total cost of sales during 2015 (2014: 89%). Excluding car parks, average land cost per sq.m. of the property development business in 2015 increased slightly to approximately RMB3,800 compared to RMB3,600 in 2014 which was due to more properties delivered from the newly acquired projects in first and second-tier cities during the year. Average construction cost per sq.m. (excluding car parks) for property development business increased to approximately RMB6,400 per sq.m. for the year, compared to RMB4,900 per sq.m. in 2014.

Gross profit for the year was RMB6,354 million, representing a decrease of 22% compared to 2014. Gross profit margin remained stable at 21% (2014: 21%).

Interest and other income increased by 199% to RMB1,153 million in 2015, compared to RMB386 million in 2014. Such increase was mainly due to the increase in the overall interest income during the year.

Our Group recorded other losses (net) of RMB735 million (2014: other gains (net) of RMB103 million). Other losses (net) were mainly comprised of exchange losses recognized during the year.

Our Group recognized an increase in fair value on its investment properties (before tax and non-controlling interests) of RMB703 million for 2015 (2014: RMB591 million).

Selling and marketing expenses for 2015 dropped to RMB550 million (2014: RMB846 million). These costs accounted for only approximately 1.4% of the total contracted sales amount for 2015 (2014: 2.1%).

Administrative expenses incurred for 2015 decreased to RMB851 million (2014: RMB1,012 million), representing 2.8% of total revenue for 2015 (2014: 2.6%). We will continue to adopt strict cost control measures to maintain these costs at a relatively stable and lower level.

Our weighted average interest rate decreased significantly to 6.25% in 2015 (2014: 7.08%), while total interest expenses paid or accrued amounted to RMB3,551 million (2014: RMB3,164 million), of which RMB701 million (2014: RMB469 million) was not capitalized and charged through consolidated income statement.

The aggregate of enterprise income tax and deferred tax decreased by 6% to RMB1,983 million in 2015 (2014: RMB2,119 million), with an effective tax rate of 47% (2014: 32%). The increase in effective tax rate was due to one-off items and other tax non-deductible expenses during the year. In addition, land appreciation tax in 2015 decreased to RMB421 million (2014: RMB630 million), accounting for 7% of the gross profit in 2015 (2014: 8%).

Profit attributable to owners of the Company decreased by 48% to RMB2,384 million in 2015, compared to RMB4,597 million in 2014. Core profit, excluding one-off items and fair value gains on investment properties, amounted to RMB3,065 million, a decrease of 14% compared to RMB3,566 million in 2014. Core profit margin increased 1 percentage point to 10% (2014: 9%).

As at 31 December 2015, our Group had total cash resources (including cash and cash equivalents and restricted bank deposits) of RMB23,726 million with a current ratio of 2 times. Together with unutilized credit facilities of about RMB89,256 million, our Group is financially sound.

Our Group's net gearing ratio (i.e. total borrowings less total cash resources divided by total equity) decreased 7 percentage points to approximately 59% (2014: approximately 66%).

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

(RMB million)	**As at 31 December 2015**	As at 31 December 2014	Change (%)
Within 1 year	**8,566**	11,167	-23%
1 to 2 years	**9,623**	9,117	6%
2 to 5 years	**17,496**	20,585	-15%
Over 5 years	**16,241**	4,735	243%
Total	**51,926**	45,604	14%

BUSINESS REVIEW

Property development

Recognized sales

Revenue from property development business dropped by 23% in 2015, amounting to RMB27,095 million (2014: RMB35,243 million). The decrease was due to the enhancement of nationwide strategic planning to exit third and fourth-tier cities. Saleable GFA delivered decreased by 31% from approximately 2,978,000 sq.m. in 2014 to approximately 2,058,000 sq.m. in 2015. Excluding car parks sales, the average selling price recognized in 2015 was about RMB14,600 per sq.m. (2014: RMB12,400 per sq.m.).

Revenue and saleable GFA delivered from each project during 2015 are set out below:

Region	Cities	Projects	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Average selling price recognized (RMB/sq.m.)	Interest attributable to our Group (%)
Beijing-Tianjin-Hebei Region	Beijing	Ocean Crown	3,563	59,594	59,800	100%
		Ocean LA VIE	2,218	31,373	70,700	85.72%
		Ocean Landscape Eastern Area	2	178	11,200	100%
		Ocean Manor	591	46,914	12,600	100%
		Ocean Palace	1,831	54,549	33,600	100%
		POETRY OF RIVER	70	5,758	12,200	100%
	Tianjin	Ocean City	702	93,324	7,500	100%
		Ocean Express	66	8,755	7,500	100%
		Ocean Great Harmony	1,435	111,192	12,900	100%
		Ocean International Center	34	2,182	15,600	100%
		Ocean Prospect	95	8,365	11,400	100%
		Royal River	492	66,747	7,400	100%
			11,099	**488,931**	**22,700**	
Northeast Region	Dalian	Ocean Diamond Bay	1,539	125,895	12,200	100%
		Ocean MIDTOWN	750	76,080	9,900	100%
		Ocean Prospect	11	2,160	5,100	100%
		Ocean Seasons	33	3,090	10,700	100%
		Ocean Worldview	974	114,304	8,500	100%
		The Place of Glory	144	11,152	12,900	100%
	Shenyang	Ocean Paradise	4	611	6,500	100%
		Ocean Residence	86	12,423	6,900	100%
	Changchun	Ocean Cannes Town	918	96,573	9,500	100%
			4,459	**442,288**	**10,100**	

Region	Cities	Projects	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Average selling price recognized (RMB/sq.m.)	Interest attributable to our Group (%)
Central Region	Shanghai	Ocean Mansion No. 7	16	1,556	10,300	100%
	Hangzhou	Ocean In Your Heart	100	6,947	14,400	100%
		Ocean Mansion	2,742	82,844	33,100	100%
	Nanjing	Ocean International Center	678	23,647	28,700	100%
	Huangshan	An Island Paradise	143	15,120	9,500	100%
	Qingdao	Ocean Prospect	19	1,459	13,000	100%
		Ocean Seasons	44	2,753	16,000	100%
	Wuhan	Ocean World	400	66,480	6,000	55%
			4,142	**200,806**	**20,600**	
Southern Region	Zhongshan	Ocean City	3,622	398,509	9,100	100%
		Ocean New Era	998	156,311	6,400	100%
	Shenzhen	Ocean Express	1,291	69,464	18,600	84.70%
	Haikou	Ocean Zen House	111	9,377	11,800	70%
			6,022	**633,661**	**9,500**	
Subtotal			25,722	1,765,686	14,600	
Car parks (various projects)			1,373	291,923	4,700	
Total			**27,095**	**2,057,609**	**13,200**	

Contracted sales

Our contracted sales (including our joint ventures and associates) in 2015 amounted to RMB40,537 million, representing a steady 1% increase compared to RMB40,142 million in 2014. The average selling price (excluding carparks) decreased by 5% to RMB13,900 per sq.m. (2014: RMB14,600 per sq.m.). The average selling price (including carparks) dropped by 7% to RMB12,700 per sq.m. (2014: RMB13,700 per sq.m.).

The contracted sales amounts and saleable GFA sold by projects in 2015 are set out below:

Region	Cities	Projects	Contracted sales amount (RMB million)	Saleable GFA sold (sq.m.)	Average selling price (RMB/sq.m.)	Interest attributable to our Group (%)
Beijing-Tianjin-Hebei Region	Beijing	Ocean Crown	1,280	19,100	67,000	100%
		Ocean Epoch	1,282	18,500	69,300	67.50%
		Ocean LA VIE	2,307	30,800	74,900	85.72%
		Ocean Manor	33	1,500	22,000	100%
		Ocean Palace	2,017	62,100	32,500	49%
		Ocean Spring	209	19,500	10,700	100%
		Ocean Melody	21	400	52,500	100%
		Ocean Metropolis	644	20,800	31,000	75%
		Happy Garden	1,591	99,000	16,100	30%
		POETRY OF RIVER	53	3,100	17,100	100%
	Tianjin	Ocean City	3,072	373,600	8,200	100%
		Ocean Express	27	3,400	7,900	100%
		Ocean Great Harmony	311	23,900	13,000	100%
		Ocean In Your Heart	451	36,200	12,500	60%
		Ocean International Center	69	4,300	16,000	100%
		Ocean Prospect	58	4,600	12,600	100%
		Ocean Chanson	1,004	119,200	8,400	100%
		Royal River	257	35,700	7,200	100%
		Yixingbu Project, Beichen District	489	34,400	14,200	51%
			15,175	**910,100**	**16,700**	
Northeast Region	Dalian	Ocean Diamond Bay	1,429	140,200	10,200	100%
		Ocean MIDTOWN	750	76,000	9,900	100%
		Ocean Worldview	956	103,100	9,300	100%
		The Place of Glory	1,603	143,100	11,200	100%
	Shenyang	Ocean Paradise	4	1,800	2,200	100%
		Ocean Residence	20	2,600	7,700	100%
	Changchun	Ocean Cannes Town	749	82,600	9,100	100%
			5,511	**549,400**	**10,000**	

Region	Cities	Projects	Contracted sales amount (RMB million)	Saleable GFA sold (sq.m.)	Average selling price (RMB/sq.m.)	Interest attributable to our Group (%)
Central Region	Shanghai	Ocean Fortune Center	24	600	40,000	100%
		Ocean Melody	602	26,800	22,500	40%
	Hangzhou	Canal Business Center Project	1,628	77,800	20,900	100%
		Ocean Chanson	149	11,800	12,600	51%
		Ocean In Your Heart	9	300	30,000	100%
		Ocean Mansion	766	22,200	34,500	100%
		Ocean Melody	223	11,300	19,700	100%
	Nanjing	Ocean International Center	1,051	38,500	27,300	100%
		Sino-Ocean Land Greenland Premier Court	535	35,600	15,000	50%
	Huangshan	An Island Paradise	105	11,100	9,500	100%
	Qingdao	Ocean Melody	171	20,500	8,300	100%
	Wuhan	Hejiadun Project	1,865	164,700	11,300	38%
		Ocean World	444	80,400	5,500	55%
			7,572	**501,600**	**15,100**	
Southern Region	Shenzhen	Shuiwan Project	3,513	73,200	48,000	80%
	Zhongshan	Ocean Aromas	365	80,500	4,500	51%
		Ocean Bloom	379	91,900	4,100	51%
		Ocean City	207	17,900	11,600	100%
		Ocean Emerald	293	65,500	4,500	61%
		Ocean Magic City	500	89,800	5,600	51%
		Ocean New Era	14	1,300	10,800	100%
	Haikou	Ocean Zen House	296	11,200	26,400	70%
	Chongqing	Sino-Ocean International GOLF Resort	195	23,500	8,300	87.25%
		Gaomiao Plot, Jiulongpo District	225	37,700	6,000	37.71%
	Chengdu	Sino-Ocean Taikoo Li Chengdu	91	4,600	19,800	50%
			6,078	**497,100**	**12,200**	
Subtotal			34,336	2,458,200	14,000	
Other joint venture projects			3,746	279,800	13,400	
Sub-total (excluding car parks)			38,082	2,738,000	13,900	
Car parks (various projects)			2,455	458,600	5,400	
Total			**40,537**	**3,196,600**	**12,700**	

Landbank and Construction in Progress

Total GFA and total saleable GFA completed in 2015 were approximately 2,648,800 sq.m. and 1,924,800 sq.m., decreasing by 17% and 21% respectively compared to that in 2014.

Our Group's landbank remained stable at approximately 19,921,000 sq.m. in 2015 (2014: 19,880,000 sq.m.); while landbank with attributable interest decreased by 7% to 14,545,000 sq.m. (2014: 15,620,000 sq.m.). In 2015, we acquired 13 plots of land with total GFA of 2,308,000 sq.m. and attributable interest GFA of approximately 1,145,000 sq.m., with average acquisition cost per sq.m. of about RMB6,100. The average land cost per sq.m. for our landbank as at 31 December 2015 was approximately RMB3,400 (2014: RMB3,300).

Our Group's landbank as at 31 December 2015 is set out below:

Region	Cities	Projects	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to our Group (%)
Beijing-Tianjin-Hebei Region	Beijing	CBD Plot Z6	241	185	241	100%
		CBD Plot Z13	162	126	162	10%
		Changping Sci-tech Park F2 Project	256	193	251	50%
		Core Center Plot, Tongzhou District	479	334	479	50%
		Happy Garden	195	163	195	30%
		Jialihua Project, Shunyi District	79	79	79	100%
		Mizhiyun Project	80	71	42	90%
		Nanfaxin Project, Shunyi District	277	206	277	23%
		Ocean Crown	209	182	36	100%
		Ocean Epoch	264	198	264	67.50%
		Ocean LA VIE	318	281	165	85.72%
		Ocean Manor	194	177	10	100%
		Ocean Melody	55	50	55	100%
		Ocean Metropolis	330	276	330	75%
		Ocean Palace	436	383	272	49%
		Ocean Spring	109	91	109	100%
		Plot 6002, Mentougou New Town	125	97	125	21%
		POETRY OF RIVER	793	705	5	100%
		Xiji Plot C, Tongzhou District	221	170	221	30%
	Tianjin	Ocean Chanson	204	199	204	100%
		Ocean City	2,137	1,683	902	100%
		Ocean Express	335	288	18	100%
		Ocean Great Harmony	350	290	50	100%
		Ocean International Center	321	200	190	100%
		Ocean In Your Heart	183	176	183	60%
		Ocean Prospect	321	309	62	100%
		Royal River	349	333	280	100%
		Yixingbu Project, Beichen District	3,034	2,615	3,027	51%
			12,057	**10,060**	**8,234**	

Region	Cities	Projects	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to our Group (%)
Northeast Region	Dalian	The Place of Glory	925	875	912	100%
		Ocean Diamond Bay	2,046	1,746	1,539	100%
		Ocean Worldview	1,902	1,645	555	100%
		Sino-Ocean Technopole	922	540	922	100%
		Xiaoyao Bay Project	219	175	219	100%
		Zhonghua Road Plot #2	111	52	111	100%
	Shenyang	Ocean Paradise	713	695	21	100%
		Ocean Residence	181	171	8	100%
	Changchun	Ocean Cannes Town	1,237	898	782	100%
			8,256	**6,797**	**5,069**	
Central Region	Shanghai	Ocean Fortune Center	59	45	59	100%
		Ocean Mansion No. 7	117	110	26	100%
		Ocean Melody	312	279	312	40%
	Hangzhou	Canal Business Center Project	609	153	609	100%
		Ocean Chanson	98	72	98	51%
		Ocean In Your Heart	171	109	5	100%
		Ocean Mansion	287	218	4	100%
		Ocean Melody	58	39	58	100%
	Nanjing	Sino-Ocean Land Greenland Premier Court	71	67	71	50%
		Ocean International Center	147	116	147	100%
	Huangshan	An Island Paradise	155	154	95	100%
	Qingdao	Ocean Seasons	146	132	19	100%
		Ocean Melody	109	107	109	100%
	Wuhan	Hejiadun Project	1,019	972	1,019	38%
		Ocean World	398	369	333	55%
			3,756	**2,942**	**2,964**	

Region	Cities	Projects	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to our Group (%)
Southern Region	Shenzhen	Ocean Express	556	437	366	84.70%
		Ocean Metropolis	390	292	390	85%
		Shuiwan Project	317	313	317	80%
	Zhongshan	Ocean Aromas	141	125	141	51%
		Ocean Bloom	200	189	200	51%
		Ocean City	2,082	1,736	210	100%
		Ocean Emerald	437	412	437	61%
		Ocean Magic City	170	160	170	51%
		Ocean New Era	509	487	5	100%
	Haikou	Ocean Zen House	117	106	91	70%
	Chongqing	Sino-Ocean International GOLF Resort	592	480	267	87.25%
		Gaomiao Plot, Jiulongpo District	126	125	126	37.71%
		Gaomiao Project, Phase II, Jiulongpo District	285	213	285	37.71%
	Chengdu	Sino-Ocean Taikoo Li Chengdu	417	148	202	50%
	Guangzhou	Elite Palace	310	279	310	30%
	Hong Kong	LOHAS Park Package 6, Tseung Kwan O	137	136	137	40%
			6,786	**5,638**	**3,654**	
Total			**30,855**	**25,437**	**19,921**	

Property investment

In 2015, revenue from property investment increased by 13% to RMB767 million (2014: RMB679 million). As at 31 December 2015, our Group held 8 operating investment properties, several community retail streets and carparks for rental.

In 2015, we had 2 additional community retail projects commencing operations, which were located in Beijing and Dalian respectively.

A list of our operating investment properties as at 31 December 2015 is set out below:

	Approximate leasable area (sq.m.)	Office premises (sq.m.)	Retail space (sq.m.)	Others (sq.m.)	Occupancy rate as at 31 December 2015 (%)	Interest attributable to our Group (%)
Ocean Plaza (Beijing)	30,000	26,000	–	4,000	100%	72%
Ocean International Center Block A (Beijing)	101,000	75,000	9,000	17,000	92%	100%
Ocean Office Park (Beijing)	127,000	81,000	22,000	24,000	89%	100%
Ocean We-life Plaza (Beijing)	31,000	–	31,000	–	97%	100%
Ocean We-life Plaza (Tianjin)	41,000	–	41,000	–	93%	100%
Other projects	74,000	–	59,000	15,000	94%	100%
Sub-total	404,000	182,000	162,000	60,000		
Other						
INDIGO (Beijing)	176,000	49,000	71,000	56,000	97%	50%
Ocean International Center, Phase II (Beijing)	77,000	47,000	19,000	11,000	83%	35%
Sino-Ocean Taikoo Li Chengdu (Chengdu)	99,000	–	82,000	17,000	Over 86%	50%
Total	756,000	278,000	334,000	144,000		

The audited consolidated results of the Group for the year ended 31 December 2015 are as follows:

Consolidated Balance Sheet

	Note	As at 31 December **2015** *RMB'000*	2014 *RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**584,068**	263,694
Land use rights		**52,094**	8,739
Investment properties		**13,555,320**	11,882,712
Goodwill		**56,700**	206,349
Investments in joint ventures		**6,958,559**	3,720,215
Investments in associates		**2,773,307**	2,362,918
Available-for-sale financial assets		**3,306,136**	1,737,174
Trade and other receivables	*5*	**12,644,947**	10,905,792
Deferred income tax assets		**938,049**	1,082,857
		40,869,180	32,170,450
Current assets			
Prepayments for land use rights		**5,983,561**	6,553,151
Properties under development		**38,037,060**	41,540,133
Inventories, at cost		**80,371**	82,069
Amounts due from customers for contract work		**915,791**	821,804
Land development cost recoverable		**2,177,819**	2,161,711
Completed properties held for sale		**12,023,402**	17,213,758
Available-for-sale financial assets		**–**	100,000
Financial assets at fair value through profit or loss		**196,928**	663,165
Trade and other receivables	*5*	**24,174,723**	14,569,278
Restricted bank deposits		**3,456,473**	3,025,092
Cash and cash equivalents		**20,269,584**	13,311,150
		107,315,712	100,041,311
Total assets		**148,184,892**	132,211,761

		As at 31 December	
		2015	2014
	Note	***RMB'000***	*RMB'000*
EQUITY			
Equity attributable to owners of the Company			
Capital		**26,915,412**	26,708,812
Shares held for Restricted Share Award Scheme		**(32,366)**	(41,504)
Reserves		**(410,945)**	(348,800)
Retained earnings		**14,758,572**	14,172,343
		41,230,673	40,490,851
Capital securities		**2,532,866**	2,532,866
Non-controlling interests		**4,426,735**	1,359,276
Total equity		**48,190,274**	44,382,993
LIABILITIES			
Non-current liabilities			
Borrowings		**43,360,054**	34,437,176
Trade and other payables	*6*	**13,377**	13,377
Deferred income tax liabilities		**2,071,835**	1,989,782
		45,445,266	36,440,335
Current liabilities			
Borrowings		**8,565,785**	11,166,668
Trade and other payables	*6*	**25,261,541**	17,762,179
Advance receipts from customers		**16,563,682**	18,887,434
Income tax payable		**4,158,344**	3,572,152
		54,549,352	51,388,433
Total liabilities		**99,994,618**	87,828,768
Total equity and liabilities		**148,184,892**	132,211,761

Consolidated Income Statement

		Year ended 31 December	
		2015	2014
	Note	***RMB'000***	*RMB'000*
Revenue	*4*	**30,823,708**	38,896,090
Cost of sales		**(24,469,785)**	(30,728,756)
Gross profit		**6,353,923**	8,167,334
Interest and other income		**1,153,079**	385,847
Other (losses)/gains — net	*8*	**(735,001)**	102,868
Fair value gains on investment properties		**703,443**	591,165
Selling and marketing expenses		**(549,517)**	(845,742)
Administrative expenses		**(850,940)**	(1,012,097)
Operating profit		**6,074,987**	7,389,375
Finance costs	*9*	**(701,179)**	(469,076)
Share of results of joint ventures		**(650,550)**	299,793
Share of results of associates		**(68,201)**	134,965
Profit before income tax		**4,655,057**	7,355,057
Income tax expense	*10*	**(2,403,724)**	(2,748,828)
Profit for the year		**2,251,333**	4,606,229
Attributable to:			
Owners of the Company		**2,383,715**	4,597,292
Non-controlling interests		**(132,382)**	8,937
		2,251,333	4,606,229
Earnings per share attributable to owners of the Company during the year (expressed in RMB)			
Basic earnings per share	*11*	**0.284**	0.590
Diluted earnings per share	*11*	**0.283**	0.588

Consolidated Statement of Comprehensive Income

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Profit for the year	**2,251,333**	4,606,229
Other comprehensive income		
Items that may be reclassified to profit or loss		
Fair value gains on available-for-sale financial assets	**2,504**	(20,414)
Currency translation differences	**(46,149)**	1,681
Share of other comprehensive income of investments accounted for using the equity method	**(36,770)**	–
Other comprehensive income for the year	**(80,415)**	(18,733)
Total comprehensive income for the year	**2,170,918**	4,587,496
Total comprehensive income attributable to:		
— Owners of the Company	**2,324,111**	4,578,559
— Non-controlling interests	**(153,193)**	8,937
	2,170,918	4,587,496

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

Sino-Ocean Land Holdings Limited (the "Company") is a limited liability company incorporated in Hong Kong on 12 March 2007. The address of its registered office is Suite 601, One Pacific Place, 88 Queensway, Hong Kong. The Company and its subsidiaries (together, the "Group") are principally engaged in investment holding, property development and property investment in the People's Republic of China (the "PRC").

The consolidated financial statements are presented in Renminbi ("RMB"), unless otherwise stated. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The consolidated financial statements have been approved for issue by the Board of Directors on 21 March 2016.

2 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS"). They have been prepared under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets, financial assets at fair value through profit or loss and other investment, which are carried at fair values.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Group

The following standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2015 and which have no material impact on the Group:

Amendment to HKAS 19 on contributions from employees or third parties to defined benefit plans. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits.

Amendments from annual improvements to HKFRSs — 2010 — 2012 Cycle, on HKFRS 8, 'Operating segments', HKAS 16, 'Property, plant and equipment' and HKAS 38, 'Intangible assets' and HKAS 24, 'Related party disclosures'.

Amendments from annual improvements to HKFRSs — 2011 — 2013 Cycle, on HKFRS 3, 'Business combinations', HKFRS 13, 'Fair value measurement' and HKAS 40, 'Investment property'.

The adoption of the improvements made in the 2010–2012 Cycle has required additional disclosures in the segment note. Other than that, the remaining amendments are not material to the Group.

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation during the financial year, as a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

(b) New and amended standards relevant to the Group that have been issued but are not effective for the financial year beginning 1 January 2015 and have not been early adopted

HKFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of HKFRS 9 was issued in July 2014. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

Contemporaneous documentation is still required but is different to that currently prepared under HKAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Group is yet to assess HKAS 9's full impact.

HKFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces HKAS 18 'Revenue' and HKAS 11 'Construction contracts' and related interpretations. HKFRS 15 is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Group is in the process of assessing the impact of HKFRS 15 on its financial statements.

There are no other HKFRSs or HK(IFRIC) interpretations that are not yet effective that would be expected to have a material impact on the Group.

4 SEGMENT INFORMATION

The segment information provided to the Committee for the reportable segments for the years ended 31 December 2015 and 2014 is as follows:

	Property development								
	Beijing-Tianjin-Hebei *RMB'000*	Northeast *RMB'000*	Central *RMB'000*	Southern *RMB'000*	Investment property *RMB'000*	All other segments *RMB'000*	Total *RMB'000*	Inter-company elimination *RMB'000*	Total *RMB'000*
Year ended 31 December 2015									
Total revenue	11,396,842	4,711,753	4,323,923	6,662,073	773,015	3,619,074	31,486,680	–	31,486,680
Inter-segment revenue	–	–	–	–	(6,376)	(656,596)	(662,972)	–	(662,972)
Revenue (from external customers)	11,396,842	4,711,753	4,323,923	6,662,073	766,639	2,962,478	30,823,708	–	30,823,708
Segment operating profit	2,425,607	287,006	996,463	1,242,743	746,478	1,211,542	6,909,839	(1,302,444)	5,607,395
Depreciation and amortization	(1,398)	(859)	(1,351)	(2,452)	(1,829)	(34,951)	(42,840)	–	(42,840)
Income tax expense *(Note 10)*	(733,649)	(135,581)	(238,912)	(726,437)	(171,723)	(397,422)	(2,403,724)	–	(2,403,724)
Finance income	121,997	269,168	183,388	198,877	64,437	1,698,166	2,536,033	(1,562,561)	973,472
Year ended 31 December 2014									
Total revenue	14,886,322	9,085,301	8,335,824	3,001,202	686,990	5,390,078	41,385,717	–	41,385,717
Inter-segment revenue	(66,100)	–	–	–	(7,589)	(2,415,938)	(2,489,627)	–	(2,489,627)
Revenue (from external customers)	14,820,222	9,085,301	8,335,824	3,001,202	679,401	2,974,140	38,896,090	–	38,896,090
Segment operating profit	2,645,074	863,671	139,828	1,018,414	587,479	946,770	6,201,236	978,465	7,179,701
Depreciation and amortization	(2,629)	(1,993)	(2,081)	(3,763)	(662)	(24,409)	(35,537)	–	(35,537)
Income tax expense *(Note 10)*	(914,922)	(649,094)	(308,464)	(500,514)	(148,971)	(226,863)	(2,748,828)	–	(2,748,828)
Finance income	59,458	95,650	7,816	176,563	43,814	1,336,925	1,720,226	(1,538,603)	181,623
As at 31 December 2015									
Total segment assets	36,324,347	28,208,531	17,198,356	15,530,484	26,081,792	175,078,824	298,422,334	(167,706,989)	130,715,345
Additions to non-current assets (other than financial instruments and deferred income tax assets)	827	775	1,014	2,084	1,664,079	404,761	2,073,540	–	2,073,540
Total segment liabilities	23,131,306	9,193,651	4,232,325	9,389,292	5,582,970	159,788,800	211,318,344	(165,321,400)	45,996,944
As at 31 December 2014									
Total segment assets	44,262,449	35,541,206	18,154,883	17,963,915	14,882,657	98,217,255	229,022,365	(108,325,494)	120,696,871
Additions to non-current assets (other than financial instruments and deferred income tax assets)	2,841	370	1,220	592	591,165	1,116,663	1,712,851	–	1,712,851
Total segment liabilities	24,512,155	10,570,697	5,915,898	11,584,897	2,214,718	60,065,675	114,864,040	(74,628,898)	40,235,142

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

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Segment operating profit	**5,607,395**	7,179,701
Corporate finance income	**149,764**	151,821
Corporate overheads	**(385,615)**	(533,312)
Fair value gains on investment properties	**703,443**	591,165
Share of results of joint ventures	**(650,550)**	299,793
Share of results of associates	**(68,201)**	134,965
Finance costs *(Note 9)*	**(701,179)**	(469,076)
Profit before income tax	**4,655,057**	7,355,057

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

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Total segment assets	**130,715,345**	120,696,871
Corporate cash and cash equivalents	**3,296,568**	1,848,561
Investments in joint ventures	**6,958,559**	3,720,215
Investments in associates	**2,773,307**	2,362,918
Available-for-sale financial assets	**3,306,136**	1,837,174
Financial assets at fair value through profit or loss	**196,928**	663,165
Deferred income tax assets	**938,049**	1,082,857
Total assets per consolidated balance sheet	**148,184,892**	132,211,761
Total segment liabilities	**45,996,944**	40,235,142
Current borrowings	**8,565,785**	11,166,668
Non-current borrowings	**43,360,054**	34,437,176
Deferred income tax liabilities	**2,071,835**	1,989,782
Total liabilities per consolidated balance sheet	**99,994,618**	87,828,768

The Company is incorporated in Hong Kong, with most of its major subsidiaries domiciled in the PRC. Revenues from external customers of the Group are mainly derived in the PRC for the years ended 31 December 2015 and 2014.

As at 31 December 2015, total non-current assets other than financial instruments and deferred income tax assets located in the PRC is RMB23,534,447,000 (2014: RMB18,032,021,000), the total of these non-current assets located in Hong Kong and the United States is RMB445,601,000 (2014: RMB412,606,000).

For the year ended 31 December 2015 and 2014, the Group does not have any single customer with the transaction value over 10% of the total external sales.

5 TRADE AND OTHER RECEIVABLES

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Trade receivables	**763,055**	387,702
Less: provision for impairment	**(17,371)**	(11,635)
Trade receivables — net (a)	**745,684**	376,067
Tax prepayments for advances receipts from customers	**2,561,304**	2,720,563
Entrusted loans to third parties	**4,831,645**	2,063,588
Entrusted loans to joint ventures	**9,583,233**	8,642,355
Entrusted loan to associates	**1,969,083**	490,000
Entrusted loan to non-controlling interests	**80,622**	–
Receivables from government	**1,577,117**	1,788,762
Receivables from partial disposal of interests in a subsidiary	**292,078**	479,785
Amounts due from a subsidiary of a shareholder	**–**	300,000
Amounts due from joint ventures	**7,165,797**	5,880,494
Amounts due from associates	**2,645,054**	395,419
Amounts due from non-controlling interests	**201,323**	148,855
Cooperation deposits	**4,069,169**	603,492
Prepayment for subscription of available-for-sale financial assets	**–**	318,371
Other prepayments	**213,730**	668,159
Other receivables	**883,831**	599,160
	36,819,670	25,475,070
Less: non-current portion	**(12,644,947)**	(10,905,792)
Current portion	**24,174,723**	14,569,278

The carrying amounts of trade and other receivables approximate their respective fair values as at 31 December 2015 and 2014.

(a) Trade receivables

Proceeds from services and sales rendered are to be received in accordance with the term of respective agreement. An ageing analysis of trade receivables at the respective balance sheet dates is as follows:

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Within 6 months	**565,036**	175,641
Between 6 months to 1 year	**110,787**	128,925
Between 1 year to 2 years	**50,300**	70,508
Between 2 years to 3 years	**27,137**	6,826
Over 3 years	**9,795**	5,802
	763,055	387,702

As at 31 December 2015, trade receivables of RMB45,603,000 (2014: nil) were pledged as collateral for the Group's borrowings.

As at 31 December 2015, trade receivables of RMB427,442,000 (2014: RMB238,269,000) were past due but not impaired. These related to a number of independent customers from upfitting services and property management services, for whom there is no significant financial difficulty and no recent history of default.

As at 31 December 2015, trade receivables of RMB17,371,000 (2014: RMB11,635,000) were impaired. The individually impaired receivables mainly related to receivables of upfitting and property management fees.

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

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
At 1 January	**(11,635)**	(101,437)
Provision for receivable impairment	**(5,736)**	(116,204)
Disposals of subsidiaries	**–**	206,006
At 31 December	**(17,371)**	(11,635)

6 TRADE AND OTHER PAYABLES

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Trade payables	**10,371,633**	8,951,250
Accrued expenses	**2,568,662**	1,864,616
Amounts due to joint ventures	**816,242**	372,445
Amounts due to associates	**3,709,506**	1,083,999
Amounts due to non-controlling interests	**30,261**	68,192
Amounts due to government	**83,458**	186,786
Other taxes payable	**556,757**	515,649
Provision for financial guarantee liabilities	**–**	70,756
Other payables	**7,138,399**	4,661,863
	25,274,918	17,775,556
Less: non-current portion	**(13,377)**	(13,377)
Current portion	**25,261,541**	17,762,179

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

An ageing analysis of the trade payables (including amounts due to related parties of trading in nature) is as follows:

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Within 6 months	**6,402,922**	5,257,787
Between 6 months to 12 months	**1,568,870**	1,475,718
Between 1 year to 2 years	**1,820,473**	1,988,544
Between 2 years to 3 years	**400,477**	160,265
Over 3 years	**178,891**	68,936
	10,371,633	8,951,250

7 EXPENSES BY NATURE

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

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Cost of properties and land use rights sold:		
— Land use rights	**6,474,032**	7,594,690
— Capitalized interest	**1,336,640**	1,627,960
— Construction related cost	**12,629,087**	15,739,967
Cost of up fitting services rendered	**775,985**	1,909,763
Primary land development	**377,205**	127,532
Direct investment property expenses	**126,915**	114,332
Employee benefit expense	**852,487**	886,984
Consultancy fee	**161,216**	186,362
Auditor's remuneration	**11,400**	10,600
— Audit services	**8,600**	7,800
— Non-audit services	**2,800**	2,800
Depreciation	**42,602**	35,291
Amortization of land use rights	**238**	246
Advertising and marketing	**455,790**	741,109
Business taxes and other levies	**1,828,212**	2,262,435
Impairment losses	**72,711**	665,262
Office expenditure	**94,869**	138,537
Properties maintenance expenses	**355,443**	268,827
Energy expenses	**101,381**	97,135
Others	**174,029**	179,563
	25,870,242	32,586,595

8 OTHER (LOSSES)/GAINS — NET

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Losses on partial disposal of interests in a subsidiary	**(2,983)**	(44,341)
Gains on disposal of entire interests in a subsidiary	**6,704**	25,448
Gains on disposal of a joint venture	**–**	214
Gains on disposal of an associate	**13,308**	2
Gains on disposal of other investment	**–**	1,207
(Losses)/gains on revaluation of financial assets at fair value through profit or loss	**(23,341)**	24,388
Gains on disposal of financial assets at fair value through profit or loss	**15,639**	25,619
Gains/(losses) on disposal of property, plant and equipment	**3,873**	(4,309)
Gains on disposal of available-for-sale financial assets	**4,050**	49,800
Exchange (losses)/gains	**(737,880)**	3,257
Negative goodwill on business combination	**1,405**	–
Other (losses)/gains	**(15,776)**	21,583
	(735,001)	102,868

9 FINANCE COSTS

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Interest expense:		
— Bank borrowings	**1,370,506**	1,967,441
— Other borrowings	**2,180,285**	1,196,773
Less: interest capitalized at a capitalization rate of 6.25% (2014: 7.08%) per annum	**(2,849,612)**	(2,695,138)
	701,179	469,076

10 INCOME TAX EXPENSE

Majority of the group entities are subjected to PRC enterprise income tax, which has been provided based on the statutory income tax rate of 25% of the assessable income of each of these group entities for the years ended 31 December 2015 and 2014. Other group entities are mainly subject to Hong Kong profits tax.

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

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Current income tax:		
— PRC enterprise income tax	**1,760,431**	1,345,835
— PRC land appreciation tax	**421,182**	629,966
Deferred income tax	**222,111**	773,027
	2,403,724	2,748,828

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

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Profit before income tax	**4,655,057**	7,355,057
Adjust for: Share of results of joint ventures	**650,550**	(299,793)
Share of results of associates	**68,201**	(134,965)
	5,373,808	6,920,299
Tax calculated at a tax rate of 25%	**1,343,452**	1,730,075
Effect of higher tax rate for the appreciation of land in the PRC	**315,887**	472,475
Income not subject to tax	**(2,392)**	(1,307)
Expenses not deductible for tax purposes	**555,709**	219,018
Dividend withholding tax	**180,255**	120,946
Tax losses not recognized	**49,480**	235,558
Utilization of previously unrecognized tax losses	**(38,667)**	(27,937)
Income tax expense	**2,403,724**	2,748,828

11 EARNINGS PER SHARE

(a) Basic

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

	Year ended 31 December	
	2015	2014
Profit attributable to owners of the Company (RMB'000)	**2,383,715**	4,597,292
Distribution relating to capital securities (RMB'000)	**(255,394)**	(252,249)
Profit used to determine basic earnings per share (RMB'000)	**2,128,321**	4,345,043
Weighted average number of ordinary shares in issue (thousands)	**7,505,163**	7,362,275
Basic earnings per share (RMB per share)	**0.284**	0.590

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to, assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: share options and shares held for the Restricted Share Award Scheme. For the share options and shares held for the Restricted Share Award Scheme, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the year) based on the monetary value of the subscription rights attached to outstanding share options and the unvested awarded shares. The number of shares calculated as below is compared with the number of shares that would have been issued assuming the exercise of the share options and the payout of the awarded shares.79,316,000 outstanding share options, when calculated on a weighted average basis, were not included in the calculation of dilutive earnings per share for the year ended 31 December 2015(2014:nil) because they are out of money.

	Year ended 31 December	
	2015	2014
Profit attributable to owners of the Company (RMB'000)	**2,383,715**	4,597,292
Distribution relating to capital securities (RMB'000)	**(255,394)**	(252,249)
Profit used to determine diluted earnings per share (RMB'000)	**2,128,321**	4,345,043
Weighted average number of ordinary shares in issue (thousands)	**7,505,163**	7,362,275
Adjustment for:		
— share options (thousands)	**9,133**	21,799
— shares held for the Restricted Share Award scheme (thousands)	**2,622**	2,057
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**7,516,918**	7,386,131
Diluted earnings per share (RMB per share)	**0.283**	0.588

12 DIVIDENDS

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Interim dividend paid	**464,478**	443,785
Proposed final dividend of RMB0.042 (2014: RMB0.13) per ordinary share (a)	**314,050**	981,664

(a) On 21 March 2016, the Company proposed a final dividend of RMB314,050,000 for the year ended 31 December 2015.

PRELIMINARY ANNOUNCEMENT OF ANNUAL RESULTS

The figures in respect of this preliminary announcement of the Group's results for the year ended 31 December 2015 have been agreed upon by the Group's auditors, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this preliminary results announcement.

FINAL DIVIDEND

The Board proposed to recommend at the forthcoming AGM to be held on Thursday, 12 May 2016 the payment of a final dividend of HKD0.05 per ordinary share for the year ended 31 December 2015. The final dividend will be paid in cash. The final dividend is subject to the approval of the shareholders at the forthcoming AGM. The final dividend will be paid to the shareholders whose name is standing in the register of members of ordinary shares of the Company on Tuesday, 17 May 2016. In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited (the "Share Registrar") at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 17 May 2016.

It is expected that the cheques for cash entitlement in relation to the 2015 final dividend will be despatched at the risk of those entitled thereto to their respective registered addresses on or about Thursday, 30 June 2016.

ANNUAL GENERAL MEETING

The AGM will be held on Thursday, 12 May 2016. The notice of AGM will be published and despatched to the shareholders of the Company in the manner as required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of ordinary shares of the Company will be closed from Monday, 9 May 2016 to Thursday, 12 May 2016 (both dates inclusive), during which no transfer of ordinary shares will be registered. In order to qualify for attending the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Share Registrar no later than 4:30 p.m. on Friday, 6 May 2016.

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

During the year under review, 17,644,500 ordinary shares of the Company being repurchased on the Stock Exchange were cancelled and the number of issued shares of the Company was reduced accordingly. The above repurchases were effected by the Board, pursuant to the mandate granted by shareholders in the Company's annual general meeting held on 12 May 2015, with a view to benefit shareholders as a whole in enhancing the net assets and the earnings per share of the Company. Details of the repurchases of such ordinary shares are as follows:

Month of the repurchases	Number of ordinary shares repurchased	Highest price paid by share *(HKD)*	Lowest price paid by share *(HKD)*	Aggregate consideration *(HKD Million)*
September 2015	17,644,500	4.24	4.00	73.23

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

RESTRICTED SHARE AWARD SCHEME

The Restricted Share Award Scheme (the "Award Scheme") was adopted by the Board on 22 March 2010 (the "Adoption Date") as an incentive to retain and encourage employees for the continual operation and development of the Group. During the year under review, the trustee of the Award Scheme, pursuant to the terms of the rules and trust deed of the Award Scheme, acquired 17,600,444 shares of the Company by way of market acquisition at an aggregate consideration of approximately RMB64,322,000 (including transaction cost). Up to 31 December 2015, 59,286,555 shares of the Company had been acquired from the market, and from receiving scrip shares in lieu of cash dividend by the trustee, at an aggregate consideration of approximately RMB218,622,000 (including transaction costs), representing 1.05% of the issued share capital of the Company as at the Adoption Date.

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

	Awarded Shares				
Date of award	**Balance as at 1 January 2015**	**Shares awarded during the year**	**No. of shares vested during the year**	**No. of shares lapsed during the year** *(note)*	**Balance as at 31 December 2015**
18 March 2013	7,638,375	–	(5,577,300)	(686,475)	1,374,600
18 March 2014	25,012,000	–	(14,803,750)	(1,539,750)	8,668,500
13 May 2014	512,000	–	(281,600)	–	230,400
18 March 2015	–	20,147,300	–	(180,000)	19,967,300
Total	33,162,375	20,147,300	(20,662,650)	(2,406,225)	30,240,800

Note: Pursuant to the Award Scheme, 2,406,225 awarded shares were lapsed upon the resignation of awardees during the year under review.

CORPORATE GOVERNANCE

In the opinion of the Board, the Company had complied with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules throughout the year under review, except as noted hereunder.

The roles of the chairman (the "Chairman") and the chief executive officer (the "Chief Executive Officer") of the Company are served by Mr. LI Ming and have not been segregated as required under code A.2.1 of the CG Code. However, the Company considers that the combination of the roles of the Chairman and the Chief Executive Officer will involve a realignment of power and authority under the existing corporate structure and facilitate the ordinary business activities of the Company.

Further information of the Company's corporate governance practices will be set out in the Corporate Governance Report of the Company's 2015 Annual Report which will be sent to the shareholders on or about 12 April 2016.

REVIEW OF FINANCIAL STATEMENTS

The audit committee of the Company has reviewed the annual results of the Company for the year ended 31 December 2015.

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

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and that of the Company (www.sinooceanland.com). The annual report for the year ended 31 December 2015 will be despatched to the shareholders on or about 12 April 2016 and will be available on the Company's and the Stock Exchange's websites at about the same time.

APPRECIATION

On behalf of the Board, I would like to extend my 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. We could not have performed so well and achieved our targets in the past year without their unfailing support.

By order of the Board
Sino-Ocean Land Holdings Limited
LI Ming
Chairman

Hong Kong, 21 March 2016

As at the date of this announcement, the directors of the Company comprise:

Executive directors:	*Non-executive directors:*	*Independent non-executive directors:*
Mr. LI Ming	Mr. YANG Zheng	Mr. TSANG Hing Lun
Ms. LIU Hui	Mr. FANG Jun	Mr. HAN Xiaojing
Mr. KWOK Kin Ho	Mr. YANG Leyu	Mr. WANG Zhifeng
Mr. SUM Pui Ying		Mr. SUEN Man Tak
Mr. WEN Haicheng		