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**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2024**
(Stock code: 03377)
(Debt stock codes: 5869, 5276, 5623, 40115, 40670)

FINANCIAL HIGHLIGHTS

- Total contracted sales amounted to RMB35,160 million, representing a YoY decrease of 30%.
- Revenue amounted to RMB23,641 million, representing a YoY decrease of 49%.
- Gross loss was RMB398 million. Gross loss margin was 2%.
- Loss attributable to owners of the Company was RMB18,624 million, representing a reduction of 12%. Basic and diluted loss per share was RMB2.445. The recorded loss was mainly attributable to the fact that the overall real estate market in the PRC remained in deep adjustments, which led to (i) the decrease in the industry gross profit margin, and the provision we made for impairment of property projects; and (ii) the losses recognized from the disposal of property projects during the year of 2024.

The Board is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2024.

REVIEW OF THE ANNUAL RESULTS

Due to the continuous downturn in the overall real estate market in the PRC, for the twelve months ended 31 December 2024, the Group recorded RMB23,641 million in revenue, representing a YoY decrease of approximately 49%; gross loss was RMB398 million (2023: gross profit of RMB1,183 million) and the gross loss margin was 2% (2023: gross profit margin of 3%). Loss attributable to owners of the Company and loss per share (basic and diluted) were RMB18,624 million and RMB2.445, respectively.

MARKET REVIEW AND OUTLOOK

In 2024, the real estate market in China continued to be sluggish. At the end of the third quarter of the year, the Central Political Bureau Conference proposed to “actively halt the decline of the real estate market and bring it back to stability”. The Central and local governments continued to roll out a series of policy measures to stabilize the market. These included: down payment requirement for the first two residential units and mortgage interest rate were reduced to historic lows; all restrictions on purchase were largely lifted; acquisition of residences and land plots, adjustment on land usage and land return were encouraged. These policies produced positive results, and the market was stabilizing in stages in the fourth quarter. In 2024, GFA of newly-built commodity housing sold was 973.85 million sq.m., a drop of 12.9% YoY, of which GFA of residential housing sold decreased by 14.1%; revenue of newly-built commodity housing was RMB9,675 billion, 17.1% lower YoY, of which revenue of residential housing dropped by 17.6%.

The real estate industry in China has been through three and a half years of deep adjustments. As the balance between supply and demand improves and the continuous implementation of supportive policies, the market is expected to stabilize and halt its decline. However, net assets of property enterprises have suffered grave losses due to fallen prices, the journey of clearing various risks is long and business transformation is inevitable.

FINANCIAL REVIEW

Revenue

The components of the revenue are analyzed as follows:

<i>(RMB million)</i>	2024	2023	Change
Property development	17,273	38,993	-56%
Property investment	321	446	-28%
Property management and related services	2,710	2,885	-6%
Other real estate related businesses	3,337	4,135	-19%
Total	23,641	46,459	-49%

The Group's revenue in 2024 decreased by approximately 49% to RMB23,641 million, from RMB46,459 million in 2023. Property development segment remained the largest contributor, which accounted for about 73% of total revenue. During 2024, the revenue from property development contributed by the Beijing, Bohai Rim, Eastern, Southern, Central and Western Regions were 10%, 22%, 29%, 17%, 13% and 9%, respectively. We will persistently maintain a balanced project portfolio for mitigating the risk from single market fluctuations and enabling more effective usage of resources, allowing the Group to stay focused on our future development plan.

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

Due to the downturn trend of the overall real estate market in the PRC, the total revenue of other real estate businesses (including whole-industrial chain construction services, internet data center, senior living services, etc.) decreased accordingly during 2024.

Cost of sales

The Group's total cost for the year decreased by approximately 47% to RMB24,039 million, from RMB45,276 million in 2023, which was in line with the decrease in the revenue.

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

Excluding carparks, average land cost per sq.m. of property development business in 2024 was approximately RMB6,300 (2023: RMB6,500 per sq.m.). Average construction cost per sq.m. (excluding carparks) for property development business was approximately RMB5,200 for the year (2023: RMB5,700 per sq.m.).

Gross (loss)/profit

Gross loss for the year was RMB398 million (2023: gross profit of RMB1,183 million). Gross loss margin was 2% in 2024 (2023: gross profit margin of 3%). The gross loss recorded for the year was mainly because of the downturn in the overall real estate market in the PRC during 2024, which led to (i) the decreasing industry gross profit margin; and (ii) the provision made by the Group for inventories.

Interest and other income and other losses (net)

Interest and other income decreased by approximately 18% to RMB700 million in 2024, compared to RMB854 million in 2023. The decrease was mainly attributable to the decrease in the interest income during 2024.

The Group recorded other losses (net) of RMB4,651 million in 2024 (2023: RMB672 million). The recorded losses in 2024 were primarily due to the continuous downturn and operational difficulties in the real estate market in the PRC. It was mainly comprised of the impairment losses on interest in a joint venture, fair value losses of financial assets and financial liabilities at fair value through profit or loss and provision for litigations during the year.

Revaluation of investment properties

Due to the continual slump of the real estate industry in the PRC, the Group recognized fair value losses on its investment properties (before tax and non-controlling interests) of RMB747 million for 2024 (2023: RMB928 million).

Operating expenses

Selling and marketing expenses for 2024 were RMB710 million (2023: RMB1,170 million), which decreased by approximately 39% as compared to 2023. The decrease was mainly because of the negative real estate market sentiment in the PRC during 2024, with the combined effect of (i) the decrease in contracted sales; and (ii) less new projects launched. These costs accounted for approximately 2.0% of the total contracted sales amount for 2024 (2023: 2.3%).

Administrative expenses incurred for 2024 slightly decreased to RMB1,630 million (2023: RMB1,695 million), representing approximately 6.9% of the total revenue for 2024 (2023: 3.6%). The Group will continue to adopt strict cost control measures to maintain these costs at a relatively stable and lower level.

Net impairment losses under expected credit loss model

The Group recorded the net impairment losses under expected credit loss model of RMB7,699 million for the year (2023: RMB11,283 million). The expenses included the provisions made for expected credit losses on the trade and other receivables and financial guarantee by the Group during 2024.

Finance costs

Our weighted average interest rate decreased from 5.63% for the year of 2023 to 5.39% for the year of 2024. The total interest expenses paid or accrued decreased to RMB5,299 million in 2024 (2023: RMB5,358 million), of which RMB3,588 million (2023: RMB3,517 million) was not capitalized and charged through consolidated income statement during the year.

Taxation

The aggregate of enterprise income tax and deferred tax decreased to RMB329 million in 2024 (2023: RMB361 million), the decrease in the expense was mainly attributed to the combined effects of the decrease in revenue and the recorded gross loss during the year. In addition, land appreciation tax credit for 2024 was RMB834 million (2023: tax expense of RMB1,063 million). It was mainly due to the reversal of the previous recognized land appreciation tax expense for several projects during 2024.

Loss attributable to owners of the Company

The loss attributable to owners of the Company was RMB18,624 million for the year of 2024 (2023: RMB21,097 million). The loss recorded for 2024 was mainly attributed to the fact that the overall real estate market in the PRC remained in deep adjustments, which led to (i) the decrease in the industry gross profit margin, and the provision we made for impairment of property projects; and (ii) the losses recognised from the disposal of property projects during the year of 2024.

Financial resources and liquidity

As at 31 December 2024, the Group had total cash resources (including cash and cash equivalents and restricted bank deposits) of RMB4,828 million, of which approximately 99% (31 December 2023: 99%) of the Group's cash resources were denominated in RMB with the remaining balances denominated in other currencies, such as USD and HKD. The current ratio was 0.90 time. During the year of 2024, the real estate market in the PRC remained in deep adjustments, the profitability of the overall industry was being eroded, cash collection process remained slow and property enterprises had great liquidity pressure. The Group took the initiative in mitigating liquidity risks, so as to secure the Group will have sufficient cash resources to continue as a going concern and pay its debts.

As at 31 December 2024, the Group's net gearing ratio (i.e. total borrowings less total cash resources divided by total equity) was approximately 42,020% (31 December 2023: 438%). The significant increase in net gearing ratio was caused by the decrease of the total equity due to the recorded losses for 2024. In 2025, following the issue of more easing macro policies in the real estate industry, the demand for property will gradually recover. We would continue to resolve the debt risks and focus on ensuring the delivery of property projects and lowering the net gearing ratio.

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

<i>(RMB million)</i>	As at 31 December 2024	As a percentage of total borrowings	As at 31 December 2023	As a percentage of total borrowings
Within 1 year	63,576	66%	69,751	73%
1 to 2 years	13,489	14%	11,027	11%
2 to 5 years	13,285	14%	9,386	10%
Over 5 years	5,664	6%	5,979	6%
Total	96,014	100%	96,143	100%

BUSINESS REVIEW

Property Development

Recognized sales

Revenue from property development business decreased by approximately 56% in 2024, amounting to RMB17,273 million (2023: RMB38,993 million). Saleable GFA delivered decreased by 50% from approximately 3,015,000 sq.m. in 2023 to approximately 1,507,000 sq.m. in 2024 accordingly. The decrease was mainly due to less project completion and large scale delivery during the year as compared to 2023. Excluding carparks sales, the average selling price recognized in 2024 decreased to approximately RMB12,600 per sq.m. (2023: RMB14,400 per sq.m.). The decrease was mainly due to less projects in tier-one and core tier-two cities being delivered in 2024.

Revenue and saleable GFA delivered by cities during 2024 are set out as follows:

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Beijing Region	Beijing	53	1,640	32,300
	Shijiazhuang	20	4,902	4,100
	Taiyuan	249	25,596	9,700
	Qinhuangdao	418	23,853	17,500
	Langfang	868	59,858	14,500
		1,608	115,849	13,900
Bohai Rim Region	Tianjin	741	42,349	17,500
	Qingdao	131	15,828	8,300
	Jinan	1,234	167,686	7,400
	Dalian	654	61,652	10,600
	Shenyang	883	122,224	7,200
		3,643	409,739	8,900
Eastern Region	Shanghai	3,129	56,490	55,400
	Hangzhou	5	100	50,000
	Nanjing	88	4,600	19,100
	Suzhou	72	7,636	9,400
	Wenzhou	1,473	79,695	18,500
		4,767	148,521	32,100

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Southern Region	Shenzhen	268	15,382	17,400
	Guangzhou	1,146	64,920	17,700
	Maoming	48	12,235	3,900
	Jiangmen	225	24,835	9,100
	Zhongshan	584	60,120	9,700
	Zhanjiang	445	76,151	5,800
	Sanya	29	762	38,100
	Hong Kong	43	231	186,100
		2,788	254,636	10,900
Central Region	Wuhan	697	46,271	15,100
	Zhengzhou	7	962	7,300
	Hefei	515	45,760	11,300
	Nanchang	516	59,161	8,700
	Ganzhou	474	62,342	7,600
		2,209	214,496	10,300
Western Region	Chengdu	724	64,480	11,200
	Xi'an	780	86,310	9,000
	Guiyang	13	2,067	6,300
	Liuzhou	11	1,074	10,200
		1,528	153,931	9,900
	Other projects	346	38,100	9,100
Subtotal (excluding carparks)		16,889	1,335,272	12,600
Carparks (various projects)		384	171,482	2,200
Total		17,273	1,506,754	11,500

Contracted sales

Due to the adverse impacts caused by the downturn trend in the overall real estate market in the PRC, the contracted sales of the Group, together with its joint ventures and associates, for the twelve months ended 31 December 2024 decreased to RMB35,160 million, representing approximately 30% decrease compared to RMB50,530 million in 2023. Contracted saleable GFA sold in 2024 decreased by approximately 30% to 2,996,800 sq.m. (2023: 4,288,900 sq.m.). The average selling price (excluding car parks) decreased to approximately RMB12,800 per sq.m. (2023: RMB13,500 per sq.m.).

The contracted sales amounts and saleable GFA sold by cities in 2024 are set out below:

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Beijing Region	Beijing	9,745	415,000	23,500
	Shijiazhuang	210	31,600	6,600
	Taiyuan	332	51,700	6,400
	Qinhuangdao	393	23,100	17,000
	Langfang	344	30,400	11,300
	Zhangjiakou	42	6,200	6,800
	Jinzhong	472	83,000	5,700
		11,538	641,000	18,000
Bohai Rim Region	Tianjin	3,591	256,600	14,000
	Qingdao	315	22,400	14,100
	Jinan	3,508	368,200	9,500
	Dalian	450	49,700	9,100
	Shenyang	72	8,700	8,300
	Changchun	159	21,600	7,400
		8,095	727,200	11,100

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Eastern Region	Shanghai	835	24,200	34,500
	Nanjing	4	900	4,400
	Suzhou	664	89,200	7,400
	Wuxi	751	38,400	19,600
	Wenzhou	921	43,100	21,400
	Jinhua	213	20,700	10,300
	Yangzhou	8	1,200	6,700
	Zhenjiang	338	41,000	8,200
	Suqian	229	43,600	5,300
		3,963	302,300	13,100
Southern Region	Shenzhen	2,142	99,500	21,500
	Guangzhou	515	30,000	17,200
	Fuzhou	122	8,800	13,900
	Foshan	259	17,900	14,500
	Quanzhou	1	100	10,000
	Xiamen	705	39,000	18,100
	Maoming	14	3,600	3,900
	Jiangmen	217	29,300	7,400
	Zhongshan	340	43,500	7,800
	Zhanjiang	53	7,100	7,500
	Sanya	28	9,300	3,000
	Hong Kong	48	250	192,000
		4,444	288,350	15,400
Central Region	Wuhan	845	39,700	21,300
	Zhengzhou	170	19,800	8,600
	Changsha	457	50,000	9,100
	Nanchang	215	67,700	3,200
	Ganzhou	583	123,100	4,700
		2,270	300,300	7,600

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Western Region	Chengdu	200	15,400	13,000
	Chongqing	65	9,400	6,900
	Xi'an	1,264	95,000	13,300
	Kunming	71	18,800	3,800
	Urumqi	254	60,500	4,200
	Xining	104	10,100	10,300
	Xishuangbanna	158	22,300	7,100
		2,116	231,500	9,100
	Other projects	1,803	176,800	10,200
Subtotal (excluding carparks)		34,229	2,667,450	12,800
Carparks (various projects)		931	329,350	2,800
Total		35,160	2,996,800	11,700

Landbank and Construction in Progress

The Group's total GFA and total saleable GFA (including its joint ventures and associates) completed in 2024 were approximately 5,549,100 sq.m. and 4,192,000 sq.m., respectively, which decreased by 18% and 19%, respectively, as compared to that of 2023.

As at 31 December 2024, the landbank of the Group (including its joint ventures and associates) decreased to approximately 31,072,000 sq.m. (31 December 2023: 36,213,000 sq.m.); and landbank with attributable interest decreased to approximately 16,464,000 sq.m. (31 December 2023: 19,073,000 sq.m.) accordingly. In terms of saleable GFA, the average land cost per sq.m. for our landbank as at 31 December 2024 was approximately RMB6,200 (31 December 2023: RMB6,500).

The landbank details of the Group and its joint ventures and associates as at 31 December 2024 are set out as follows:

Regions	Cities	Projects	Districts	Approximate total GFA (‘000 sq.m.)	Approximate total saleable GFA (‘000 sq.m.)	Remaining landbank (‘000 sq.m.)	Interest attributable to the Group (%)
Beijing Region	Beijing	Captain House	Fengtai District, Beijing	131	100	6	51.00%
		CBD Plot Z6	Chaoyang District, Beijing	27	21	27	28.57%
		Central Peak	Changping District, Beijing	256	193	188	50.00%
		Gold Mansion	Daxing District, Beijing	118	99	79	25.00%
		Grand Harmony Emerald Residence	Daxing District, Beijing	224	165	88	40.00%
		Hilltime	Mentougou District, Beijing	430	344	430	10.00%
		Jasper Epoch	Daxing District, Beijing	92	78	9	100.00%
		Jialihua Project, Shunyi District	Shunyi District, Beijing	277	206	277	100.00%
		Liangxiang Project	Fangshan District, Beijing	126	102	38	11.10%
		Ocean LA VIE	Chaoyang District, Beijing	318	305	40	85.72%
		Ocean Metropolis	Mentougou District, Beijing	330	276	48	56.88%
		Ocean Poetic Dwelling	Shijingshan District, Beijing	249	187	213	31.00%
		Ocean Wuliepoch	Shijingshan District, Beijing	595	458	103	21.00%
		Our New World	Fangshan District, Beijing	109	91	13	100.00%
		Plot 6002, Mentougou New Town	Mentougou District, Beijing	125	97	75	21.00%
		Polaris Plaza	Chaoyang District, Beijing	46	–	46	17.96%
		Royal River Villa	Chaoyang District, Beijing	132	118	12	20.00%
		Sino-Ocean Apple Garden No.6	Shijingshan District, Beijing	69	50	43	51.00%
		World View	Chaoyang District, Beijing	71	52	71	25.00%
		Xanadu & Ocean Epoch	Chaoyang District, Beijing	230	193	28	50.00%
		Xanadu & Ocean Palace	Daxing District, Beijing	300	207	97	50.00%
		Xiji Plot E, Tongzhou District	Tongzhou District, Beijing	139	136	139	50.00%
		Xinchi Tower	Daxing District, Beijing	67	41	67	70.00%
		Yongjingtaoyuan Project	Chaoyang District, Beijing	692	554	692	52.15%
				5,153	4,073	2,829	
	Shijiazhuang	Ande Memorial Park	Jingxing County, Shijiazhuang	110	110	109	88.89%
		Gaocheng Logistics Project	Gaocheng District, Shijiazhuang	54	–	54	64.30%
		Harmony Palace	Zhengding New District, Shijiazhuang	152	140	29	38.35%
		Sino-Ocean No. 7	Chang’an District, Shijiazhuang	115	103	110	24.26%
				431	353	302	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Taiyuan	Glory Mansion	Xinghualing District, Taiyuan	288	198	288	52.15%
		Jiefang Road Aegean Place	Xinghualing District, Taiyuan	125	–	125	52.15%
		Ocean Crown	Xiaodian District, Taiyuan	53	38	53	100.00%
		Ocean Seasons	Wanbailin District, Taiyuan	308	254	83	100.00%
		Sky Masion	Yingze District, Taiyuan	394	286	311	36.21%
		Sky of Palace	Wanbailin District, Taiyuan	897	529	897	26.60%
		Villa Epoch	Yangqu County, Taiyuan	54	34	18	44.00%
		Wangjiafeng Aegean Place	Yingze District, Taiyuan	109	–	109	36.21%
				2,228	1,339	1,884	
	Qinhuangdao	Seatopia	Funing District, Qinhuangdao	1,438	1,243	1,073	100.00%
	Langfang	Capital Palace	Anci District, Langfang	404	292	18	52.15%
		Jingkai Logistics Project	Jingkai District, Langfang	151	–	151	19.29%
		Ocean Brilliant City	Guangyang District, Langfang	1,897	954	1,256	43.20%
		Plot I, Guangyang Logistics Project	Guangyang District, Langfang	41	–	41	64.30%
		Plot II, Guangyang Logistics Project	Guangyang District, Langfang	144	–	144	19.29%
		Yanjiao Sanhe Internet Data Center	Yanjiao County, Langfang	73	–	73	24.50%
				2,710	1,246	1,683	
	Zhangjiakou	Centrality Mansion	Qiaodong District, Zhangjiakou	203	163	21	60.00%
	Jinzhong	Sky Masion	Yuci District, Jinzhong	2,067	1,537	1,235	30.85%
				14,230	9,954	9,027	
Bohai Rim Region	Tianjin	Capital Palace	Jizhou District, Tianjin	346	213	193	52.15%
		Happy Light Year	Wuqing District, Tianjin	504	317	264	49.98%
		Jixian Aegean Place	Jizhou District, Tianjin	87	–	87	52.15%
		Neo-metropolis	Beichen District, Tianjin	3,034	2,615	1,834	51.00%
		Ocean Fantastic Time	Dongli District, Tianjin	151	115	40	100.00%
		Ocean Orient	Binhai New Area, Tianjin	164	126	77	100.00%
		Sky Masion	Binhai New Area, Tianjin	388	231	5	52.15%
		Sky Masion Bay	Binhai New Area, Tianjin	253	182	15	52.15%
		UPED	Binhai New Area, Tianjin	653	445	483	51.00%
		Xanadu	Binhai New Area, Tianjin	185	135	185	30.00%
				5,765	4,379	3,183	

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA (‘000 sq.m.)	total saleable GFA (‘000 sq.m.)	landbank (‘000 sq.m.)	attributable to the Group (%)
	Qingdao	Ocean Glory	Shibei District, Qingdao	102	76	1	10.75%
		Sino-Ocean Harmony	Shibei District, Qingdao	377	270	7	43.00%
		Sino-Ocean Landscape	Jimo District, Qingdao	113	86	27	100.00%
				592	432	35	
	Jinan	Fantastic Time	Tianqiao District, Jinan	535	435	535	100.00%
		Minghu Mansion	Tianqiao District, Jinan	555	461	488	100.00%
		Ocean Crown	Huaiyin District, Jinan	103	87	97	70.00%
		Ocean Epoch	Lixia District, Jinan	390	371	147	50.00%
		Ocean Mansion	Huaiyin District, Jinan	228	190	18	79.60%
		Ocean Orient	Licheng District, Jinan	544	422	129	42.00%
		Ocean Precious Land	Licheng District, Jinan	226	172	5	37.90%
		Sino-Ocean Metropolis	Tianqiao District, Jinan	379	255	46	70.00%
		Sky Masion	Shanghe County, Jinan	583	520	298	30.66%
				3,543	2,913	1,763	
	Dalian	Diamond Bay	Ganjingzi District, Dalian	1,497	1,345	549	100.00%
		Joy of Mountain and Sea	Ganjingzi District, Dalian	189	150	2	51.00%
		Ocean Orient	Jinpu New Area, Dalian	116	113	116	70.00%
		Ocean Tower River Bay	Lvshunkou District, Dalian	234	200	208	100.00%
				2,036	1,808	875	
	Shenyang	Ocean Elite River Prospect	Shenbei New District, Shenyang	400	313	246	60.00%
		Ocean Noble Mansion	Tiexi District, Shenyang	47	32	18	100.00%
				447	345	264	
	Changchun	Dream Jilin	Shuangyang District, Changchun	326	255	216	52.15%
	Anshan	International Plaza	Tiedong District, Anshan	350	294	39	52.15%
				13,059	10,426	6,375	
Eastern Region	Shanghai	Baoshan Sky Masion	Baoshan District, Shanghai	213	115	53	52.15%
		Lingang Aegean Place	Pudong New Area, Shanghai	66	–	66	52.15%
		Moon Mirage	Chongming District, Shanghai	1,072	672	668	41.03%
		Ocean Fortune Center	Pudong New Area, Shanghai	59	45	16	100.00%
		Yuanbo Hotel Project	Putuo District, Shanghai	54	–	54	35.91%
				1,464	832	857	

Sino-Ocean Group Holding Limited

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

Stock Code : 03377

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA (‘000 sq.m.)	total saleable GFA (‘000 sq.m.)	landbank (‘000 sq.m.)	attributable to the Group (%)
	Hangzhou	Neo 1	Gongshu District, Hangzhou	43	40	15	50.00%
		Ocean New Masterpiece	Gongshu District, Hangzhou	44	33	1	51.00%
				87	73	16	
	Nanjing	Ocean Seasons	Lishui District, Nanjing	234	184	22	100.00%
	Suzhou	Mansion Yue	Wujiang District, Suzhou	150	147	48	70.00%
		Rocker Park	Huqiu District, Suzhou	240	198	17	30.00%
		Royal Seasons	Taicang City, Suzhou	105	77	28	34.00%
		Scenert East	Zhangjiagang City, Suzhou	108	77	68	100.00%
		Shengze Sky Masion	Wujiang District, Suzhou	262	211	25	44.27%
		Shihu Project	Wuzhong District, Suzhou	49	–	49	100.00%
				914	710	235	
	Wuxi	Life in Park	Xinwu District, Wuxi	196	157	103	15.00%
		One Residence	Xinwu District, Wuxi	211	154	38	19.80%
				407	311	141	
	Changzhou	Aegean Place	Wujin District, Changzhou	197	–	197	52.15%
		International Plaza	Wujin District, Changzhou	508	374	48	52.15%
				705	374	245	
	Wenzhou	Aegean Place	Longwan District, Wenzhou	82	–	82	100.00%
		Four Seasons Mansion	Longwan District, Wenzhou	85	60	17	100.00%
		Harbor Heart	Ouhai District, Wenzhou	87	66	12	100.00%
		Peninsula No.9	Ouhai District, Wenzhou	276	174	276	41.36%
				530	300	387	
	Yangzhou	Home Furniture Mall	Hanjiang District, Yangzhou	81	–	81	52.15%
		Sky Masion	Hanjiang District, Yangzhou	467	348	467	52.15%
				548	348	548	

Regions	Cities	Projects	Districts	Approximate total GFA (‘000 sq.m.)	Approximate total saleable GFA (‘000 sq.m.)	Remaining landbank (‘000 sq.m.)	Interest attributable to the Group (%)
	Jinhua	Mountain Courtyard	Wucheng District, Jinhua	171	124	171	26.60%
	Zhenjiang	Central Mansion	Danyang City, Zhenjiang	607	502	366	50.00%
	Suqian	Ocean We-life Plaza	Sucheng District, Suqian	117	–	117	14.08%
		Shuyang Sky Masion	Shuyang County, Suqian	545	407	33	100.00%
		Sky Masion	Sucheng District, Suqian	484	411	213	14.08%
				1,146	818	363	
	Huzhou	Anji Internet Data Center	Anji County, Huzhou	135	–	135	64.30%
				6,948	4,576	3,486	
Southern Region	Shenzhen	Longhua District De Ai Industrial Park	Longhua District, Shenzhen	533	282	533	80.00%
		Ocean Express	Longgang District, Shenzhen	556	437	78	100.00%
		Ocean Filter	Longgang District, Shenzhen	92	64	92	100.00%
		Ocean No.163 Project	Nanshan District, Shenzhen	141	106	141	48.00%
		Ocean Purity	Longgang District, Shenzhen	152	108	152	39.20%
		Ocean Seafront Towers	Nanshan District, Shenzhen	115	52	59	64.90%
		Peace Palace	Longhua District, Shenzhen	278	201	112	63.01%
		Shanxia Project	Longgang District, Shenzhen	323	303	323	81.00%
				2,190	1,553	1,490	
	Guangzhou	East Bay	Zengcheng District, Guangzhou	141	96	8	40.00%
		Hibiscus Villa	Huadu District, Guangzhou	179	87	2	51.00%
		Natural Mansion	Zengcheng District, Guangzhou	76	48	15	100.00%
		Ocean Prospect	Zengcheng District, Guangzhou	133	96	32	100.00%
				529	327	57	

Regions	Cities	Projects	Districts	Approximate total GFA (‘000 sq.m.)	Approximate total saleable GFA (‘000 sq.m.)	Remaining landbank (‘000 sq.m.)	Interest attributable to the Group (%)
	Fuzhou	Ocean Tianfu	Cangshan District, Fuzhou	128	97	45	63.01%
	Foshan	Delight River	Sanshui District, Foshan	207	192	46	100.00%
		Landscape	Shunde District, Foshan	80	63	39	49.00%
		Natural Mansion	Nanhai District, Foshan	140	107	98	50.00%
				427	362	183	
	Xiamen	Ocean Prospect	Tong’an District, Xiamen	199	144	125	51.00%
	Maoming	Sino-Ocean Landscape	Maonan District, Maoming	299	249	149	51.00%
	Jiangmen	Cloud Mansion	Pengjiang District, Jiangmen	176	133	50	51.00%
		Top Mansion	Pengjiang District, Jiangmen	131	101	35	100.00%
				307	234	85	
	Zhongshan	Blossoms Valley	Shenwan Town, Zhongshan	1,172	1,037	843	75.00%
		Ocean Palace	Southern District, Zhongshan	181	134	111	100.00%
				1,353	1,171	954	
	Zhanjiang	Ocean City	Xiashan District, Zhanjiang	612	493	191	67.50%
	Sanya	Ocean Hill	Jiyang District, Sanya	177	111	74	100.00%
	Hong Kong	Mt. La Vie	Islands District, Hong Kong	3	3	3	100.00%
				6,224	4,744	3,356	
Central Region	Wuhan	Aegean Place	Xinzhou District, Wuhan	62	–	62	52.15%
		Citylane	Hanyang District, Wuhan	450	–	450	70.00%
		Dongxihu Xingou Logistics Project	Dongxihu District, Wuhan	112	–	112	64.30%
		Huazhong Big Data Industrial Park	Jiangxia District, Wuhan	89	–	89	12.50%
		Oriental World View	Hanyang District, Wuhan	1,917	1,430	136	70.00%
		Oriental Worldview II	Hanyang District, Wuhan	322	229	322	7.75%
		Yangtze Opus	Jiang’an District, Wuhan	178	80	109	70.00%
				3,130	1,739	1,280	

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA (‘000 sq.m.)	total saleable GFA (‘000 sq.m.)	landbank (‘000 sq.m.)	attributable to the Group (%)
	Zhengzhou	Fontaine Polaris	Zhongmu County, Zhengzhou	176	141	176	24.50%
		Glory Mansion	Xinzheng City, Zhengzhou	135	103	56	28.68%
		Grand Apartment	Jinshui District, Zhengzhou	172	133	172	36.98%
		Ocean Landscape Courtyard	Yingyang District, Zhengzhou	204	150	14	55.00%
		Ocean Melody	Zhongmu County, Zhengzhou	43	38	8	69.30%
		Ocean Prospect	Xinzheng City, Zhengzhou	169	158	34	100.00%
		Rong Fu	Xinzheng City, Zhengzhou	156	101	118	22.72%
		Rulinchenzhang ¹	Guanchenghuizu District, Zhengzhou	299	198	299	100.00%
		The Collection	Erqi District, Zhengzhou	182	141	182	49.00%
				1,536	1,163	1,059	
	Hefei	Hefei Logistics Project, Phase IV	Feidong County, Hefei	66	–	66	64.30%
		Ideal Bourn	Feidong County, Hefei	104	83	104	100.00%
		Ocean Landscape	Feidong County, Hefei	200	180	31	70.00%
				370	263	201	
	Changsha	Aegean Place	Yuhua District, Changsha	69	–	69	41.72%
		Sky Masion	Yuhua District, Changsha	878	616	448	41.72%
		Special Mansion	Wangcheng District, Changsha	482	384	482	24.50%
				1,429	1,000	999	
	Nanchang	Cloud View	Jingkai District, Nanchang	81	61	6	51.00%
		Ocean Palace	Wanli District, Nanchang	173	122	12	51.00%
		Sky Masion	Wanli District, Nanchang	175	163	31	52.15%
				429	346	49	
	Ganzhou	Sky Masion	Nankang District, Ganzhou	888	705	75	53.59%
				7,782	5,216	3,663	
Western Region	Chengdu	Ocean Ecological Land	Xindu District, Chengdu	199	127	98	100.00%
		Ocean Luxury City	Qingyang District, Chengdu	122	106	11	24.50%
		Qingbaijiang Internet Data Center, Zone A	Qingbaijiang District, Chengdu	193	–	193	36.51%
		Wenjiang Internet Data Center	Wenjiang District, Chengdu	54	–	54	24.50%
				568	233	356	

Note 1: The landbank project was newly included during 2024.

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Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA (‘000 sq.m.)	total saleable GFA (‘000 sq.m.)	landbank (‘000 sq.m.)	attributable to the Group (%)
	Chongqing	Fenghua Melody	Shapingba District, Chongqing	102	71	20	24.50%
		Fontaine Island	Nan’an District, Chongqing	178	132	3	24.50%
		Life In Art Dist	Jiulongpo District, Chongqing	52	37	22	34.00%
		Sino-Ocean Garden	Banan District, Chongqing	592	480	35	56.10%
				924	720	80	
	Xi’an	Aegean Place	Xincheng District, Xi’an	104	–	104	26.60%
		Emperor Chic	Weiyang District, Xi’an	321	316	215	24.50%
		Fontaine Island	Chanba Ecological District, Xi’an	147	111	147	24.50%
		Ocean Mansion	Weiyang District, Xi’an	558	416	443	42.33%
		Sino-Ocean Royal Landscape	Chanba Ecological District, Xi’an	292	208	31	80.00%
		Sky Masion	Xincheng District, Xi’an	462	312	462	26.60%
				1,884	1,363	1,402	
	Kunming	In Galaxy (formerly known as Chenggong Project)	Chenggong District, Kunming	222	218	84	69.80%
		In Galaxy (formerly known as Chenggong Project, Phase II)	Chenggong District, Kunming	99	88	99	69.80%
				321	306	183	
	Guiyang	Sino-Ocean Aristocratic Family	Shuanglong New District, Guiyang	165	135	108	100.00%
		Sino-Ocean Prospect	Yunyan District, Guiyang	100	75	11	100.00%
		Sky Masion	Guanshanhu District, Guiyang	780	565	780	26.60%
		Sky Masion, Retail	Guanshanhu District, Guiyang	89	–	89	26.60%
				1,134	775	988	
	Urumqi	Royal Mansion	Saybag District, Urumqi	402	293	302	28.97%
		Sky Masion	Saybag District, Urumqi	148	111	148	52.15%
				550	404	450	
	Lanzhou	Sky Masion	Yuzhong County, Lanzhou	397	301	264	31.29%
	Liuzhou	Aegean Place	Yufeng District, Liuzhou	85	–	85	76.55%
		Glory Mansion	Yufeng District, Liuzhou	357	251	106	76.55%
				442	251	191	

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Regions	Cities	Projects	Districts	Approximate total GFA (‘000 sq.m.)	Approximate total saleable GFA (‘000 sq.m.)	Remaining landbank (‘000 sq.m.)	Interest attributable to the Group (%)
	Luzhou	Sky Masion	Jiangyang District, Luzhou	279	207	279	52.15%
	Xining	Aegean Place	Haihu New District, Xining	121	–	121	76.55%
		Sky Masion	Chengzhong District, Xining	1,278	1,018	515	41.72%
		Sky Palace	Chengxi District, Xining	311	254	117	76.55%
				1,710	1,272	753	
	Xishuangbanna	Rainforest Resorts	Jinghong City, Xishuangbanna	515	429	153	26.07%
				8,724	6,261	5,099	
Other Region	Jakarta	Auraya	Greater Jakarta, Indonesia	66	57	66	28.00%
				66	57	66	
Total				57,033	41,234	31,072	

Property Investment

In 2024, revenue from property investment decreased by approximately 28% to RMB321 million (2023: RMB446 million). As at 31 December 2024, the Group and its joint ventures and associates held more than 22 operating investment properties.

The investment properties of the Group and its joint ventures and associates as at 31 December 2024 are set out as follows:

Projects	Districts	Approximate leasable area (sq.m.)	Office premises (sq.m.)	Retail space (sq.m.)	Logistics projects (sq.m.)	Others (sq.m.)	Occupancy rate (%)	Interest attributable to the Group (%)
E-wing Center (Beijing)	Haidian District, Beijing	12,000	12,000	–	–	–	72%	100%
Grand Canal Place (Beijing)	Tongzhou District, Beijing	111,000	60,000	51,000	–	–	46%	62%
Ocean Incom (Beijing)	Shunyi District, Beijing	49,000	32,000	2,000	–	15,000	71%	100%
Ocean International Center (Beijing)	Chaoyang District, Beijing	103,000	76,000	9,000	–	18,000	85%	100%
Ocean International Center (Tianjin)	Hedong District, Tianjin	53,000	53,000	–	–	–	65%	100%
Shuyang Ocean We-life Plaza (Suqian)	Shuyang County, Suqian	40,000	–	40,000	–	–	71%	100%
San Francisco Project (USA)	Financial District, San Francisco	7,000	7,000	–	–	–	98%	100%
Other projects		146,000	19,000	49,000	–	78,000		
Subtotal		521,000	259,000	151,000	–	111,000		
Other								
INDIGO (Beijing)	Chaoyang District, Beijing	181,000	52,000	48,000	–	81,000	90%	50%
Ocean International Center, Phase II (Beijing)	Chaoyang District, Beijing	70,000	46,000	13,000	–	11,000	86%	35%
Ocean Plaza (Beijing)	Xicheng District, Beijing	30,000	26,000	–	–	4,000	73%	72%
Ocean Office Park (Beijing)	Chaoyang District, Beijing	93,000	81,000	12,000	–	–	84%	29%
Eco-city Aegean Place (Tianjin)	Binhai New Area, Tianjin	42,000	–	42,000	–	–	98%	52%
Hedong Aegean Place (Tianjin)	Hedong District, Tianjin	97,000	–	97,000	–	–	97%	34%
Ocean We-life (Tianjin)	Binhai New District, Tianjin	28,000	–	28,000	–	–	95%	70%
Ocean We-life Plaza (Tianjin)	Hedong District, Tianjin	42,000	–	42,000	–	–	97%	64%
Ocean We-life Plaza (Jinan)	Shanghe County, Jinan	34,000	–	34,000	–	–	75%	31%
H88 Yuehong Plaza (Shanghai)	Xuhui District, Shanghai	56,000	56,000	–	–	–	72%	36%
Haixing Plaza (Shanghai)	Huangpu District, Shanghai	14,000	10,000	–	–	4,000	65%	30%
Sino-Ocean Tower (Shanghai)	Huangpu District, Shanghai	64,000	46,000	4,000	–	14,000	69%	15%
Grand Canal Place (Hangzhou)	Gongshu District, Hangzhou	132,000	–	81,000	–	51,000	97%	60%
Ocean We-life Plaza (Suzhou)	Wujiang District, Suzhou	49,000	–	49,000	–	–	95%	26%
Aegean Place (Fuzhou)	Cangshan District, Fuzhou	93,000	–	93,000	–	–	98%	31%
Other projects		2,237,000	225,000	115,000	1,984,000	13,000		
Subtotal		3,362,000	542,000	658,000	1,984,000	178,000		
Total		3,883,000	801,000	809,000	1,984,000	289,000		

HOLISTIC DEBT MANAGEMENT FOR OFFSHORE DEBTS

References are made to the announcements of the Company dated 18 July 2024, 3 February 2025, 6 February 2025, 19 February 2025 and 24 March 2025 in relation to, among others, the proposed holistic offshore debt restructuring of the Group (collectively, the “**Offshore Debts Announcements**”).

As set out in the Offshore Debts Announcements, the scope of the restructuring of the Group’s relevant offshore debts (the “**Restructuring**”) covers certain existing offshore debt instruments of the Group, comprising existing syndicated loans, an existing bilateral loan and certain existing offshore USD securities, with an aggregate outstanding principal amount of approximately USD5,636 million (the “**Existing Debt Instruments**”). The Restructuring involves, in exchange for the discharge and release of all claims of the in-scope creditors under the Existing Debt Instruments (among other things), the distribution to the in-scope creditors of the Restructuring consideration consisting of new debts (the “**New Debts**”) in an aggregate principal amount of USD2,200 million consisting of new loan and new notes, and mandatory convertible bonds and/or new perpetual securities in a combined aggregate principal amount equal to the result of the total Restructuring process claims of all in-scope creditors minus the aggregate principal amount of the New Debts.

The Restructuring is being effectuated via two parallel restructuring processes, being the English restructuring plan and the Hong Kong scheme of arrangement, on an inter-conditional basis. The Group has made significant progress on the Restructuring. The English restructuring plan and the Hong Kong scheme of arrangement have been sanctioned by the relevant court, and the effective date of the English restructuring plan and the Hong Kong scheme of arrangement occurred on 5 February 2025 and 19 February 2025 respectively.

The Company expects that the effective date of the Restructuring will occur on or around 27 March 2025, subject to the satisfaction or waiver of the Restructuring conditions.

For further details of the Restructuring, please refer to the Offshore Debts Announcements.

RELEVANT INFORMATION ON ONSHORE OPEN MARKET DEBTS

References are made to the announcements of the Company dated 28 March 2024, 27 June 2024, 7 August 2024, 24 February 2025 and 19 March 2025 published on the Stock Exchange and the announcements of Sino-Ocean Holding dated 28 March 2024, 26 June 2024, 7 August 2024, 24 February 2025 and 18 March 2025 published on The Shanghai Stock Exchange, in relation to the onshore open market debts of the Group (collectively, the **"Onshore Open Market Debts Announcements"**).

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

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

IMPORTANT EVENTS AFTER THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Save as disclosed in the above paragraphs headed "HOLISTIC DEBT MANAGEMENT FOR OFFSHORE DEBTS" and "RELEVANT INFORMATION ON ONSHORE OPEN MARKET DEBTS" and note 13 to the audited consolidated financial statements in this annual results announcement, as at the date of this annual results announcement, there was no important event affecting the Group after the financial year ended 31 December 2024.

The audited consolidated results of the Group for the year ended 31 December 2024 are as follows:

Consolidated Statement of Profit or Loss

		Year ended 31 December	
		2024	2023
	<i>Notes</i>	RMB'000	RMB'000
Revenue	4	23,640,619	46,459,008
Cost of sales	5	(24,038,814)	(45,276,191)
Gross (loss)/profit		(398,195)	1,182,817
Interests and other income		699,676	854,411
Other losses — net	6	(4,651,287)	(672,379)
Fair value change on investment properties		(746,505)	(928,020)
Selling and marketing expense	5	(710,007)	(1,169,502)
Impairment losses under expected credit loss model	5	(7,698,585)	(11,282,720)
Administrative expense	5	(1,629,734)	(1,694,518)
Operating loss		(15,134,637)	(13,709,911)
Finance costs	7	(3,588,425)	(3,517,124)
Share of results of joint ventures		(833,635)	(936,319)
Share of results of associates		164,647	(1,397,411)
Loss before income tax		(19,392,050)	(19,560,765)
Income tax credit/(expense)	8	504,425	(1,424,120)
Loss for the year		(18,887,625)	(20,984,885)
Attributable to:			
Owners of the Company		(18,623,957)	(21,096,541)
Non-controlling interests		(263,668)	111,656
		(18,887,625)	(20,984,885)
Loss per share attributable to owners of the Company during the year (expressed in RMB)			
Basic loss per share	9	(2.445)	(2.770)
Diluted loss per share	9	(2.445)	(2.770)

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Consolidated Statement of Comprehensive Income

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Loss for the year	(18,887,625)	(20,984,885)
Other comprehensive (loss)/income, net of tax		
Items that will not be reclassified subsequently to profit or loss:		
Fair value change on financial assets at fair value through other comprehensive income, net of tax	(90,940)	(190,269)
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	(478,136)	(273,403)
Deferred hedging gains	–	56,486
Share of other comprehensive (loss)/income of investments accounted for using the equity method	(227,739)	164,174
Other comprehensive loss for the year	(796,815)	(243,012)
Total comprehensive loss for the year	(19,684,440)	(21,227,897)
Total comprehensive (loss)/income for the year attributable to:		
Owners of the Company	(19,483,226)	(21,410,410)
Non-controlling interests	(201,214)	182,513
Total comprehensive loss for the year	(19,684,440)	(21,227,897)

Consolidated Statement of Financial Position

		As at 31 December	
		2024	2023
	Notes	RMB'000	RMB'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		3,324,732	3,492,480
Right-of-use assets		1,501,265	1,745,946
Land use rights		179,062	212,009
Intangible assets		309,670	400,164
Goodwill		1,233,053	1,243,182
Investment properties		13,204,011	15,857,341
Interests in joint ventures		13,315,357	18,679,921
Interests in associates		3,951,093	3,915,886
Financial assets at fair value through other comprehensive income		693,897	777,280
Financial assets at fair value through profit or loss		3,662,917	4,748,336
Trade and other receivables and prepayments	11	6,725,443	6,878,282
Deferred income tax assets		2,133,907	2,207,743
Total non-current assets		50,234,407	60,158,570
Current assets			
Properties under development		40,901,782	48,516,015
Inventories, at cost		1,152,367	1,379,381
Land development cost recoverable		1,295,282	1,279,428
Completed properties held for sale		25,098,776	26,713,610
Financial assets at fair value through profit or loss		53,277	646,833
Trade and other receivables and prepayments	11	57,775,129	62,409,893
Contract assets		65,674	46,590
Restricted bank deposits		2,922,791	3,033,268
Cash and cash equivalents		1,905,661	1,988,738
Total current assets		131,170,739	146,013,756

		As at 31 December	
		2024	2023
	<i>Notes</i>	RMB'000	RMB'000
Current liabilities			
Borrowings		63,576,047	69,750,588
Lease liabilities		140,186	150,898
Trade and other payables	12	50,555,310	49,096,209
Contract liabilities		14,263,642	20,872,878
Income tax payable		12,115,304	14,560,975
Financial liabilities at fair value through profit or loss		–	33,764
Provisions		5,028,329	–
Total current liabilities		145,678,818	154,465,312
Net current liabilities		(14,508,079)	(8,451,556)
Total assets less current liabilities		35,726,328	51,707,014
Non-current liabilities			
Borrowings		32,437,489	26,392,734
Lease liabilities		1,626,530	1,822,109
Trade and other payables	12	47,762	62,619
Provisions		–	620,872
Deferred income tax liabilities		1,397,545	2,016,697
Total non-current liabilities		35,509,326	30,915,031
Net assets		217,002	20,791,983
EQUITY			
Equity attributable to owners of the Company			
Share capital		27,329,232	27,329,232
Other reserves		(8,918,260)	(7,854,369)
Accumulated losses		(31,070,263)	(12,446,306)
		(12,659,291)	7,028,557
Non-controlling interests		12,876,293	13,763,426
Total equity		217,002	20,791,983

Notes to the consolidated financial statements

1. GENERAL INFORMATION

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

The consolidated financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The consolidated financial statements have been approved for issue by the Board on 26 March 2025.

The financial information relating to the years ended 31 December 2024 and 2023 included in this announcement of annual results 2024 do not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 31 December 2024 in due course.

The Company’s auditor has reported on the financial statements of the Group for both years. The auditor’s report for the years ended 31 December 2024 and 2023 was disclaimed; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance. For details, please refer to sub-section under “EXTRACT OF INDEPENDENT AUDITOR’S REPORT”.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENT

Basis of measurement and going concern assumption

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

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

The Group incurred a net loss of approximately RMB18.89 billion for the year ended 31 December 2024 and, as of that date, the Group’s current liabilities were in excess of current assets by approximately RMB14.51 billion, total equity of approximately RMB217 million and capital deficiency attributable to the owners of the Company of approximately RMB12.66 billion. The Group had total borrowings of approximately RMB96.01 billion, of which the current borrowings amounted to approximately RMB63.58 billion, while the Group had cash and cash equivalents of approximately RMB1.91 billion only.

As of 31 December 2024, two of the Group's onshore bonds with total principal and interest amounts of approximately RMB3.57 billion have already matured but was not repaid. As of the approval date of the consolidated financial statements, the Group is still in communication with the bondholders on adjusting the repayment plan.

Subsequent to the year ended 31 December 2024, the Group has suspended trading of another seven of the Group's onshore corporate bonds with a total outstanding principal amount of approximately RMB13.07 billion in order to renegotiate the repayment arrangement of these corporate bonds.

In respect of the offshore debts, in view of the Group's tight liquidity position, on 15 September 2023, the Group announced to commence a holistic restructuring of its offshore debts ("**Offshore Debt Restructuring Plan**") and to suspend payments of all its offshore debts (except for payments which would facilitate or be incidental to the debt restructuring having regard to the rights and priorities of the relevant creditors) until the Offshore Debt Restructuring Plan and/or extension solutions are implemented. Although the High Court of Justice in England and Wales (the "**UK High Court**") and the High Court of the Hong Kong Special Administrative Region (the "**HK High Court**") sanctioned the Offshore Debt Restructuring Plan on 3 February 2025 and 19 February 2025, respectively, as of the approval date of the consolidated financial statement, the Offshore Debt Restructuring Plan has not yet taken effect. These offshore debts include various existing syndicated loans and bilateral loan with carrying amount of approximately RMB13.88 billion, six USD-denominated guaranteed notes with carrying amount of approximately RMB22.28 billion and one USD-denominated perpetual subordinated guaranteed capital securities with carrying amount of approximately RMB4.84 billion as at 31 December 2024, totalling RMB41.00 billion (principal amount of approximately USD5.65 billion) (the "**In-Scope Offshore Debts**").

In addition, the Group has received demand letters, acceleration notices and other legal letters with respect to certain In-Scope Offshore Debts due to the suspended repayments, and these letters are expected to be withdrawn only when the restructuring plan is successfully implemented.

The Group has also been involved in various litigation cases for unpaid borrowings, outstanding construction and daily operations payables and other matters for which the Group has made provision.

During the year ended 31 December 2024, the real estate sector in the PRC continued to be volatile. This mainly includes the continued downturn of the property market and the deteriorating consumer sentiment in the PRC, resulting in the decrease in sales of and greater liquidity pressure on the PRC property developers, including the Group.

The Group's internal funds were shrinking and the Group also experienced difficulty in financing its construction projects due to limited access to external finance. The current macroeconomic conditions and the timing of recovery in real estate industry have brought additional material uncertainties to the Group. It has become more challenging for the Group to generate operating cash inflows or refinance guaranteed notes, corporate bond and bank and other borrowings.

In view of these circumstances, the Directors have carefully considered the Group's cash flow forecast for the next eighteen months from 31 December 2024 and have given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, have proactively come up with certain plans and measures to ensure the Group to have sufficient financial resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken or will be taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, the following:

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

For one of its onshore bonds with a principal amount of RMB3.00 billion and originally set to mature in January 2024, the Group has launched an offer to exchange their holdings for a new onshore bond bearing an interest rate of 4.6% per annum with repayments scheduled between 2025 and 2026. As of the date of approval of these consolidated financial statements, 91.40% of bondholders, representing approximately RMB2.74 billion of the principal amount, have accepted the offer. The Group is currently in active negotiation with the remaining 8.6% of bondholders, representing approximately RMB0.26 billion of the principle, to extend the repayment period.

For another onshore bond with a principal amount of approximately RMB3.13 billion and originally set to mature in May 2024, the Group is still currently in active negotiation with the bondholders to extend the repayment periods as of the date of the approval of the consolidated financial statements.

Regarding the Group's onshore bonds with a principal amount of approximately RMB2.00 billion and originally scheduled to mature in March 2025, the maturity date has been extended following the approval at the relevant bondholders' meeting. The repayment period has been revised to between one and four years.

Regarding the seven onshore corporate bonds with the trading suspended subsequent to the year ended 31 December 2024, the Group will continue to communicate with the bondholders and plans to arrange a bondholders' meeting subsequent to the reporting date to renegotiate the repayment plan.

- The Group has been actively working with its advisors and negotiating with offshore creditors to formulate and implement a practicable Offshore Debt Restructuring Plan for the Group's existing offshore debts.

On 18 July 2024, the Company has entered into a restructuring support agreement ("**RSA**") which outlines the terms of the Offshore Debt Restructuring Plan with certain creditors of the In-Scope Offshore Debts (the "**Creditors**") and the information agent in connection with the Offshore Debt Restructuring Plan.

Under the RSA, Creditors will be classified into four classes, with a portion of their debts being exchanged into new loan or new notes (the "**New Debts**") based on the specified allocation ratio for each class of Creditors. If the Offshore Debt Restructuring Plan is successfully implemented, New Debts with an aggregate principal amount of USD2.2 billion will be issued to the Creditors. The New Debts will have an extended maturity date of up to 8 years from the effective date of the Offshore Debt Restructuring Plan (the "**Restructuring Effective Date**"), with repayments commencing on the 3rd year from the Restructuring Effective Date and continuing in varying proportions until the 8th year. There is a deferral mechanism allowing the Group to defer repayments from the 4th year until the 10th year, depending on the return from a particular project and the performance of the Group.

For the residual debts claims after deducting the New Debts, Creditors will have an option to receive either: (a) two-year non-interest bearing mandatory convertible bonds and/or (b) 1% interest-bearing new perpetual securities.

A meeting with the Creditors to consider and approve the Offshore Debt Restructuring Plan was held on 22 November 2024 (the "**Restructuring Plan Meeting**"). The result has been disclosed in the announcement of the Company dated 25 November 2024. The Offshore Debt Restructuring Plan was subsequently sanctioned by the UK High Court on 3 February 2025 and by the HK High Court on 19 February 2025.

The Offshore Debt Restructuring Plan will take effect once all conditions precedent to the restructuring have been satisfied or waived (as the case may be), including, amongst others, obtaining all necessary approvals or consents, and all outstanding In-Scope Offshore Debts will be cancelled and any associated guarantees and security will be released. As of the date of the approval of these consolidated financial statements, the Group and its advisors are actively working to fulfill all aforementioned conditions to implement the Offshore Debt Restructuring Plan. Having considered that the Offshore Debt Restructuring Plan has been sanctioned by the UK High Court and the HK High Court respectively, the Directors are confident that the Offshore Debt Restructuring Plan will be successfully implemented.

More detailed information on the Offshore Debt Restructuring Plan has been disclosed in the announcements of the Company dated 18 July 2024, 22 August 2024, 10 September 2024, 22 September 2024, 24 September 2024, 15 October 2024, 18 October 2024, 21 October 2024, 22 October 2024, 29 October 2024, 31 October 2024, 1 November 2024, 18 November 2024, 25 November 2024, 14 January 2025, 20 January 2025, 21 January 2025, 23 January 2025, 3 February 2025, 6 February 2025, 19 February 2025 and 24 March 2025 and the circular of the Group dated 1 November 2024.

- The Group has been proactively seeking ways to resolve the outstanding litigations of the Group. The Group is positive that it can continue to reach an amicable solution on the litigations which have not yet reached a definite outcome;
- The Group is actively in discussions with the other existing lenders to renew the Group's certain borrowings and/or not to demand immediate repayment until the Group has successfully completed the property construction projects and generated sufficient cash flows therefrom. These discussions have been constructive and focused on possible actions in light of current circumstances but do require time to formulate or implement due to ongoing changes in market conditions;
- The Group will continue to seek to obtain additional new sources of financing through all possible channels such as assets disposal:

On 7 June 2024, the Group entered into a very substantial disposal arrangement with various parties, conditionally agreed to sell an aggregate of 64.79% equity interests in a joint venture and assign the entire loan owing to the Group by the joint venture at the completion of this disposal. The transaction was completed on 5 August 2024 and the 64.79% equity interest in the joint venture was successfully transferred to the related parties. The net cash consideration of approximately RMB3.79 billion is being settled in accordance with the terms specified the sale and purchase agreement.

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

The directors of the Company consider that, assuming the success of the above-mentioned assumptions, plans and measures, the Group will have sufficient working capital to finance its operations and to meet its obligations as and when they fall due for at least twelve months from 31 December 2024. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

However, the validity of the going concern assumption depends upon the successful outcome of the Group's plans and measures, including:

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

These indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern, and therefore the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

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

3. SUMMARY OF ACCOUNTING POLICIES

The 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) Amended standards adopted by the Group

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2024:

Amendments to HKAS 1	Non-current Liabilities with Covenants & Classification of Liabilities as Current or Non-current
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HK Int 5 (Revised)	Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

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

There are a number of standards, amendments to standards, and interpretations which have been issued by the HKICPA that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning on or after 1 January 2025:

- Lack of Exchangeability (Amendments to HKAS 21 and HKFRS 1)

The following amendments are effective for the period beginning on or after 1 January 2026:

- Classification and Measurement of Financial Instruments (Amendments to HKFRS 9 and HKFRS 7)
- Annual Improvements to HKFRS Accounting Standards — Volume 11 (Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7)
- Contracts Referencing Nature-dependent Electricity (Amendments to HKFRS 9 and HKFRS 7)

The following standards and amendments are effective for the period beginning on or after 1 January 2027:

- HKFRS 18 Presentation and Disclosure in Financial Statements
- HKFRS 19 Subsidiaries without Public Accountability: Disclosures
- Amendments to HK Int 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The effective date of the following amendments is to be determined:

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to HKFRS 10 and HKAS 28)

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

4. SEGMENT INFORMATION

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

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

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

The executive directors of the Company assess the performance of the operating segments based on a measure of operating profit. This measurement basis excludes the effects of other gains/losses from the operating segments. Finance costs and corporate finance income are not included in the result for each operating segment that is reviewed by the executive directors of the Company, as they are driven by activities of the central treasury function, which manages the cash position of the Group. The measure also excludes the effects of any share of profits/losses from interests in joint ventures and associates as well as fair value change from investment properties, corporate overheads, finance costs and other losses-net. Other information provided to the executive directors of the Company, except as noted below, is measured in a manner consistent with that in the financial statements.

Total segment assets exclude corporate cash and cash equivalents, interests in joint ventures and associates, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and deferred income tax assets, all of which are managed on a central basis. Total segment liabilities exclude borrowings, deferred income tax liabilities and financial liabilities at fair value through profit or loss, all of which are managed on a central basis as well. These are part of the reconciliation to total statement of financial position assets and liabilities.

The segment information provided to the executive directors of the Company for the reportable segments for the years ended 31 December 2024 and 2023 is as follows:

	Property development									
	Beijing Region <i>RMB'000</i>	Bohai Rim Region <i>RMB'000</i>	Eastern China Region <i>RMB'000</i>	Southern China Region <i>RMB'000</i>	Central China Region <i>RMB'000</i>	Western China Region <i>RMB'000</i>	Property investment <i>RMB'000</i>	Property management <i>RMB'000</i>	All other segments <i>RMB'000</i>	Total <i>RMB'000</i>
Year ended 31 December 2024										
Total revenue	1,681,408	3,720,102	5,098,645	2,945,443	2,304,919	1,536,642	327,033	2,840,029	5,449,825	25,904,046
Inter-segment revenue	(4,734)	(3,823)	(5,625)	(55)	–	–	(5,852)	(130,142)	(2,113,196)	(2,263,427)
Revenue (from external customers)	1,676,674	3,716,279	5,093,020	2,945,388	2,304,919	1,536,642	321,181	2,709,887	3,336,629	23,640,619
Segment operating profit/(loss)	(230,597)	(946,153)	(159,464)	(383,902)	(551,737)	(437,113)	149,237	(104,724)	(6,942,914)	(9,607,367)
Depreciation and amortization (Note 5)	(18,228)	(273)	(106)	(718)	(671)	(431)	(64)	(57,907)	(383,121)	(461,519)
Year ended 31 December 2023										
Total revenue	2,818,710	10,093,280	7,186,772	6,343,071	11,298,589	1,801,161	453,829	3,133,209	6,635,718	49,764,339
Inter-segment revenue	(39,610)	(118,271)	(306,673)	–	–	(84,119)	(7,900)	(248,172)	(2,500,586)	(3,305,331)
Revenue (from external customers)	2,779,100	9,975,009	6,880,099	6,343,071	11,298,589	1,717,042	445,929	2,885,037	4,135,132	46,459,008
Segment operating profit/(loss)	(103,427)	(169,802)	(173,793)	(67,505)	(241,597)	(559,371)	280,732	(119,487)	(10,706,295)	(11,860,545)
Depreciation and amortization (Note 5)	(18,316)	(1,716)	(1,283)	(1,673)	(2,020)	(1,400)	(2,296)	(58,921)	(313,434)	(401,059)
As at 31 December 2024										
Total segment assets	17,610,657	15,111,517	10,060,120	19,054,276	13,487,318	7,225,222	13,176,745	3,752,185	58,054,798	157,532,838
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,149	4,104	–	11,883	–	17	106,049	67,214	14,304	204,720
Total segment liabilities	7,431,003	11,263,040	6,094,619	10,931,467	6,166,325	3,902,851	796,670	1,801,798	35,389,290	83,777,063
As at 31 December 2023										
Total segment assets	18,956,191	15,850,019	14,392,027	19,716,285	14,895,793	7,542,554	15,709,032	3,794,514	64,310,813	175,167,228
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,627	104	3,492	97	18	12	2,372	24,833	789,730	822,285
Total segment liabilities	8,165,428	12,409,641	11,417,437	12,036,938	7,754,430	4,600,007	1,049,603	1,822,321	27,930,755	87,186,560

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

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Segment operating loss	(9,607,367)	(11,860,545)
Corporate finance income	61	165
Corporate overheads	(129,539)	(249,132)
Fair value change on investment properties	(746,505)	(928,020)
Other losses — net (Note 6)	(4,651,287)	(672,379)
Finance costs (Note 7)	(3,588,425)	(3,517,124)
Share of results of joint ventures	(833,635)	(936,319)
Share of results of associates	164,647	(1,397,411)
Loss before income tax	<u>(19,392,050)</u>	<u>(19,560,765)</u>

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

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Total segment assets	157,532,838	175,167,228
Corporate cash and cash equivalents	61,860	29,099
Interests in joint ventures	13,315,357	18,679,921
Interests in associates	3,951,093	3,915,886
Financial assets at fair value through other comprehensive income	693,897	777,280
Financial assets at fair value through profit or loss	3,716,194	5,395,169
Deferred income tax assets	2,133,907	2,207,743
Total assets per consolidated statement of financial position	<u>181,405,146</u>	<u>206,172,326</u>
Total segment liabilities	83,777,063	87,186,560
Current borrowings	63,576,047	69,750,588
Non-current borrowings	32,437,489	26,392,734
Deferred income tax liabilities	1,397,545	2,016,697
Financial liabilities at fair value through profit or loss	—	33,764
Total liabilities per consolidated statement of financial position	<u>181,188,144</u>	<u>185,380,343</u>

The Company was 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 2024 and 2023.

As at 31 December 2024, total non-current assets (other than financial instruments and deferred income tax assets) located in the PRC amounted to approximately RMB36,981,430,000 (2023: RMB45,479,399,000), total non-current assets located in Hong Kong and in the United States amounted to approximately RMB872,000 (2023: RMB1,307,000) and approximately RMB35,941,000 (2023: RMB66,223,000), respectively.

For the years ended 31 December 2024 and 2023, the Group does not have any single customer with the transaction value over 10% of the total external sales.

5. EXPENSES BY NATURE

Expenses by nature comprised cost of sales, selling and marketing expense, impairment losses under expected credit loss model and administrative expense as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Cost of properties and land use rights sold:		
— Land use rights	7,948,708	11,978,508
— Capitalised interest	879,662	4,232,640
— Construction related cost	8,530,938	21,063,798
Cost of upfitting services rendered	1,732,719	2,296,064
Direct investment property expenses	122,857	121,545
Employee benefit expense	1,904,815	1,893,308
Consultancy fee	334,755	425,700
Auditor's remuneration	17,970	16,530
— Audit services	12,670	12,930
— Non-audit services	5,300	3,600
Depreciation of property, plant and equipment	181,323	127,316
Depreciation of right-of-use assets	162,956	187,123
Amortization of land use rights and intangible asset	117,240	86,620
Advertising and marketing	631,029	1,150,589
Business taxes and other levies	166,795	290,045
Impairment losses under expected credit loss model	7,698,585	11,282,720
— Impairment loss on trade and other receivables	3,922,538	11,282,720
— Provisions for financial guarantee provided to related parties and third parties	3,776,047	—
Impairment loss on properties under development	1,109,682	1,935,580
Impairment loss on completed properties held for sale	449,852	336,153
Derecognition of goodwill	10,129	945
Office expenditure	82,418	79,854
Properties maintenance expenses	1,102,948	1,105,222
Energy expenses	315,427	332,527
Others	576,332	480,144
	34,077,140	59,422,931

6. OTHER LOSSES — NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
(Losses)/gains on disposal of interests in subsidiaries	(101,514)	85,945
Fair value change of financial assets and financial liabilities at fair value through profit or loss	(1,568,435)	(736,129)
Impairment loss on interest in a joint venture	(1,706,630)	–
(Losses)/gains on disposal of joint ventures and associates	(543,639)	1,132,219
Gains/(losses) on deemed disposal of joint ventures and associates, net	116,710	(206,078)
Payment for the settlement of contracted obligations	(122,095)	(96,030)
Gains/(losses) on disposal of property, plant and equipment	11,534	(6,865)
Losses on disposal of investment properties	(1,057)	–
Losses on disposal of land use rights	(20,637)	–
Provision for litigations	(631,410)	(618,713)
Exchange losses	(70,161)	(220,110)
Other losses	(13,953)	(6,618)
	<u>(4,651,287)</u>	<u>(672,379)</u>

7. FINANCE COSTS

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Interest expense:		
— Bank borrowings	2,113,936	2,040,253
— Other borrowings	3,073,379	3,200,175
— Lease liabilities	111,472	117,672
	<u>5,298,787</u>	<u>5,358,100</u>
Less: interest capitalised at a capitalisation rate of 5.39% (2023: 5.63%) per annum	<u>(1,710,362)</u>	<u>(1,840,976)</u>
	<u>3,588,425</u>	<u>3,517,124</u>

8. INCOME TAX (CREDIT)/EXPENSE

Majority of the Group entities are subjected to PRC enterprise income tax, which has been provided based on the statutory income tax rate of 25% of the assessable income of each of these Group entities for the years ended 31 December 2024 and 2023. Other Group entities are mainly subject to Hong Kong profits tax.

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

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Current income tax:		
— PRC enterprise income tax	405,099	961,544
— PRC land appreciation tax	(833,866)	1,062,670
Deferred income tax	(75,658)	(600,094)
	<u>(504,425)</u>	<u>1,424,120</u>

9. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of 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	
	2024	2023
Loss attributable to owners of the Company (RMB'000)	(18,623,957)	(21,096,541)
Loss used to determine basic loss per share (RMB'000)	(18,623,957)	(21,096,541)
Weighted average number of ordinary shares in issue (thousands)	7,616,096	7,616,096
Basic loss per share (RMB per share)	<u>(2.445)</u>	<u>(2.770)</u>

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to, assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: share options and shares held for the Restricted Share Award Scheme. For the share options and shares held for the Restricted Share Award Scheme, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the year) based on the monetary value of the subscription rights attached to outstanding share options and awarded shares. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options and vesting of awarded shares.

	Year ended 31 December	
	2024	2023
Loss attributable to owners of the Company (RMB'000)	(18,623,957)	(21,096,541)
Loss used to determine diluted loss per share (RMB'000)	(18,623,957)	(21,096,541)
Weighted average number of ordinary shares in issue (thousands)	7,616,096	7,616,096
Weighted average number of ordinary shares for diluted loss per share (thousands)	7,616,096	7,616,096
Diluted loss per share (RMB per share)	(2.445)	(2.770)

10. DIVIDENDS

The Board did not recommend the payment of final dividend for the year ended 31 December 2024 and 2023.

11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade receivables (a)	4,443,710	5,155,256
Other receivables and prepayments (b)	60,056,862	64,132,919
	64,500,572	69,288,175
Less: non-current portion	(6,725,443)	(6,878,282)
Current portion	57,775,129	62,409,893

(a) Trade receivables

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade receivables	5,435,317	5,935,207
Less: provision for impairment of trade receivables	(991,607)	(779,951)
	4,443,710	5,155,256
Less: non-current portion	–	–
Current portion	4,443,710	5,155,256

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

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Within 6 months	2,415,321	1,590,839
Between 6 months to 1 year	1,303,311	2,332,846
Between 1 year to 2 years	775,069	1,467,025
Between 2 years to 3 years	566,693	308,612
Over 3 years	374,923	235,885
	5,435,317	5,935,207

As at 31 December 2024, trade receivables with carrying amount of approximately RMB349,192,000 (2023: RMB67,105,000) were pledged for the Group's borrowings.

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

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
At 1 January	(779,951)	(510,632)
Provision for receivable impairment	(233,028)	(269,567)
Derecognition from disposal of subsidiaries	21,372	248
At 31 December	(991,607)	(779,951)

(b) Other receivables and prepayments

	As at 31 December					
	Current RMB'000	2024 Non-current RMB'000	Total RMB'000	Current RMB'000	2023 Non-current RMB'000	Total RMB'000
Entrusted loans due from joint ventures	2,350,583	58,592	2,409,175	3,425,068	223,476	3,648,544
Entrusted loans due from associates	–	24,510	24,510	–	636,206	636,206
Entrusted loans due from third parties	1,533,356	397,600	1,930,956	771,151	391,946	1,163,097
Amounts due from joint ventures	23,221,078	1,910,522	25,131,600	22,865,146	1,906,179	24,771,325
Amounts due from non-controlling interests	5,132,363	–	5,132,363	5,469,140	–	5,469,140
Amounts due from associates	9,743,545	611,696	10,355,241	10,038,587	–	10,038,587
Amounts due from third parties	16,313,490	–	16,313,490	16,370,118	–	16,370,118
	58,294,415	3,002,920	61,297,335	58,939,210	3,157,807	62,097,017
Less: provision for impairment	(19,821,390)	(63,064)	(19,884,454)	(16,419,776)	(76,453)	(16,496,229)
	38,473,025	2,939,856	41,412,881	42,519,434	3,081,354	45,600,788
Receivables from government	670,058	–	670,058	788,173	–	788,173
Payment for the cooperation of potential properties development projects	1,447,812	–	1,447,812	1,447,819	–	1,447,819
Receivables from disposal of interest in subsidiaries	79,102	2,993,960	3,073,062	79,102	2,851,390	2,930,492
Receivables from disposal of interest in a joint venture	337,706	–	337,706	–	–	–
Other receivables	3,061,067	–	3,061,067	2,322,218	–	2,322,218
	5,595,745	2,993,960	8,589,705	4,637,312	2,851,390	7,488,702
Less: provision for impairment	(1,184,736)	(68,757)	(1,253,493)	(949,379)	(4,000)	(953,379)
	4,411,009	2,925,203	7,336,212	3,687,933	2,847,390	6,535,323
Tax prepayments	5,916,156	2,061	5,918,217	6,772,228	2,165	6,774,393
Other prepayments	4,531,229	858,323	5,389,552	4,275,042	947,373	5,222,415
	10,447,385	860,384	11,307,769	11,047,270	949,538	11,996,808
Total other receivables and prepayments	53,331,419	6,725,443	60,056,862	57,254,637	6,878,282	64,132,919

12. TRADE AND OTHER PAYABLES

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade payables (i)	13,340,695	13,908,768
Accrued expenses	7,542,128	9,080,971
Amounts due to joint ventures (ii)	7,950,594	7,038,388
Amounts due to associates (ii)	1,009,299	1,040,195
Amounts due to non-controlling interests (ii)	926,122	2,180,839
Amounts due to government	504,528	527,052
Other taxes payable	4,046,311	4,023,022
Deposits received	1,617,461	1,928,202
Other payables	13,665,934	9,431,391
	50,603,072	49,158,828
Less: non-current portion	(47,762)	(62,619)
Current portion	50,555,310	49,096,209

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

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

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Within 6 months	4,581,262	4,543,671
Between 6 months to 1 year	899,873	1,902,685
Between 1 year to 2 years	2,542,196	3,682,485
Between 2 years to 3 years	2,501,237	1,273,307
Over 3 years	2,816,127	2,506,620
	13,340,695	13,908,768

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

13. EVENTS AFTER THE END OF THE REPORTING PERIOD

Offshore Debt Restructuring Arrangement

The Offshore Debt Restructuring Plan was subsequently sanctioned by the UK High Court on 3 February 2025 and by the HK High Court on 19 February 2025.

For details of the arrangement on the offshore debt restructuring, please refer to the announcements of the Group on the website of the Stock Exchange.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The Company's external auditor, BDO, did not express an opinion on the independent auditor's report on the Group's consolidated financial statements for the year ended 31 December 2024. An extract from the independent auditor's report is as follows:

Disclaimer of Opinion

We do not express an opinion on the consolidated financial statements of the Group due to the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effects on the consolidated financial statements as described in the "Basis for Disclaimer of Opinion" section of our report. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

Multiple Uncertainties Relating to Going Concern

The Group incurred a net loss of approximately RMB18.89 billion for the year ended 31 December 2024 and, as of that date, the Group's current liabilities were in excess of current assets by approximately RMB14.51 billion, total equity of approximately RMB217 million and capital deficiency attributable to the owners of the Company of approximately RMB12.66 billion. The Group had total borrowings of approximately RMB96.01 billion, of which the current borrowings amounted to approximately RMB63.58 billion, while the Group had cash and cash equivalents of approximately RMB1.91 billion only.

As of 31 December 2024, two of the Group's onshore bonds with total principal and interest amounts of approximately RMB3.57 billion have already matured but was not repaid. As of the approval date of the consolidated financial statements, the Group is still in communication with the bondholders on adjusting the repayment plan.

Subsequent to the year ended 31 December 2024, the Group has suspended trading of another seven of the Group's onshore corporate bonds with a total outstanding principal amount of approximately RMB13.07 billion in order to renegotiate the repayment arrangement of these corporate bonds.

In respect of the offshore debts, in view of the Group's tight liquidity position, on 15 September 2023, the Group announced to commence a holistic restructuring of its offshore debts ("**Offshore Debt Restructuring Plan**") and to suspend payments of all its offshore debts (except for payments which would facilitate or be incidental to the debt restructuring having regard to the rights and priorities of the relevant creditors) until the Offshore Debt Restructuring Plan and/or extension solutions are implemented. Although the High Court of Justice in England and Wales (the "**UK High Court**") and the High Court of the Hong Kong Special Administrative Region (the "**HK High Court**") sanctioned the Offshore Debt Restructuring Plan on 3 February 2025 and 19 February 2025, respectively, as of the approval date of the consolidated financial statement, the Offshore Debt Restructuring Plan has not yet taken effect. These offshore debts include various existing syndicated loans and bilateral loan with carrying amount of approximately RMB13.88 billion, six USD-denominated guaranteed notes with carrying amount of approximately RMB22.28 billion and one USD-denominated perpetual subordinated guaranteed capital securities with carrying amount of approximately RMB4.84 billion as at 31 December 2024, totalling RMB41.00 billion (principal amount of approximately USD5.65 billion) (the "**In-scope Offshore Debts**").

In addition, the Group has received demand letters, acceleration notices and other legal letters with respect to certain In-Scope Offshore Debts due to the suspended repayments, and these letters are expected to be withdrawn only when the restructuring plan is successfully implemented.

The Group has also been involved in various litigation cases for unpaid borrowings, outstanding construction and daily operations payables and other matters for which the Group has made provision.

In view of these circumstances, the Directors have carefully considered the Group's cash flow forecast for the next eighteen months from 31 December 2024 and have given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, have proactively come up with certain plans and measures to ensure the Group will have sufficient financial resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken or will be taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, those set out in the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful implementation of these plans and measures including, but not limited to:

- Successful obtaining approvals on the extension plans from bondholders for the onshore bonds and successful implementation of the Offshore Debt Restructuring Plan;

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

These indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern, and therefore the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

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

AUDITOR'S PROCEDURES PERFORMED ON THIS ANNOUNCEMENT OF ANNUAL RESULTS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto in this announcement of annual results for the year ended 31 December 2024 have been agreed by the Group's auditor, BDO, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with HKSAs, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by HKICPA and consequently no assurance has been expressed by BDO on this announcement of annual results.

FINAL DIVIDEND

The Board did not recommend the payment of final dividend for the year ended 31 December 2024 (2023: Nil).

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The AGM will be held on Friday, 23 May 2025. The notice of the AGM will be published and disseminated to the Shareholders in the manner as required by the Listing Rules in due course.

The register of members of the Company will be closed from Tuesday, 20 May 2025 to Friday, 23 May 2025 (both dates inclusive), during which period no transfer of Shares will be registered. In order to ascertain the right to attend and vote at the AGM, 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 at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 19 May 2025.

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

Sino-Ocean Land Treasure IV Limited (the "**Issuer**", a wholly-owned subsidiary of the Company), issued US\$200,000,000 3.80% credit enhanced green notes due 2025 (the "**2025 Notes**") which was guaranteed by the Company. The 2025 Notes had the full coverage of an irrevocable standby letter of credit (the "**SBLC**"). On 29 October 2024, the Issuer was informed by the trustee of the 2025 Notes that the outstanding amount under the 2025 Notes had been redeemed in full with the SBLC on 28 October 2024. For details of the redemption, please refer to the announcements of the Company dated 15 October 2024 and 29 October 2024.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including the sale of treasury shares, if any) of the Company during the year under review. As at 31 December 2024, the Company did not hold any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company had applied the principles of the CG Code to its corporate governance structure and practices which will be described in the Corporate Governance Report contained in the annual report of the Company for the year ended 31 December 2024 and complied with the applicable code provisions of the CG Code throughout the year ended 31 December 2024, except for the deviations as disclosed below.

The roles of the Chairman and the CEO are served by Mr. LI Ming and have not been segregated as required under code provision C.2.1 of the CG Code. The Company considers that the combination of the roles of the Chairman and the CEO involves a realignment of power and authority under the existing corporate structure and facilitates the ordinary business activities of the Company. Although the responsibilities of the Chairman and the CEO are vested in one person, all major decisions are made in consultation with the Board and the senior management of the Company. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position and also facilitates efficiency in the ordinary business activities of the Company. The Board will review the current structure from time to time and will make any necessary arrangement as appropriate.

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

Further information of the Company’s corporate governance practices will be set out in the corporate governance report of the annual report of the Company for the year ended 31 December 2024 which will be disseminated to the Shareholders in due course.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed the consolidated annual results of the Group for the year ended 31 December 2024.

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

This announcement has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sinooceangroup.com). The Company’s annual report for the year ended 31 December 2024 will be despatched by the Company to the Shareholders in the manner as they elect to receive corporate communication and available on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

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

DEFINITIONS

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

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

Sino-Ocean Group Holding Limited

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

Stock Code : 03377

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“net gearing ratio”	total borrowings less total cash resources divided by total equity
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of the Company with no nominal value
“Shareholder(s)”	shareholder(s) of the Company
“Sino-Ocean Holding”	Beijing Sino-Ocean Group Holding Limited (北京遠洋控股集團有限公司) (formerly known as Sino-Ocean Holding Group (China) Limited (遠洋控股集團(中國)有限公司)), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States dollars, the lawful currency of the United States
“Xishuangbanna”	Xishuangbanna Dai Autonomous Prefecture
“YoY”	year-on-year
“%”	per cent

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

Hong Kong, 26 March 2025

As at the date of this announcement, the Board comprises Mr. LI Ming, Mr. WANG Honghui, Mr. CUI Hongjie and Ms. CHAI Juan as executive Directors; Mr. ZHANG Zhongdang, Mr. YU Zhiqiang, Ms. SUN Jianxin and Ms. WANG Manling as non-executive Directors; and Mr. HAN Xiaojing, Mr. LYU Hongbin, Mr. LIU Jingwei, Mr. JIANG Qi and Mr. CHEN Guogang as independent non-executive Directors.

* *For identification purposes only*

Sino-Ocean Group Holding Limited

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

Stock Code : 03377