



Sino-Ocean and KKR Invest in Capital Juda

November 27, 2016

Investment to Fuel Development of Integrated Outlets and Commercial Projects

HONG KONG--(BUSINESS WIRE)-- Leading Chinese property developer Sino-Ocean Group Holding Limited ("Sino-Ocean"; HKEx: 3377) and global investment firm KKR have entered into a definitive agreement to invest in China leading retail outlets developer and operator Beijing Capital Juda Limited ("Capital Juda" or "The Company"; HKEx: 1329) through a combination of new ordinary shares and perpetual convertible bond securities for a total consideration of HKD1,477 million (US\$191 million).

Following completion of the transaction, Sino-Ocean will own an approximate 16% stake in Capital Juda and KKR will own an approximate 12% stake in Capital Juda, in each case on a fully diluted basis.

Capital Juda is a Hong Kong-listed subsidiary of Beijing Capital Land ("BCL"), a leading Chinese real estate developer listed in Hong Kong and controlled by Beijing Capital Group ("Capital Group"). The Company leverages on BCL's experience and network in real estate development in China as well as its own expertise in commercial development and operations to focus on integrated outlets projects across China.

Sino-Ocean sees great potential for China's outlets sector given the segment's defensive fundamentals through economic cycles. It views Capital Juda and KKR as high-caliber partners with established track records that will further develop and grow its property businesses in China.

Beichen Zhong, Executive Director and CEO of Capital Juda, said, "Sino-Ocean and KKR are experienced investors in China's real estate market and their investment in Capital Juda recognizes the future potential of China's commercial real estate market, especially in the outlets sector. Combining their resources and extensive industry expertise with our experience in developing and managing outlets will bring along synergies to accelerate the development of the Company's business."

[Rob Yang](#), Managing Director at KKR Asia, said, "Capital Juda is a leading real estate developer in China's outlets space with a strong management team. We are excited about this opportunity and believe the sector will continue to benefit from a rising middle class, growing consumption and urbanization in China."

The investment marks the second collaboration between Sino-Ocean and KKR, which first [established a Chinese real estate joint](#) venture in 2011.

KKR makes its investment from its China Growth Fund. The transaction is subject to customary regulatory and Capital Juda shareholder approvals.

The Hongkong and Shanghai Banking Corporation Limited is the sole financial adviser to Capital Juda.

About Beijing Capital Juda Limited (1329.HK)

BCL and its controlling shareholder Capital Group have completed the acquisition of Beijing Capital Juda in December 2013. Since completion of such acquisition, BCL became the controlling shareholder of Capital Juda. Following the successful acquisition of Xi'an First City Project in 2015, the proposed injection of outlets from BCL, and various ongoing development projects, Capital Juda plans to leverage on BCL's experience and network in real estate development in China and its own expertise in commercial complex operation to focus on the development of integrated outlets and commercial projects and its strategic deployment in 20 target cities. Capital Juda is committed to develop outlets projects in 20 cities within the next 5 years. For additional information about Capital Juda, please visit Capital Juda's website at www.bcjuda.com.

About Sino-Ocean Group Holding Limited (3377.HK)

Founded in 1993, Sino-Ocean Group was listed on the Main Board of the Hong Kong Stock Exchange on September 28, 2007 and has become one of the top ten Mainland real estate companies listed in Hong Kong. In March 2008 Sino-Ocean Group was selected as a constituent of the Hang Seng Hong Kong Composite Index and the Hang Seng China-Affiliated Corp Index. The Company is mainly engaged in four business sectors which are respectively the development of mid to high-end residential properties, premium office buildings and retail properties, real estate financing and customer services which consisting of property management and senior living business. For additional information about Sino-Ocean, please visit Sino-Ocean's website at www.sinooceangroup.com.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the

activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter [@KKR_Co](https://twitter.com/KKR_Co).

View source version on [businesswire.com](http://www.businesswire.com): <http://www.businesswire.com/news/home/20161127005071/en/>

For Beijing Capital Juda:

Xia Wang, +86-10-85892857
wangxia@bcjuda.com

or

For Sino-Ocean:

Yiqian Ma, +86-10-59299818
mayiqian@sinooceangroup.com

or

For KKR:

KKR Asia Pacific

Anita Davis, +852-3602-7335
anita.davis@kkr.com

KKR Americas

Cara Kleiman, +1-212-750-8300
cara.kleiman@kkr.com

or

Hill+Knowlton Strategies (For KKR Hong Kong)

Beatrice Wong, +852-2894-6373
beatrice.wong@hkstrategies.com

Charlotte Li, +852-2894-6229
charlotte.li@hkstrategies.com

Source: KKR