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中國海外宏洋集團有限公司

CHINA OVERSEAS GRAND OCEANS GROUP LTD.

(incorporated in Hong Kong with limited liability)

(Stock Code: 81)

**U.S.\$500 million 4.875 per cent. Guaranteed Notes due 2021 issued by
China Overseas Grand Oceans Finance IV (Cayman) Limited**

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 5106)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform shareholders, bondholders and potential investors of the Company that having reviewed the preliminary unaudited management accounts of the Group for the year ended 31 December 2018 and the currently available information, the Group is likely to record a significant increase in the consolidated net profit attributable to owners of the Company for the year ended 31 December 2018 as compared to last year.

The information contained in this announcement is only based on the preliminary unaudited management accounts of the Group for the year ended 31 December 2018.

Shareholders, bondholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by China Overseas Grand Oceans Group Limited (the “Company”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “Board”) of the Company wishes to inform shareholders, bondholders and potential investors of the Company that having reviewed the preliminary unaudited management accounts of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2018 and the currently available information, the Group is likely to record a significant increase of about 85% in the consolidated net profit attributable to owners of the Company for the year ended 31 December 2018 as compared to last year (2017: HK\$1,271.4 million) based on preliminary assessment. The increase is mainly attributable to the increase in the recognized revenue from sale of properties of the Group during the year and the gross profit margin of such properties.

In addition to the consolidated net profit attributable to owners of the Company for the year, the consolidated equity attributable to owners of the Company as at 31 December 2018 would also take into account the contribution of rights issue, exchange differences arising from translation of overseas operations, adjustments on adoption of new or revised Hong Kong Financial Reporting Standards effective in the year and dividend paid during the year.

The information contained in this announcement is only based on the preliminary unaudited management accounts of the Group for the year ended 31 December 2018. As at the date of this announcement, the consolidated accounts of the Group for the year ended 31 December 2018 have not yet been finalized and are subject to audit by the external independent auditors of the Company, and any adjustments if necessary. Further details of the Group's performance will be disclosed when the Group's audited results for the year ended 31 December 2018 are announced.

Shareholders, bondholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

For and on behalf of
**CHINA OVERSEAS GRAND OCEANS
FINANCE IV (CAYMAN) LIMITED**
Zhang Guiqing
Director

For and on behalf of
**CHINA OVERSEAS GRAND OCEANS
GROUP LIMITED**
Yan Jianguo
Chairman and Non-Executive Director

Hong Kong, 18 February 2019

As at the date of this announcement, the Board comprises eight directors, of which three are executive directors, namely Mr. Zhang Guiqing, Mr. Paul Wang Man Kwan and Mr. Yang Lin; two non-executive directors, namely Mr. Yan Jianguo and Mr. Billy Yung Kwok Kee, and three independent non-executive directors, namely Dr. Timpson Chung Shui Ming, Mr. Jeffrey Lam Kin Fung and Mr. Dantes Lo Yiu Ching.

As at the date of this announcement, the directors of China Overseas Grand Oceans Finance IV (Cayman) Limited are Mr. Zhang Guiqing and Mr. Yang Lin.