中國海外發展有限公司
CHINA OVERSEAS LAND & INVESTMENT LTD.
(incorporated in Hong Kong with limited liability)
(Stock Code: 688)

BUSINESS REVIEW, OPERATING INFORMATION AND FINANCIAL PERFORMANCE FOR THE THIRD QUARTER IN 2020

The business review, operating information and financial performance of China Overseas Land & Investment Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") in the third quarter of 2020 are presented as follow:

Business Review

In the third quarter of 2020, the world is still facing the impact from Covid-19 pandemic. Different levels of pandemic prevention and control measures are still enforced in various countries. The world economy is recovering slowly and facing the biggest challenge since the Great Depression. China's pandemic prevention and control and resumption of work and production are at the forefront in the world. Economic indicators continue to rebound in the third quarter. The growth rate of total retail sales of consumer goods in August turned from negative to positive for the first time this year. Quarterly foreign trade-related data and trade surplus performance are quite impressive. The Group believes that the strong resilience of the economy will allow China to rise to the challenges of the epidemic and various external factors and achieve high-quality development post Covid-19. The mainland real estate market maintained a restorative momentum during the quarter, and some regions saw a concentrated rise again. In the first eight months, the national commercial housing sales reversed to a positive growth, with a year-on-year increase of approximately 1.6%. The Central Government adheres to the long-term real estate mechanism. During the period, the Central Bank led the introduction of the "three red lines, classified supervision" real estate financial control policy. The Group's financial position is fundamentally solid, with low liability to asset ratio and ample cash resources, and the Group has not breached any of the three red lines, which will be conducive to steady development in the future. In addition, despite the on-and-off recurrence of the pandemic situation, transactions in the Hong Kong residential market continued. During the period, the HKSAR government achieved satisfactory land sales.

Operating Information

After losing nearly two months of development, construction and sales, the Group, together with its joint ventures and associates, achieved contracted property sales of RMB257.19 billion for the first nine months in 2020, a year-on-year increase of 4.3%.

During the third quarter in 2020, the Group acquired 23 land parcels in 13 mainland cities at an aggregated attributable land premium of RMB41.77 billion, adding a total gross floor area of 4.57 million sq m (attributable interest of 4.57 million sq m).

Financial Performance

For the nine months ended 30 September 2020, the revenue of the Group's operations was RMB118.30 billion, a year-on-year increase of 12.1%, while the operating profit was RMB38.82 billion, a year-on-year increase of 1.9%. Based on the unaudited interim results announcement published on 24 August 2020, the revenue and operating profit of the Group for the third quarter in 2020 was RMB29.67 billion and RMB7.56 billion respectively.

At 30 September 2020, the Group's bank balances and cash amounted to RMB96.41 billion while the net gearing was 39.97%. With abundant cash and high financial stability, the Group is confident in its ability to meet challenges and seize corresponding market opportunities.

General

This announcement may contain forward-looking statements that involve risks and uncertainties. The shareholders of the Company and potential investors should not place undue reliance on these forward-looking statements, which reflect only our belief as of the date of these statements. These forward-looking statements are based on the Group's own information and on information from other sources we believe to be reliable. The Group's actual results may be materially different from those expressed or implied by these forward-looking statements, which could affect the market price of the Company's share.

The shareholders of the Company and potential investors should note that **all the figures contained herein are unaudited. Accordingly, figures and discussions contained in this announcement should in no way be regarded as to provide any indication or assurance on the financial results of the Group for the nine months ended 30 September 2020.**

The shareholders of the Company and potential investors are urged to exercise caution in dealing in the securities of the Company and are recommended to consult their own professional advisers if they are in doubt as to their investment positions.

By order of the Board
China Overseas Land & Investment Limited
Yan Jianguo
Chairman and Executive Director

Hong Kong, 23 October 2020

As at the date of this announcement, Mr. Yan Jianguo (Chairman), Mr. Luo Liang (Vice Chairman), Mr. Zhang Zhichao (Chief Executive Officer) and Mr. Guo Guanghui are the executive directors; Mr. Zhuang Yong (Vice Chairman) and Mr. Chang Ying are the non-executive directors; and Dr. Fan Hsu Lai Tai, Rita, Mr. Li Man Bun, Brian David and Professor Chan Ka Keung, Ceajer are the independent non-executive directors of the Company.

This announcement is published on the Company's website (http://www.coli.com.hk) and the website of The Stock Exchange of Hong Kong Limited (http://www.hkexnews.hk).