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)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL HIGHLIGHTS

1. Contracted property sales of the Group Series of Companies[1] increased by 2.4% to RMB369.50 billion and the corresponding GFA sold was 18.90 million sq m.

2. Revenue increased by 30.4% to RMB242.24 billion.

3. The Group's revenue from commercial properties was RMB5.17 billion, an increase of 17.4% as compared to last year.

4. Profit attributable to the shareholders of the Company was RMB40.16 billion. Profit attributable to the shareholders of the Company after deducting RMB3.78 billion in net gains after tax arising from changes in fair value of investment properties, amounted to RMB36.38 billion.

5. Basic earnings per share was RMB3.67.

6. The Group acquired 57 land parcels in 25 cities in Mainland China, adding a total GFA of 11.65 million sq m to the land reserve. At 31 December 2021, total land reserve of the Group Series of Companies[1] was 80.77 million sq m.

7. At 31 December 2021, the Group had total debt amounted to RMB241.92 billion; bank balances and cash amounted to RMB130.96 billion; the net gearing of the Group was at an industry-low level of 32.3%.

8. The equity attributable to the shareholders of the Company increased from RMB314.15 billion at the end of 2020 to RMB343.56 billion at the end of 2021, an increase of 9.4%. The net assets per share was RMB31.39. The return on equity was 12.2%.

9. The Board proposed a final dividend of HK76 cents per share. Together with an interim dividend of HK45 cents per share, the total dividends for the year were HK121 cents per share (2020: HK118 cents per share), an increase of 2.5% as compared to last year.

[1] *The Group together with its associates and joint ventures (collectively the "Group Series of Companies")*

The board of directors (the "**Board**") of China Overseas Land & Investment Limited (the "**Company**") hereby announces the audited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2021. The profit attributable to the shareholders of the Company amounted to RMB40.16 billion. Profit attributable to the shareholders of the Company after deducting RMB3.78 billion in net gains after tax arising from changes in fair value of investment properties, amounted to RMB36.38 billion. Basic earnings per share was RMB3.67; equity attributable to the shareholders of the Company amounted to RMB343.56 billion; net assets per share was RMB31.39; and return on equity was 12.2%. The Board proposed a final dividend of HK76 cents per share in respect of the financial year ended 31 December 2021.

The audited consolidated results of the Group for the year ended 31 December 2021 and the comparative figures in 2020 are as follows:

CONSOLIDATED INCOME STATEMENT

	Notes	**2021** ***RMB'000***	2020 *RMB'000*
Revenue	*3*	**242,240,783**	185,789,528
Direct operating costs		**(185,214,985)**	(129,968,676)
		57,025,798	55,820,852
Other income and gains, net	*4*	**4,712,403**	6,363,300
Gain arising from changes in fair value of investment properties		**5,540,183**	9,191,416
Selling and distribution expenses		**(3,778,148)**	(3,512,875)
Administrative expenses		**(3,190,504)**	(2,631,304)
Operating profit		**60,309,732**	65,231,389
Share of profits and losses of			
Associates		**2,781,412**	2,639,918
Joint ventures		**904,445**	2,216,133
Finance costs	*5*	**(865,928)**	(883,890)
Profit before tax		**63,129,661**	69,203,550
Income tax expenses	*6*	**(20,068,125)**	(21,494,912)
Profit for the year		**43,061,536**	47,708,638
Attributable to:			
Owners of the Company		**40,155,361**	43,903,954
Non-controlling interests		**2,906,175**	3,804,684
		43,061,536	47,708,638
		RMB	*RMB*
EARNINGS PER SHARE	*7*		
Basic		**3.67**	4.01
Diluted		**3.67**	3.99

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2021 *RMB'000*	2020 *RMB'000*
Profit for the year	**43,061,536**	47,708,638
Other comprehensive income		
Items that may be reclassified to profit or loss in subsequent periods		
Exchange differences on translation of subsidiaries of the Company	**(197,468)**	(702,389)
Exchange differences on translation of associates	**210,003**	338,290
	12,535	(364,099)
Other comprehensive income for the year	**12,535**	(364,099)
Total comprehensive income for the year	**43,074,071**	47,344,539

Total comprehensive income attributable to:		
Owners of the Company	**40,176,585**	43,539,686
Non-controlling interests	**2,897,486**	3,804,853
	43,074,071	47,344,539

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	2021 RMB'000	2020 RMB'000
Non-current Assets			
Property, plant and equipment		**5,524,471**	5,010,803
Investment properties		**166,204,097**	140,879,089
Goodwill		**56,395**	56,395
Interests in associates		**17,862,412**	14,543,727
Interests in joint ventures		**22,708,422**	18,770,162
Financial asset at fair value through profit or loss		**120,228**	-
Other receivables		**366,255**	450,353
Deferred tax assets		**8,107,614**	7,693,664
		220,949,894	187,404,193
Current Assets			
Stock of properties and other inventories		**450,620,363**	458,087,286
Land development expenditure		**12,388,697**	13,403,278
Trade and other receivables	*9*	**8,244,489**	12,196,646
Contract assets		**926,912**	3,102,710
Deposits and prepayments		**11,393,943**	10,497,858
Deposits for land use rights for property development		**1,020,286**	4,198,634
Amounts due from fellow subsidiaries		**62,490**	312,165
Amounts due from associates		**6,036,539**	3,580,280
Amounts due from joint ventures		**11,428,036**	8,744,043
Amounts due from non-controlling shareholders		**3,739,048**	2,699,724
Tax prepaid		**12,139,810**	8,961,644
Bank balances and cash		**130,956,191**	110,468,910
		648,956,804	636,253,178
Current Liabilities			
Trade and other payables	*10*	**90,054,871**	82,807,619
Pre-sales proceeds		**100,455,190**	121,121,893
Amounts due to fellow subsidiaries and a related company		**3,967,806**	2,599,775
Amounts due to associates		**1,872,114**	1,706,459
Amounts due to joint ventures		**5,962,081**	4,197,226
Amounts due to non-controlling shareholders		**7,534,562**	9,337,457
Lease liabilities - due within one year		**260,902**	263,030
Tax liabilities		**39,172,639**	38,123,766
Bank and other borrowings - due within one year		**38,220,634**	27,501,259
Guaranteed notes and corporate bonds - due within one year		**6,399,786**	16,303,716
		293,900,585	303,962,200
Net Current Assets		**355,056,219**	332,290,978
Total Assets Less Current Liabilities		**576,006,113**	519,695,171

	Notes	2021	2020
		RMB'000	*RMB'000*
Capital and Reserves			
Share capital	*11*	**74,033,624**	74,033,624
Reserves		**269,526,551**	240,112,907
Equity attributable to owners of the Company		**343,560,175**	314,146,531
Non-controlling interests		**13,546,179**	14,202,789
Total Equity		**357,106,354**	328,349,320
Non-current Liabilities			
Amounts due to non-controlling shareholders		**-**	1,542,377
Lease liabilities - due after one year		**371,424**	428,798
Bank and other borrowings - due after one year		**124,091,050**	109,307,995
Guaranteed notes and corporate bonds			
- due after one year		**73,210,824**	59,867,471
Deferred tax liabilities		**21,226,461**	20,199,210
		218,899,759	191,345,851
Total of Equity and Non-Current Liabilities		**576,006,113**	519,695,171

Notes:

1. Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange and the Hong Kong Companies Ordinance (Cap. 622).

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and financial asset at fair value through profit or loss, which are measured at fair values.

The financial information relating to the years ended 31 December 2021 and 2020 included in this preliminary announcement of annual results of 2021 does 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 (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2020 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 2021 in due course. The Company's auditor has reported on the financial statements of the Group for both years. The auditor's reports were unqualified; 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.

2. Application of Revised HKFRSs

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA which are relevant to the Group:

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	*Interest Rate Benchmark Reform – Phase 2*
Amendments to HKFRS 16	*COVID-19-Related Rent Concessions*

The application of the above amendments to HKFRSs has had no material impact on the Group's results and financial position.

The following amendments and improvements to existing standards, that are relevant to the Group's operation, have been issued but not yet effective for the financial year beginning on 1 January 2021 and have not been early adopted:

Amendments to HKFRS 3	*Reference to the Conceptual Framework*[1]
Amendments to HKFRS 10 and HKAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to HKAS 16	*Property, Plant and Equipment: Proceeds before Intended Use*[1]
Amendments to HKAS 37	*Onerous Contracts – Cost of Fulfilling a Contract*[1]
Annual Improvements to HKFRSs 2018-2020	*Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41*[1]
Amendments to HKAS 1 and HKFRS Practice Statement 2	*Disclosure of accounting policies*[2]
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current*[2,4]
Amendments to HKAS 8	*Definition of accounting estimates*[2]
Amendments to HKAS 12	*Deferred tax related to assets and liabilities arising from a single transaction*[2]

1 *Effective for annual periods beginning on or after 1 January 2022*

2 *Effective for annual periods beginning on or after 1 January 2023*

3 *No mandatory effective date yet determined but available for adoption*

4 *As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5, Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause, was revised in October 2020 to align the corresponding wording with no change in conclusion*

The Group has already commenced an assessment of the impact of the above amendments and improvements to HKFRSs. So far it has assessed that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

3. Revenue and results

The Group managed its business units based on their products and services, based on which information is prepared and reported to the Group's management for the purposes of resource allocation and performance assessment. The Group's operating and reportable segments under HKFRS 8 and the types of revenue are as follows:

Property development	-	property development and sales
Property investment	-	property rentals
Other operations	-	hotel operations, provision of construction and building design consultancy services and others

Segment revenue and results

The following is an analysis of the Group's revenue and results (including share of results of associates and joint ventures) by reportable segments:

Year ended 31 December 2021

	Property development *RMB'000*	**Property investment** *RMB'000*	**Other operations** *RMB'000*	**Segment total** *RMB'000*
Revenue from contracts with customers				
- Recognised at a point in time	**209,426,587**	**-**	**-**	**209,426,587**
- Recognised over time	**26,928,943**	**-**	**1,217,916**	**28,146,859**
	236,355,530	**-**	**1,217,916**	**237,573,446**
Revenue from other sources				
- Rental income	**-**	**4,667,337**	**-**	**4,667,337**
Segment revenue - External	**236,355,530**	**4,667,337**	**1,217,916**	**242,240,783**
Segment profit (including share of profits and losses of associates and joint ventures)	**51,936,108**	**8,089,348**	**128,884**	**60,154,340**

Year ended 31 December 2020

	Property development *RMB'000*	Property investment *RMB'000*	Other operations *RMB'000*	Segment total *RMB'000*
Revenue from contracts with customers				
- Recognised at a point in time	149,712,971	-	-	149,712,971
- Recognised over time	31,072,805	-	951,664	32,024,469
	180,785,776	-	951,664	181,737,440
Revenue from other sources				
- Rental income	-	4,052,088	-	4,052,088
Segment revenue - External	180,785,776	4,052,088	951,664	185,789,528
Segment profit (including share of profits and losses of associates and joint ventures)	54,169,938	11,589,787	69,524	65,829,249

Reconciliation of reportable segment profits to the consolidated profit before tax

Segment profits include profits from subsidiaries and share of profits and losses of associates and joint ventures. These represent the profit earned by each segment without allocation of interest income on bank deposits, corporate expenses, finance costs and net foreign exchange gains recognised in the consolidated income statement.

	2021 ***RMB'000***	2020 *RMB'000*
Reportable segment profits	**60,154,340**	65,829,249
Unallocated items:		
Interest income on bank deposits	**1,616,669**	1,331,513
Corporate expenses	**(232,652)**	(185,496)
Finance costs	**(865,928)**	(883,890)
Net foreign exchange gains recognised in the consolidated income statement	**2,457,232**	3,112,174
Consolidated profit before tax	**63,129,661**	69,203,550

4. Other income and gains, net

	2021	2020
	RMB'000	*RMB'000*
Other income and gains, net include:		
Interest income on bank deposits	**1,616,669**	1,331,513
Interest income on amounts due from fellow subsidiaries, associates, joint ventures and non-controlling shareholders	**290,157**	469,222
Other interest income	**50,236**	17,413
Total interest income	**1,957,062**	1,818,148
Income from primary land development	**2,595**	142,378
Net foreign exchange gains recognised in the consolidated income statement	**2,457,232**	3,112,174

5. Finance costs

	2021	2020
	RMB'000	*RMB'000*
Interest on bank and other borrowings, guaranteed notes and corporate bonds	**7,844,825**	7,949,090
Interest on amounts due to fellow subsidiaries and a related company, associates, joint ventures and non-controlling shareholders	**330,479**	408,368
Interest on lease liabilities and other finance costs	**281,951**	188,559
Total finance costs	**8,457,255**	8,546,017
Less: Amount capitalised	**(7,591,327)**	(7,662,127)
	865,928	883,890

6. Income tax expenses

	2021	2020
	RMB'000	*RMB'000*
Current tax:		
PRC Corporate Income Tax ("CIT")	**11,869,001**	10,291,676
PRC Land Appreciation Tax ("LAT")	**6,856,260**	7,310,595
PRC withholding income tax	**333,352**	390,636
Hong Kong profits tax	**354,349**	619,913
Macau income tax	**18,020**	41,515
Others	**26,632**	6,637
	19,457,614	18,660,972
Deferred tax:		
Current year	**610,511**	2,833,940
Total	**20,068,125**	21,494,912

Under the Law of PRC on CIT (the "CIT Law") and Implementation Regulation of the CIT Law, the tax rate of PRC subsidiaries is 25% (2020: 25%).

The provision for LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

Hong Kong profits tax is calculated at 16.5% (2020: 16.5%) of the estimated assessable profit for the year.

Macau income tax is calculated at the prevailing tax rate of 12% (2020: 12%) in Macau.

7. Earnings per share

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2021	2020
	RMB'000	*RMB'000*
Earnings		
Earnings for the purpose of calculation of basic and diluted earnings per share		
Profit for the year attributable to owners of the Company	**40,155,361**	43,903,954

Basic earnings per share

	2021	2020
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculation of basic earnings per share	**10,945,018**	10,955,707

Diluted earnings per share

	2021	2020
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculation of basic earnings per share	**10,945,018**	10,955,707
Effect of dilution of share options under the Company's share option scheme – weighted average number of ordinary shares	**-**	57,844
Weighted average number of ordinary shares for the purpose of calculation of diluted earnings per share	**10,945,018**	11,013,551

No adjustment has been made to the basic earnings per share presented for the year ended 31 December 2021 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share presented.

8. Dividends

Dividends recognised as distributions during the year

	2021	2020
	RMB'000	*RMB'000*
Interim dividend in respect of the financial year ended 31 December 2021 of HK45 cents per share (2020: Interim dividend in respect of the financial year ended 31 December 2020 of HK45 cents per share)	**4,067,942**	4,314,747
Final dividend in respect of the financial year ended 31 December 2020 of HK73 cents per share (2020: Final dividend in respect of the financial year ended 31 December 2019 of HK57 cents per share)	**6,664,221**	5,651,542
	10,732,163	9,966,289

The final dividend of HK76 cents per share in respect of the financial year ended 31 December 2021, amounting to approximately RMB6,737,628,000 has been proposed by the Board and is subject to approval by the shareholders at the forthcoming Annual General Meeting. The amount of the final dividend proposed, which was calculated based on the number of ordinary shares in issue at the date of approval of the consolidated financial statements, has not been recognised as dividend payable in the consolidated financial statements.

9. Trade and other receivables

Proceeds receivable in respect of property development are settled in accordance with the terms stipulated in the sale and purchase agreements.

Except for the proceeds from property development and rental income from leases of properties which are receivable in accordance with the terms of the relevant agreements, the Group generally allows a credit period of not exceeding 60 days to its customers.

As at the end of the reporting period, the ageing analysis of trade receivables, based on the date the trade receivables recognised, is as follows:

	2021	2020
	RMB'000	*RMB'000*
Trade receivables, aged		
0 – 30 days	**5,059,654**	7,354,974
31 – 90 days	**326,623**	479,419
Over 90 days	**901,780**	1,397,458
	6,288,057	9,231,851
Other receivables – current portion	**1,956,432**	2,964,795
	8,244,489	12,196,646

In determining the recoverability of trade receivables, management has closely monitored the credit qualities and the collectability of these receivables and considers that the expected credit risks of them are minimal in view of the track record of repayment from them, the history of cooperation with them and forward-looking information. The concentration of credit risk is limited due to the customer base being large and unrelated. The provision of trade and other receivables was insignificant at the end of the reporting period (2020: insignificant).

10. Trade and other payables

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2021	2020
	RMB'000	*RMB'000*
Trade payables, aged		
0 – 30 days	**22,694,559**	27,951,928
31 – 90 days	**9,285,168**	6,808,434
Over 90 days	**40,959,622**	29,848,576
	72,939,349	64,608,938
Other payables	**11,486,856**	9,942,188
Retentions payable	**5,628,666**	8,256,493
	90,054,871	82,807,619

Other payables mainly include rental and other deposits, other taxes payable and accrued charges.

11. Share capital

	Number of shares		
	'000	***HK$'000***	***RMB'000***
Issued and fully paid			
At 1 January 2020	10,956,201	90,420,438	74,033,624
Shares repurchased (Note)	(3,016)	-	-
At 31 December 2020 and 1 January 2021	**10,953,185**	**90,420,438**	**74,033,624**
Shares repurchased (Note)	**(8,370)**	**-**	**-**
At 31 December 2021	**10,944,815**	**90,420,438**	**74,033,624**

Note:

During the year ended 31 December 2021, the Company repurchased a total of 8,370,000 (2020: 3,016,500) of its shares on The Stock Exchange of Hong Kong Limited at an aggregate consideration of RMB108,413,000 (2020: RMB51,521,000) (inclusive of transaction costs) which was paid fully out of the Company's retained profits in accordance with Section 257 of the Hong Kong Companies Ordinance. All repurchased shares were cancelled during the year (2020: Out of the shares repurchased, 2,116,500 shares were cancelled in 2020 while the remaining 900,000 shares were cancelled in January 2021). The total amount paid for the repurchase of the shares has been charged to retained profits of the Company.

PROPOSED FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK76 cents per share for the year ended 31 December 2021. Together with an interim dividend of HK45 cents per share, the total dividend for the whole year amounted to HK121 cents per share, an increase of 2.5% as compared with the total dividend of HK118 cents per share for the previous year.

The proposed final dividend is subject to the approval by the shareholders of the Company at the forthcoming annual general meeting of the Company (the "**2022 AGM**") and the final dividend warrant is expected to be despatched to the shareholders of the Company on 11 July 2022.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining shareholders' eligibility to attend and vote at the 2022 AGM, and entitlement to the proposed final dividend, the Company's Register of Members will be closed as set out below:

(i) For determining eligibility to attend and vote at the 2022 AGM:

- Latest time to lodge transfer documents for registration with the Company's registrar and transfer office	At 4:30 p.m. on 15 June 2022
- Closure of Register of Members	16 June 2022 to 21 June 2022 (both days inclusive)
- Record date	21 June 2022

(ii) For determining entitlement to the final dividend:

- Ex-dividend date	23 June 2022
- Latest time to lodge transfer documents for registration with the Company's registrar and transfer office	At 4:30 p.m. on 24 June 2022
- Closure of Register of Members	27 June 2022
- Record date	27 June 2022

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the 2022 AGM, and to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's registrar and transfer office, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than the aforementioned latest time.

CHAIRMAN'S STATEMENT

It is my pleasure to report to the shareholders the revenue of the Group for the year ended 31 December 2021 was RMB242.24 billion; profit attributable to equity shareholders of the Company was RMB40.16 billion, profit attributable to equity shareholders of the Company after deducting net gains after tax arising from changes in fair value of investment properties, amounted to RMB36.38 billion; basic earnings per share was RMB3.67; equity attributable to the shareholders of the Company was RMB343.56 billion; net assets per share was RMB31.39. The Board proposed a final dividend of HK76 cents per share for the year 2021, the total dividends for the year were HK121 cents per share.

Throughout 2021, developments in the global economy and trade were affected by COVID-19, amid geopolitical tension. While the global economy recovered rapidly, instability and uncertainty in economic growth were substantive. The momentum of China's economic recovery and growth attracted much attention. However, faced with the triple pressure of reduced demand, tightening supply and weakening expectations, economic growth fell from initial highs, as the external environment of economic development became increasingly complex, severe and uncertain.

As the domestic real estate market held to the principle of "houses are for habitation, not speculation", real estate financial policy tightened significantly. Under the influence of multiple factors, the real estate industry grew steadily in the first half of the year before cooling substantially in the second half. Some highly leveraged and highly indebted enterprises are facing a series of credit risks, and the real estate industry has entered a period of adjustment.

The Group maintains a policy of pursuing high-quality development based on financial stability. At the end of 2021, the Group's liability to asset ratio was 58.9% and net gearing 32.3%. The Group has not breached any of the "three red lines" and remained as a "green category" enterprise. The weighted average borrowing cost was 3.55% during the year, amongst the lowest in the industry.

During the year, the Group Series of Companies achieved contracted sales of RMB369.50 billion, an increase of 2.4% as compared to last year. In 31 cities, representing one-third of the domestic cities in which the Group Series of Companies operates, sales held top-three positions in those local property markets. Among them, the contracted sales in each of ten cities, including Beijing, Shanghai, Guangzhou and Nanjing exceeded RMB10 billion, with contracted sales of more than RMB45 billion in Beijing. Sales proceeds collection of the Group Series of Companies reached RMB352.81 billion, an increase of 3.0% as compared to last year. The Group's competitive advantage and market share in major cities were further improved.

In the first half of 2021, competition in the land market was fierce under the new "two centralised" land supply policy. In the second half of the year, sentiment cooled as the real estate market declined sharply, and land put up for public bidding, auction and listing frequently remained unsold. In the first half of the year, the Group maintained its rational investment rhythm – pursuing only quality investments proportionate to strategic need, invested cautiously and in the second half of the year, the Group obtained a number of quality land parcels. The Group continued to strengthen promotion of the "blue ocean strategy", introduced new investment models, and successfully secured a batch of mega-sized projects including Suzhou Zhongtai Project, Suzhou Super Skyscraper Project and Changchun Runde Project. During the year, the Group Series of Companies added 98 land parcels with total attributable land premium of RMB161.02 billion and corresponding newly added saleable resources of RMB382.21 billion. Among these, the Group acquired 57 land parcels with total attributable land premium of RMB129.75 billion and corresponding newly added saleable resources of RMB288.22 billion.

In 2021, a number of commercial projects of the Group Series of Companies opportunely entered the market at its peak. 18 commercial projects commenced operations, including Beijing Jin'an China Overseas Fortune Center, Zhuhai Unipark and Ningbo Unipark. The GFA of commercial projects held by the Group Series of Companies for operation increased by 940,000 sq m. During the year, the Group's revenue from commercial properties was RMB5.17 billion, an increase of 17.4% as compared to last year. 22 commercial projects held by the Group Series of Companies are planned to be put into operation in 2022, with GFA of 1.35 million sq m expected to be added. The Group Series of Companies will continue to ready their commercial projects for market as fast as possible, with diversified growth driving business momentum.

During the year, the Group achieved steady growth in its development of upstream and downstream property–related business; the Group's companies including Hua Yi Design, Tianshan Door business and Lingchao Supply Chain Management Company, all of which achieved promising business growth. Among them, in the first year of its establishment, Lingchao Supply Chain Management Company achieved internal and external contracts sales of RMB11.8 billion.

During the year, the Group launched One Victoria in Hong Kong, the first residential project to be sold in the runway area of the Kai Tak Airport, with contracted sales of HK$6.27 billion and an average selling price of approximately HK$25,000 per sq ft. The four projects developed by the Group in cooperation with local developers on the runway of Kai Tak Airport will be launched for sale in 2022. Although Hong Kong has recently been impacted by the pandemic, under the complete support and dynamic leadership of the central government, the Group remains confident in the Hong Kong property market and will further increase investment.

In the context of the principle of "houses are for habitation, not speculation", with the slowdown of domestic population growth and the superposition of a strict price limit policy along with the continuing rise in land prices, material and labour costs, profit margins in the real estate industry have decreased significantly in the past few years. Since the fourth quarter of 2021, in response to the rapid shrinkage of the domestic real estate market, a series of policies have been launched targeting the stabilisation of land prices, housing prices and expectations, as well as to facilitate the steady and healthy growth of the real estate market. Looking ahead, as a pillar industry of the national economy, the real estate market will remain substantial, and the phased decline does not detract from that high essential value. The domestic real estate market will be further characterised by "three segmentations" and the Group will then adapt and actively respond according to the situation.

First: market segmentation: first-, second- and strong third-tier cities will be the main battlefields. The Group will continue to adhere to the development strategy of "major cities, main stream areas and main stream products", and deeply cultivate major cities with good economic growth and large population inflow.

Second: industry segmentation. The domestic real estate industry is undergoing major change and adjustment, and will continue to consolidate. The Group will leverage its advantages of sound finance, abundant funds and robust capability in all areas of development, striving to seize opportunities found in crisis, riding the market cycles, consolidating and improving its market share and market position.

Third: enterprise segmentation. Industry profit margins are down, fault tolerance level is low, and enterprises with precise and strong management ability and a solid reputation for their products and services can beat out the competition. The Group will continue to seek benefits from sound management, adhere to cash flow as king, accelerate turnover, continue to consolidate the advantages of cost control, strengthen digital optimisation management, establish broad competitive advantage in investment, products and brands in the main battlefields, and maintain industry-leading profitability. At the same time, the Group will further strengthen promotion of the "blue ocean strategy" according to the situation and market developments, and seize acquisition opportunities to strengthen market share.

"Time is the friend of the wonderful company, the enemy of the mediocre". In 2022, the Group will enter its 43rd year of enterprise development and usher in the 30th anniversary of its listing on the Hong Kong Stock Exchange. From its solid foundation, the Group will pursue its long-term, steady, principled development to create greater value for customers, shareholders and society on the journey towards being a centennial enterprise.

Finally, I take this opportunity to extend my heartfelt gratitude to my fellow directors and all employees for their dedication, professionalism and determination to pursue excellence. I would also like to express my sincere gratitude to shareholders and partners for their support and trust.

China Overseas Land & Investment Limited
Yan Jianguo
Chairman and Executive Director

MANAGEMENT DISCUSSION & ANALYSIS

Overall Performance

During the year, the revenue of the Group was RMB242.24 billion, an increase of 30.4% as compared to last year. The operating profit was RMB60.31 billion. The gross profit margin was 23.5% and the net profit margin was 16.6%. The ratio of selling, distribution and administrative expenses to revenue was 2.9%. Profit attributable to the shareholders of the Company amounted to RMB40.16 billion. Profit attributable to the shareholders of the Company after deducting RMB3.78 billion in net gains after tax arising from changes in fair value of investment properties, amounted to RMB36.38 billion. Basic earnings per share was RMB3.67.

Property Development

In 2021, the contracted property sales of the Group Series of Companies increased by 2.4% to RMB369.50 billion and the corresponding GFA sold was 18.90 million sq m.

In 2021, the Group Series of Companies' contracted property sales and the corresponding GFA sold by region are as follows:

	Contracted property sales (RMB billion)	**Proportion (%)**	**GFA sold ('000 sq m)**	**Proportion (%)**
Hua Nan Region	64.68	18%	2,420	13%
Hua Dong Region	46.03	13%	1,544	8%
Hua Bei Region	85.61	23%	3,393	18%
Northern Region	25.72	7%	1,955	10%
Western Region	29.72	8%	2,041	11%
Hong Kong and Macau	8.05	2%	91	1%
Sub-total for the Company and its subsidiaries	**259.81**	**71%**	**11,444**	**61%**
Associate and joint ventures of the Company	38.49	10%	1,777	9%
China Overseas Grand Oceans Group Limited	71.20	19%	5,683	30%
Total	**369.50**	**100%**	**18,904**	**100%**

During the year, the Group's revenue from property development was RMB236.36 billion, an increase of 30.7% as compared to last year. Real estate regulation and control policy were continuously strengthened, and housing loan policy was gradually tightened. The Group adheres to cash flow management as the core policy and boosted sales proceeds collection, including in Beijing, Shanghai, Guangzhou, Changsha, Tianjin, Jinan and Chengdu, where sales proceeds collection is satisfactory, with each city exceeding RMB10 billion.

During the year, the net profit contribution from associates and joint ventures amounted to RMB3.69 billion. The major associate, China Overseas Grand Oceans Group Limited ("COGO"), recorded contracted property sales of RMB71.20 billion, revenue of RMB53.83 billion, and profit attributable to the shareholders of RMB5.05 billion.

During the year, the Group Series of Companies (excluding COGO) completed the projects with a total area of 22.53 million sq m in 33 cities in Mainland China.

The area of projects completed by region in 2021 is as below:

City	**Total Area ('000 sq m)**
Hua Nan Region	
Guangzhou	1,405
Changsha	1,229
Shenzhen	609
Foshan	425
Zhuhai	420
Xiamen	327
Hainan	271
Fuzhou	238
Dongguan	124
Sub-total	**5,048**
Hua Dong Region	
Suzhou	611
Hangzhou	522
Nanjing	432
Wuxi	304
Shanghai	258
Nanchang	64
Ningbo	59
Sub-total	**2,250**
Hua Bei Region	
Beijing	2,260
Tianjin	1,149
Jinan	1,133
Wuhan	859
Taiyuan	647
Zhengzhou	591
Sub-total	**6,639**

City	Total Area ('000 sq m)
Northern Region	
Changchun	1,814
Dalian	926
Qingdao	619
Shenyang	594
Harbin	581
Yantai	126
Sub-total	**4,660**
Western Region	
Xi'an	886
Chengdu	873
Xinjiang	741
Chongqing	731
Kunming	706
Sub-total	**3,937**
Total	**22,534**

During the year, the Group acquired 57 land parcels in 25 cities in Mainland China, adding a total GFA of 11.65 million sq m to the land reserve (attributable interest of 10.72 million sq m). The total land premium was RMB137.89 billion (attributable interest of RMB129.75 billion).

The table below shows the details of land parcels added in 2021:

City	Name of Development Project	Attributable Interest	Land Area ('000 sq m)	Total GFA ('000 sq m)
Changchun	Luyuan District Project #1	100%	220	588
Beijing	Shijingshan District Project #1	100%	14	57
Suzhou	Industrial Park District Project #1	100%	32	74
Guangzhou	Haizhu District Project #1	100%	8	63
Fuzhou	Jin'an District Project	100%	62	165
Suzhou	Industrial Park District Project #2	100%	20	413
Dongguan	Dalang Town Project	100%	78	249
Zhengzhou	Zhengdong New District Project	100%	80	235
Chongqing	Yubei District Project	100%	9	38
Xiamen	Siming District Project	50%	54	265
Tianjin	Hebei District Project	100%	86	252
Jinan	Shizhong District Project	100%	158	526
Nanjing	Yuhuatai District Project	100%	41	167
Suzhou	Wujiang District Project	44%	60	266
Xiamen	Tong'an District Project #1	100%	36	117
Xiamen	Tong'an District Project #2	100%	91	360
Haikou	Qiongshan District Project	100%	15	78
Foshan	Nanhai District Project	100%	55	242
Foshan	Shunde District Project	100%	98	428
Changchun	Luyuan District Project #2	50%	101	311

City	Name of Development Project	Attributable Interest	Land Area ('000 sq m)	Total GFA ('000 sq m)
Dongguan	Daojiao Town Project	100%	67	269
Taiyuan	Wanbailin District Project	100%	4	4
Wuxi	Huishan District Project	100%	57	157
Taizhou	Luqiao District Project	100%	51	168
Nanchang	Gaoxin District Project	100%	44	117
Guiyang	Baiyun District Project	100%	54	177
Taiyuan	Zonggai District Project	100%	21	64
Jiaxing	Nanhu District Project #1	100%	36	119
Jiaxing	Nanhu District Project #2	100%	35	97
Tianjin	Hexi District Project	100%	68	205
Tianjin	Hongqiao District Project	100%	67	245
Tianjin	Heping District Project	100%	19	161
Suzhou	Industrial Park District Project #3	100%	30	92
Shenyang	Huanggu District Project	100%	98	277
Shenyang	Hunnan District Project	100%	96	235
Chongqing	Jiangbei District Project #1	100%	9	35
Chongqing	Jiangbei District Project #2	100%	11	41
Suzhou	Changshu City Project	100%	48	131
Nanjing	Jiangbei New District Project	100%	71	238
Nanjing	Jiangning District Project	100%	64	197
Guangzhou	Liwan District Project	100%	63	302
Guangzhou	Haizhu District Project #2	100%	18	79
Guangzhou	Haizhu District Project #3	100%	20	82
Nanjing	Qixia District Project	100%	50	155
Shenzhen	Longhua District Project #1	100%	17	106
Shenzhen	Longgang District Project	100%	49	352
Shenzhen	Guangming District Project	100%	32	270
Shenzhen	Longhua District Project #2	100%	24	176
Beijing	Shijingshan District Project #2	100%	12	55
Beijing	Haidian District Project	100%	59	133
Hangzhou	Gongshu District Project	100%	84	344
Harbin	Nangang District Project	50%	113	353
Chongqing	Jiangbei District Project #3	100%	44	109
Beijing	Xicheng District Project	100%	60	364
Changsha	Yuhua District Project	100%	58	284
Hangzhou	Shangcheng District Project	100%	68	211
Jiaxing	Nanhu New District Project	10%	122	354
Total			**3,161**	**11,652**

At 31 December 2021, the Group Series of Companies (excluding COGO) had a total land reserve of 51.00 million sq m (attributable interest of 43.62 million sq m).

During the year, the major associate COGO increased its land reserve by 8.39 million sq m. At 31 December 2021, COGO's total land reserve was 29.77 million sq m (attributable interest of 25.53 million sq m).

The total land reserve of the Group Series of Companies reached 80.77 million sq m.

Property Investment

As always, the Group adhered to the strategy of steadily investing in commercial properties, relying on commercial property management to build an integrated urban ecosystem.

During the year, rental income from the Group's investment properties amounted to RMB4.67 billion, an increase of 15.2% as compared to last year, of which rental income from office buildings amounted to RMB3.51 billion, an increase of 10.7% as compared to last year; rental income from shopping malls amounted to RMB1.10 billion , an increase of 27.3% as compared to last year. Core operational indicators such as occupancy rate and rental income per unit are increasingly optimised and the Group's asset value continues to increase.

The gain arising from changes in fair value of investment properties amounted to RMB5.54 billion, a decrease of 39.7% as compared to last year. The net gains after tax attributable to the shareholders of the Company amounted to RMB3.78 billion, a decrease of 35.6% as compared to last year.

During the year, 18 commercial properties of the Group Series of Companies commenced operations, with a total GFA of 940,000 sq m, achieving quality growth in the commercial portfolio. The commercial properties newly opened in 2021 are listed below:

Name of property	Type	City	Total GFA ('000 sq m)
China Overseas Building	Office Building	Ningbo	16
Jin'an China Overseas Fortune Center Tower A	Office Building	Beijing	60
China Overseas International Center	Office Building	Zhuhai	75
China Overseas Center	Office Building	Wuhan	112
China Overseas Plaza Tower A	Office Building	Nanjing	98
Logistics Park	Office Building	Hefei	44
Unipark	Shopping Mall	Ningbo	131
Unipark	Shopping Mall	Zhuhai	218
China Overseas Unilive Apartment (Beijing Fangshan Store)	Long-term Leased Apartment	Beijing	34
China Overseas Unilive Apartment (Shanghai Pudong Store)	Long-term Leased Apartment	Shanghai	18
China Overseas Unilive Residence (Suzhou Olympic Sports Store)	Long-term Leased Apartment	Suzhou	35
China Overseas Unilive Apartment (Dalian Hi-tech district Store)	Long-term Leased Apartment	Dalian	13
China Overseas Unilive Apartment (Shanghai Jinshajiang Road Store)	Long-term Leased Apartment	Shanghai	15

Name of property	Type	City	Total GFA ('000 sq m)
China Overseas Unilive Apartment (Shunde Beijiao Store)	Long-term Leased Apartment	Foshan	21
China Overseas Unilive Apartment (Shanghai Songjian Phase 2)	Long-term Leased Apartment	Shanghai	5
China Overseas Unilive Apartment (Shenzhen Luohu Store)	Long-term Leased Apartment	Shenzhen	24
China Overseas Unilive Apartment Phase A	Long-term Leased Apartment	Hefei	9
China Overseas Unilive Apartment Phase B	Long-term Leased Apartment	Hefei	10
		Total	**938**

Other Operations

During the year, revenue from other operations amounted to RMB1.22 billion, an increase of 28.0% as compared to last year, of which income from hotels and other commercial properties was RMB500 million, an increase of 43.3% as compared to last year.

Liquidity, Financial Resources and Debt Structure

In 2021, COVID-19 continued to affect global economic and trade development, and economic growth still faces great uncertainty. In light of the significant tightening of domestic real estate financial policies, the Group continues to adhere to the principle of prudent financial fund management, adhere to cash flow management as the core policy, and adhere to the "centralised management; unified arrangement" of funds. The Group firmly holds that sales proceeds are the solidest and most reliable source of working capital, continues to be focused on signing sales contracts, facilitating cash collection, accelerating fund returns, reducing costs, controlling expenses and strengthening resource protection. The Group will make appropriate financing decisions on the principle of fully considering the financial situation of the Group, the return on funds and the business investment needed for future operations, along with forecast changes in capital markets, and ensuring the maintenance of a healthy and reasonable gearing level and adequate financial resources.

The overall financial position of the Group was satisfactory. At 31 December 2021, the net current assets was RMB355.06 billion, the current ratio was 2.2 times, interest coverage ratio was 7.2 times and the weighted average borrowing cost was 3.55%, which were at an outstanding level in the industry.

According to the "three red lines" real estate financial supervision policy in Mainland China, the Group did not breach any of the red lines and remained as a "green category" enterprise.

The Group continues to leverage the advantages of onshore and offshore dual financing platforms, flexibly use multiple tools, and optimally apply various financing combinations, proactively carry out innovative financing, with funds of RMB88.50 billion raised during the year . In 2021, the Group issued a total of RMB19.5 billion of onshore bonds, composed of the successful issuance of RMB5.0 billion of commercial mortgage-backed securities products, of which RMB2.1 billion was the first-ever domestic property developer green carbon neutrality bonds with lowest issuance interest rate among similar products in the year, which product once again won the Annual Best CMBS Award from China Asset Securitisation Association; RMB13.0 billion of corporate bonds; and

RMB1.5 billion of medium-term notes. The Group also seized opportunities in the market and signed a number of new bilateral loan agreements onshore and offshore, enhanced its debt portfolio, implemented the flexible financing principle and replenished operating capital.

During the year, the Group raised funds from onshore and offshore debt financing amounting to RMB88.50 billion. Total repayment of matured debts amounted to RMB55.87 billion. Sales proceeds collection increased by 7.5% to RMB244.45 billion. Total capital expenditure payments for the Group were RMB206.28 billion (of which RMB131.10 billion was for land costs and RMB75.18 billion was for construction expenditure). About RMB43.57 billion was paid for taxes, selling and distribution expenses, administrative expenses and finance costs. At the end of December 2021, unpaid land premiums of the Group was RMB28.67 billion, while bank and other borrowings, and guaranteed notes and corporate bonds due to mature in the first half of 2022, amounted to RMB11.99 billion.

At 31 December 2021, the Group had bank and other borrowings amounted to RMB162.31 billion while guaranteed notes and corporate bonds amounted to RMB79.61 billion. Total debt amounted to RMB241.92 billion, of which RMB44.62 billion will be matured within a year, accounting for 18.4% of total debt. Among the total debt, 60.1% was denominated in Renminbi, 22.4% was denominated in Hong Kong dollars, 16.8% was denominated in US dollars and 0.7% was denominated in Pounds Sterling. The fixed-rate debt accounted for 40.8% of total interest-bearing debt while the remaining was floating-rate debt.

At 31 December 2021, the Group's available funds amounted to RMB173.21 billion comprising bank balances and cash of RMB130.96 billion and unused banking facilities of RMB42.25 billion. Among the bank balances and cash, 93.6% was denominated in Renminbi, 4.7% was denominated in Hong Kong dollars, 1.5% was denominated in US dollars, 0.2% was denominated in Pounds Sterling and a small amount was denominated in other currencies, while the above bank balances and cash also included the regulated pre-sales proceeds of properties of RMB23.54 billion.

In 2021, the global economy improved and policies remained stable, but the pandemic has not been fully controlled. China's economy continues to grow, while interest rates and exchange rates continue to fluctuate under the influence of repeated global pandemic outbreaks, uncertain economic recovery and other factors. The RMB exchange rate against the US dollar fluctuated greatly in the first half of the year, and showed an appreciating trend in the second half, benefiting from increases in demand for China's export and foreign exchange settlement. The Group offsets the corresponding risks mainly through natural hedging and has not participated in any speculative trading of derivative financial instruments, but will carefully consider whether to conduct currency and interest rate swaps at an appropriate time to hedge against corresponding risks. The Board believes that the Group's exchange rate and interest rate risks are relatively controllable.

Sustainable Development

During the year, the Group continued to improve disclosure transparency of the Environmental, Social and Governance (ESG) report in compliance with the Guide under Appendix 27 of the Hong Kong Stock Exchange and the Global Reporting Initiative (GRI) Sustainability Reporting Standards, and with reference to Standards of Sustainability Accounting Standards Board (SASB) and the United Nations' Guide for Business Action on the Sustainable Development Goals (SDGs) responding to the information disclosure expectations of the capital market.

Under China's 2060 carbon neutrality goal, the Group has established a sustainable development strategic framework of "a Company of Four Excellences", for planning and achieving qualitative and quantitative sustainability targets. With reference to the Task Force on Climate-related Financial Disclosures (TCFD), the Group has gradually refined climate-related disclosures of TCFD, and actively carried out regional climate risk assessments. Furthermore, a Corporate Governance Committee has been formed under the Board to determine the terms of reference of the Board and related committees, integrate climate change into governance responsibilities, and clarify management responsibilities related to climate change. The Group also actively formulated the dual-carbon development strategy and implementation path, and developed the "Green and Low-Carbon Technology System of COLI", "Green and Healthy Housing Standards of COLI (Low-Carbon Upgraded Version)", etc. With the front-end and back-end extended, the concept of green and low-carbon development has been fully integrated into the overall development strategy of COLI.

The Group's various ESG initiatives have also been recognised by the market, and was admitted into "HSI ESG Screened Index" and "HSI Low Carbon Index" newly launched by Hang Seng Indexes Company Limited in November this year. The Group has a higher weighting in these two indexes than that of HSI due to lower ESG risk and carbon emission than other peers. The Group also continued to be admitted into index constituents of the Hang Seng Corporate Sustainability Index and the Hang Seng ESG 50 Index, and was awarded a low risk rating by Sustainalytics.

The Group established environment governance standard for suppliers and contractors in accordance with Suppliers Code of Conduct and other relevant policies as well as five major building industrial core technologies, namely standardized design, industrialized production, prefabricated construction, integrated decoration and information management. During the year, the Group also updated Suppliers Code of Conduct and incorporated ESG elements as a part of the contract.

In 2021, 80 projects of the Group had obtained green building certification with a certified GFA of 12.73 million sq m. As at the end of 2021, the Group has obtained 490 certifications in total, including National Green Building Star Certifications, US LEED Certification, US BOMA Certification, US WELL Certification and UK BREEAM Certification, and its green GFA with certification reached 89.27 million sq m, ranking first in China green building property in a row of three years. This year, breakthroughs have been made in green buildings and zero-carbon buildings, and a number of green building benchmark projects have been successfully established. Among them, The U World, Chongqing has obtained the first national Three-Star Green Building Label in Chongqing, and Beijing China Overseas Fortune Center OFFICEZIP has also obtained WELL V2 CORE platinum certification, which is the first platinum-level non-traditional office project in the world. Through the integrated management of "COLI Design, COLI Construction, COLI Maintenance", combined with the green electricity trading market or carbon trading, China Overseas Building in Shenzhen has become the first-ever 5A-level high-rise office building with near-zero energy consumption in China.

Adhering to the human resources strategy of “Diversified Recruitment and Talent Retention” and the talent concept of “Gathering Hard-workers and Inspiring Talents”, the Group has implemented a comprehensive performance management system to measure each employee’s effort and value created in an open, fair and just manner. The Group continued to expand its recruitment channels for elite talents selection through three brands namely “Sons of the Sea”, “Sea’s Recruits” and “Stars of the Sea”. During the year, the Group was awarded the “2021 China Excellent Talent Management Award”, which demonstrated the market's recognition of the efforts in employer branding, talent development and talent management achieved by China Overseas Property.

In 2021, in terms of poverty alleviation through consumption, the Group continuously facilitated rural vitalization of three counties in Gansu Province by leveraging its own advantages and the advantages of industries linkage, with a focus on Zhuoni County, assisting in selection of local characteristic agriculture products and creating a quinoa brand, “Vale of Clouds” in cooperation with local government. More than 100 promotion activities of “Sea of Hope, Rural Revitalization” were carried out across the country, successfully driving the sale of 230,000 boxes of agricultural products with a total sales of RMB4.07 million. During the year, we were also awarded the “Outstanding Contribution Award for Poverty Alleviation”.

ANNUAL GENERAL MEETING

The 2022 AGM will be held on Tuesday, 21 June 2022 at 11:00 a.m.. The notice of the 2022 AGM, which constitutes part of a circular to shareholders of the Company, will be sent to the shareholders of the Company in due course.

In light of the continuing risks posed by the coronavirus disease 2019 (COVID-19) pandemic, the Company strongly encourages the shareholders of the Company not to attend the 2022 AGM in person, and advises shareholders to (1) appoint the Chairman of the 2022 AGM as their proxy to vote according to their indicated voting instructions and/or (2) view and listen to the 2022 AGM by webcast. In accordance with prevailing guidelines published by the Government and/or regulatory authorities, the Company will implement additional precautionary measures at the 2022 AGM to ensure the safety of the attendees. Details of the arrangement of the 2022 AGM will be set out in a circular to shareholders of the Company.

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

Buy-back of Shares

During the year ended 31 December 2021, the Company repurchased a total of 8,370,000 shares of the Company (the "**Shares**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") at an aggregate consideration (before expenses) of HK$130,912,752. Such repurchased Shares were cancelled during the year. The repurchases of Shares were effected as the Board considered the prevailing trading price of the Shares was at a level which undervalued the Company's performance, assets value and business prospects. The repurchases of shares demonstrated the Board's confidence in the Company and would only be conducted under circumstance which the Board considered to be appropriate and in the interest of the Company and its shareholders as a whole.

Details of the Shares repurchased during the year are as follows:

Month	**Number of Shares repurchased**	**Price paid per Share**		**Aggregate consideration (before expenses)**
		Highest	**Lowest**	
		HK$	***HK$***	***HK$***
January 2021	8,370,000	18.30	15.08	130,912,752

Issue of Debentures

China Overseas Development Group Co., Ltd.* ("**China Overseas Development**"), a wholly-owned subsidiary of the Company, issued the following securities during the year and up to the date of this announcement. The net proceeds, after deducting the expenses in connection with the relevant issuance, are used to repay the existing indebtedness of the Group and finance general working capital.

Securities		**Issue Date**	**Due Date**	**Issue Scale** *(RMB in million)*	**Coupon Rate**	**Name of stock exchange/ market on which the securities are listed/issued**
2021 medium term notes		15 January 2021	15 January 2024	1,500	3.35%	National interbank bond market
2022 medium term notes						National interbank bond market
(i)	First tranche (Type I)	14 January 2022	14 January 2025	1,800	2.88%	
(ii)	First tranche (Type II)	14 January 2022	14 January 2027	1,200	3.25%	
(iii)	Second tranche (Green)	23 February 2022	23 February 2027	1,000	3.22%	
2021 corporate bonds						Shenzhen Stock Exchange
(i)	First tranche (Type I)	15 June 2021	15 June 2024	2,000	3.25%	
(ii)	First tranche (Type II)	15 June 2021	15 June 2026	1,000	3.55%	
(iii)	Second tranche (Type I)	12 July 2021	12 July 2025	1,000	3.10%	
(iv)	Second tranche (Type II)	12 July 2021	12 July 2025	2,000	3.25%	
(v)	Third tranche (Type I)	9 August 2021	9 August 2025	500	2.75%	
(vi)	Third tranche (Type II)	9 August 2021	9 August 2028	1,500	3.25%	
(vii)	Fourth tranche (Type I)	25 November 2021	25 November 2024	1,700	3.08%	
(viii)	Fourth tranche (Type II)	25 November 2021	25 November 2026	1,200	3.38%	
(ix)	Fifth tranche (Type I)	20 December 2021	20 December 2024	1,300	2.98%	
(x)	Fifth tranche (Type II)	20 December 2021	20 December 2026	800	3.38%	

Beijing China Overseas Plaza Commercial Development Ltd.* ("**Beijing China Overseas Plaza**"), a wholly-owned subsidiary of the Company, issued the following securities during the year and up to the date of this announcement. The net proceeds, after deducting the expenses in connection with the relevant issuance, are used to repay the indebtedness of the Group and finance general working capital. All the commercial mortgage-backed securities are listed on the Shenzhen Stock Exchange.

Securities	**Issue Date**	**Due Date**	**Issue Scale**
Commercial mortgage-backed securities	23 March 2021	23 March 2039	Preferred class securities of RMB1,000 million 3.85 per cent. and equity class securities of RMB1 million (Beijing China Overseas Plaza subscribed for all equity class securities)
Green commercial mortgage-backed securities (carbon neutrality)	23 June 2021	23 June 2039	Preferred class securities of RMB2,100 million 3.60 per cent. and equity class securities of RMB1 million (Beijing China Overseas Plaza subscribed for all equity class securities)
Commercial mortgage-backed securities	10 November 2021	10 November 2039	Preferred class securities of RMB1,900 million 3.50 per cent. and equity class securities of RMB1 million (Beijing China Overseas Plaza subscribed for all equity class securities)
Green commercial mortgage-backed securities (carbon neutrality)	29 March 2022	29 March 2040	Preferred class securities of RMB5,000 million 3.35 per cent. and equity class securities of RMB1 million (Beijing China Overseas Plaza subscribed for all equity class securities)

Redemption of Listed Securities

The following securities were redeemed by the wholly-owned subsidiaries of the Company during the year and up to the date of this announcement:

Name of Subsidiary	Securities	Issue Date	Redemption Date	Redemption Value *(RMB)*	Remaining Value *(RMB)*
CITIC Real Estate Group Company Limited*	RMB1,000 million 4.40 per cent. non-publicly issued corporate bonds which were listed on the Shanghai Stock Exchange	15 January 2016	15 January 2021	400,000,000	Nil
China Overseas Development	RMB3,000 million 5.60 per cent. medium term notes which were issued on the national interbank bond market	5 February 2018	6 February 2021	3,000,000,000	Nil
China Overseas Development	RMB6,000 million 3.10 per cent. corporate bonds which were listed on the Shanghai Stock Exchange	23 August 2016	23 August 2021	4,129,300,000 *(Note)*	1,900,000,000
China Overseas Development	RMB7,000 million 4.20 per cent. corporate bonds which were listed on the Shanghai Stock Exchange	19 November 2015	19 November 2021	3,403,716,000	Nil
China Overseas Development	RMB3,500 million 4.00 per cent. corporate bonds which were listed on the Shenzhen Stock Exchange	22 October 2018	22 October 2021 10 December 2021	3,406,054,000 93,946,000	Nil
China Overseas Development	RMB2,000 million 3.47 per cent. corporate bonds which were listed on the Shenzhen Stock Exchange	24 January 2019	24 January 2022	2,000,000,000	Nil
Beijing China Overseas Plaza	Commercial mortgage-backed securities listed on the Shenzhen Stock Exchange: (i) RMB3,701 million 2.50 per cent. (ii) RMB3,001 million 3.90 per cent. (iii) RMB1,001 million 3.85 per cent. (iv) RMB2,101 million 3.60 per cent.	(i) 28 April 2020 (ii) 17 August 2020 (iii) 23 March 2021 (iv) 23 June 2021	Principal amount with interest payable will be repaid in instalments in May and November each year	(i) 5,920,000 (ii) 1,800,000 (iii) 600,000 (iv) 18,900,000	(i) 3,692,120,000 (ii) 2,998,300,000 (iii) 1,000,400,000 (iv) 2,082,100,000

Note: China Overseas Development partially redeemed the corporate bonds at par on 23 August 2021. 4,129,300 lots of valid sell-back declarations were received with a total sell-back amount of RMB4,129,300,000. The coupon rate of the remaining corporate bonds has been adjusted to 3.60 per cent. with effect from 23 August 2021 and are scheduled to be mature in August 2026. On 23 September 2021, an amount of RMB29,300,000 corporate bonds were resold, and the remaining unsold amount of RMB4,100,000,000 corporate bonds were cancelled.

For details of the aforementioned securities, please refer to relevant announcements of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Group's listed securities for the year ended 31 December 2021 and up to the date of this announcement.

* For identification purpose only

CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31 December 2021 with all the code provisions (except A.4.1 as explained below) of the Corporate Governance Code ("**CG Code**") from time to time as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and with some of the recommended best practices contained therein.

CG Code A.4.1 stipulates that non-executive directors should be appointed for a specific term. The Non-executive Directors of the Company (as well as all other Directors) are not appointed for a specific term, however, they are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a set of code of conduct on governing securities transactions by directors (the "**Code of Conduct**") on terms no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules. Having made specific inquiries to all Directors, they confirmed that they have complied with the Code of Conduct throughout the year of 2021.

AUDIT AND RISK MANAGEMENT COMMITTEE AND REVIEW OF ACCOUNTS

The Audit and Risk Management Committee of the Company has reviewed the accounting policies adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 December 2021.

SCOPE OF WORK OF MESSRS. ERNST & YOUNG

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2021 as set out in this preliminary announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

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

Hong Kong, 31 March 2022

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 of the Company; Mr. Zhuang Yong (Vice Chairman) and Mr. Zhao Wenhai are the Non-executive Directors of the Company; 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 final results announcement is published on the Company's website (http://www.coli.com.hk) and the website of the Stock Exchange (http://www.hkexnews.hk). The 2021 Annual Report will also be available at the aforementioned websites and will be despatched to shareholders of the Company thereafter in due course.