
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Overseas Grand Oceans Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)

**CONTINUING CONNECTED TRANSACTIONS
WITH CHINA OVERSEAS LAND & INVESTMENT LIMITED
IN RELATION TO SUPPLY OF MATERIALS
AND
NOTICE OF GENERAL MEETING**

**Independent Financial Adviser
to the Independent Board Committee and the Independent Shareholders**



A letter from the Board is set out on pages 5 to 14 of this circular and a letter from the Independent Board Committee is set out on pages 15 to 16 of this circular. A letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders is set out on pages 17 to 31 of this circular.

A notice convening the GM to be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 20 June 2022 at 10:30 a.m. or after the AGM (whichever is later) is set out on pages GM-1 to GM-2 of this circular. A form of proxy for the GM is enclosed with this circular. Whether or not you intend to attend the GM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable and in any event not later than 10:30 a.m. on Friday, 17 June 2022. Completion and return of the form of proxy will not preclude you from attending and voting in person at the GM and any adjourned meeting (as the case may be) should you so wish.

In view of the ongoing coronavirus (COVID-19) pandemic and recent requirements for prevention and control of its spread, the Company may conduct body temperature check and require the attending Shareholders or their proxy to wear surgical masks throughout the GM as preventive measures to protect the attending Shareholders, staff and other stakeholders from the risk of infection. Any person with a body temperature of over 37.2 degrees Celsius may be denied entry into the GM venue or be required to leave the GM venue.

No distribution of gifts or cake coupons and no refreshments will be served at the GM.

Shareholders are strongly encouraged to appoint the chairman of the GM as their proxy and to return their proxy forms by the time specified above, instead of attending the GM in person.

25 May 2022

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	5
Letter from the Independent Board Committee	15
Letter from the Independent Financial Adviser	17
Appendix – General Information	I-1
Notice of GM	GM-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“associate(s)”, “connected person(s)”, “continuing connected transaction(s)”, “controlling shareholder(s)”, “holding company”, “percentage ratio(s)” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules;
“AGM”	the annual general meeting of the Company to be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong, on Monday, 20 June 2022 at 10:00 a.m. or any adjournment thereof;
“Board”	the board of Directors;
“Cap(s)”	the maximum total contract sum(s) that may be awarded by the Group to the COLI Group for the supply of Materials for the Projects by the COLI Group to the Group under the Framework Agreement, being RMB1,600 million for each of the financial years ending on 31 December 2021, 2022 and 2023;
“COHL”	China Overseas Holdings Limited, a company incorporated in Hong Kong with limited liability, being the controlling shareholder of COLI and the Company;
“COLI”	China Overseas Land & Investment Limited, a company incorporated in Hong Kong with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 688), being the controlling shareholder of the Company;
“COLI Group”	COLI and its subsidiaries (for the purpose of this circular, excluding any listed subsidiary(ies)) from time to time;
“Company”	China Overseas Grand Oceans Group Limited, a company incorporated in Hong Kong with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 81);

DEFINITIONS

“CSCEC”	中國建築集團有限公司 (China State Construction Engineering Corporation*), a state-owned corporation organised and existing under the laws of the PRC, being the ultimate holding company of COLI, which in turn, is the controlling shareholder of the Company;
“CSCEC Group”	CSCEC and its subsidiaries (for the purpose of this circular, excluding any listed subsidiary(ies)) from time to time;
“Director(s)”	the director(s) of the Company;
“Framework Agreement”	the framework agreement entered into between the Company and COLI on 19 November 2020 in respect of the supply of Materials for the Projects by the COLI Group to the Group from time to time for a term of three years commencing from 1 January 2021 and ending on 31 December 2023;
“GM”	the general meeting of the Company to be held to consider and approve, among other things, the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	the independent board committee of the Company comprising all the independent non-executive Directors, namely Dr. Timpson Chung Shui Ming, Mr. Jeffrey Lam Kin Fung and Mr. Dantes Lo Yiu Ching, to advise the Independent Shareholders in respect of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder;
“Independent Financial Adviser” or “Maxa Capital”	Maxa Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder;

DEFINITIONS

“Independent Shareholders”	shareholders of the Company, other than COLI and its associates;
“independent third party(ies)”	parties who are independent of, and not connected with, the Company or any of its connected persons;
“Latest Practicable Date”	19 May 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein, as the case may be;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Mainland China” or “PRC”	People’s Republic of China, but for the purpose of this circular excluding Hong Kong, the Macao Special Administrative Region and Taiwan;
“Materials”	materials in relation to the works in the categories of civil engineering works, electrical and mechanical works and decoration including doors and other construction materials;
“New Cap(s)”	the maximum total contract sum(s) that may be awarded by the Group to COLI Group for the supply of Materials for the Projects by the COLI Group to the Group under the New Framework Agreement, being RMB3,000 million for each of the financial years ending on 31 December 2022, 2023 and 2024;
“New Framework Agreement”	the framework agreement entered into between the Company and COLI on 27 April 2022 in respect of the supply of Materials for the Projects by the COLI Group to the Group from time to time for a term of three years commencing from 1 January 2022 and ending on 31 December 2024;
“Projects”	property development projects owned or developed/to be developed by the Group in Mainland China;
“Renovated GFA Proportion”	the percentage proportion of gross floor area of the Group’s Projects that will be delivered as fully renovated properties based on the total gross floor area of the Projects;
“RMB”	Renminbi, the lawful currency of the PRC;

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of the Company;
“Shareholder(s)”	the holder(s) of Share(s) of the Company from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

* *The English names of the PRC entities referred to in this circular are translations from their Chinese names and are for identification purpose only. If there is any inconsistency, the Chinese name shall prevail.*

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. ZHUANG Yong (*Chairman of the Board*)
Mr. YANG Lin (*Chief Executive Officer*)
Mr. WANG Man Kwan, Paul (*Chief Financial Officer*)

Registered office:

Suites 701-702, 7/F.
Three Pacific Place
1 Queen's Road East
Hong Kong

Non-executive Directors:

Mr. GUO Guanghui
Mr. YUNG Kwok Kee, Billy (*Vice-Chairman of the Board*)

Independent Non-executive Directors:

Dr. CHUNG Shui Ming, Timpson
Mr. LAM Kin Fung, Jeffrey
Mr. LO Yiu Ching, Dantes

25 May 2022

To the Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS
WITH CHINA OVERSEAS LAND & INVESTMENT LIMITED
IN RELATION TO SUPPLY OF MATERIALS
AND
NOTICE OF GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 27 April 2022, in respect of, among other things, the entering into of the New Framework Agreement between the Company and COLI to supersede and replace all rights and obligations of the parties under the Framework Agreement starting from 1 January 2022 (including the Caps) whereby (i) the COLI Group may supply Materials for the Projects upon the Group's request in accordance with the tendering procedures of the Group from time to time for a term of three years commencing from 1 January 2022 and ending on 31 December 2024 subject to the New Caps; and (ii) the Group may engage the COLI Group as supplier of Materials for the Projects upon the COLI Group's successful tender.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things:

1. the particulars of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder;
2. the letter from the Independent Board Committee with its recommendation to the Independent Shareholders on the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder; and
3. the letter from the Independent Financial Adviser with its advice on the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder,

as well as to seek the approval of the Independent Shareholders in respect of the entering into of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder.

CONTINUING CONNECTED TRANSACTIONS WITH CHINA OVERSEAS LAND & INVESTMENT LIMITED IN RELATION TO SUPPLY OF MATERIALS

Reference is made to the announcement of the Company dated 19 November 2020 in relation to the Framework Agreement entered into between the Company and COLI, pursuant to which the COLI Group may supply Materials for the Projects upon the Group's request in accordance with the tendering procedures of the Group from time to time for a term of three years commencing from 1 January 2021 and ending on 31 December 2023 subject to the Caps.

Based on the reasons set out in this circular, on 27 April 2022, the Company and COLI entered into the New Framework Agreement, pursuant to which (i) the COLI Group may supply Materials for the Projects upon the Group's request in accordance with the tendering procedures of the Group from time to time for a term of three years commencing from 1 January 2022 and ending on 31 December 2024 subject to the New Caps; and (ii) the Group may engage the COLI Group as supplier of Materials for the Projects upon the COLI Group's successful tender.

THE NEW FRAMEWORK AGREEMENT

Date

27 April 2022

Parties

1. The Company; and
2. COLI.

LETTER FROM THE BOARD

Subject Matter

As the Group intends to significantly increase the Renovated GFA Proportion of the Projects for the period commencing from 1 January 2022 and ending on 31 December 2024, it is contemplated that the Group will invite the COLI Group to tender for the supply of more Materials for the Projects, and as such (i) the Caps provided for in the Framework Agreement for the period commencing from 1 January 2021 and ending on 31 December 2023; and (ii) the term of the Framework Agreement need to be revised. Accordingly, on 27 April 2022, the Company and COLI entered into the New Framework Agreement for a term of three years commencing from 1 January 2022 and ending on 31 December 2024 whereby the parties agreed, among other things, that:

1. the COLI Group may tender for the supply of Materials for the Projects as supplier of the Group in accordance with the tendering procedures of the Group from time to time and on the same and normal terms as offered to other independent third party suppliers;
2. if any contract is granted in favour of the COLI Group as a result of the above tender, the COLI Group may act as supplier of Materials for the Projects based on the terms of the successful tender provided that the maximum total contract sum in respect of the supply of Materials for the Projects that may be awarded by the Group to the COLI Group for each of the financial years ending on 31 December 2022, 2023 and 2024 shall not exceed RMB3,000 million (i.e. the New Caps); and
3. the amounts in respect of the supply of Materials for the Projects payable by the Group to the COLI Group will be settled pursuant to the payment terms set out in the tender documents for the relevant contracts for the supply of such Materials.

Pricing Basis

As a general principle, the prices and terms of the contracts shall be determined in the ordinary course of business, on normal commercial terms, negotiated on an arm's length basis and at prices and on terms no more favourable than those awarded to the independent third party suppliers of the Group.

The Group will normally invite suppliers in the Group's approved list to participate in competitive tenders for the Projects as supplier in accordance with its tendering procedures.

In conducting the Group's invitations to tender, review of tenders and tender selection, the participation of the members of the COLI Group in the tender process shall not in any way affect the Group's tendering procedures, contract terms and selection principles. The members of the COLI Group shall be treated in the same way as independent third parties.

LETTER FROM THE BOARD

The price and terms of the tenders awarded by the Group to the COLI Group for the supply of Materials for the Projects are subject to the standard and systematic tender procedures maintained by the Group, which apply to tenders submitted by both connected persons and independent third parties to ensure that the price and terms of the tender awarded by the Group to the COLI Group are no more favourable than those awarded to independent third parties.

1. Invitations to Tender

- (i) The Group has established its own list of approved suppliers (which is subject to periodic review and update by its management). All suppliers invited to submit tenders for the Projects are selected from such list. Suppliers in the list include those suppliers with or without prior working history with the Group. Suppliers with working history with the Group will be subject to suitability assessment annually. A supplier can be retained in the list if the result of such assessment is satisfactory to the Group. The Group will remove a supplier from the list if it fails to meet the minimum criteria for retention. If a supplier has no prior working history with the Group, the supplier will be subject to qualification evaluation and review to ascertain if it is suitable to include the supplier in the list.
- (ii) The number of tenders to be invited: for every tender for the Projects as supplier, not less than three tenders will be invited.
- (iii) Selection of suppliers to be invited to tender: the suitability of a supplier is assessed with reference to selection criteria including but not limited to the supplier's qualification grade, financial ability, technical capability, cooperation record, project management ability, quality of Materials and business management capability. Depending on the estimated value of the relevant contract for the supply of Materials, the person in charge and line managers of the cost management department of the headquarters shall conduct the vetting process to ascertain which suppliers to be invited to tender, following which the letter of invitation to tender will be issued.

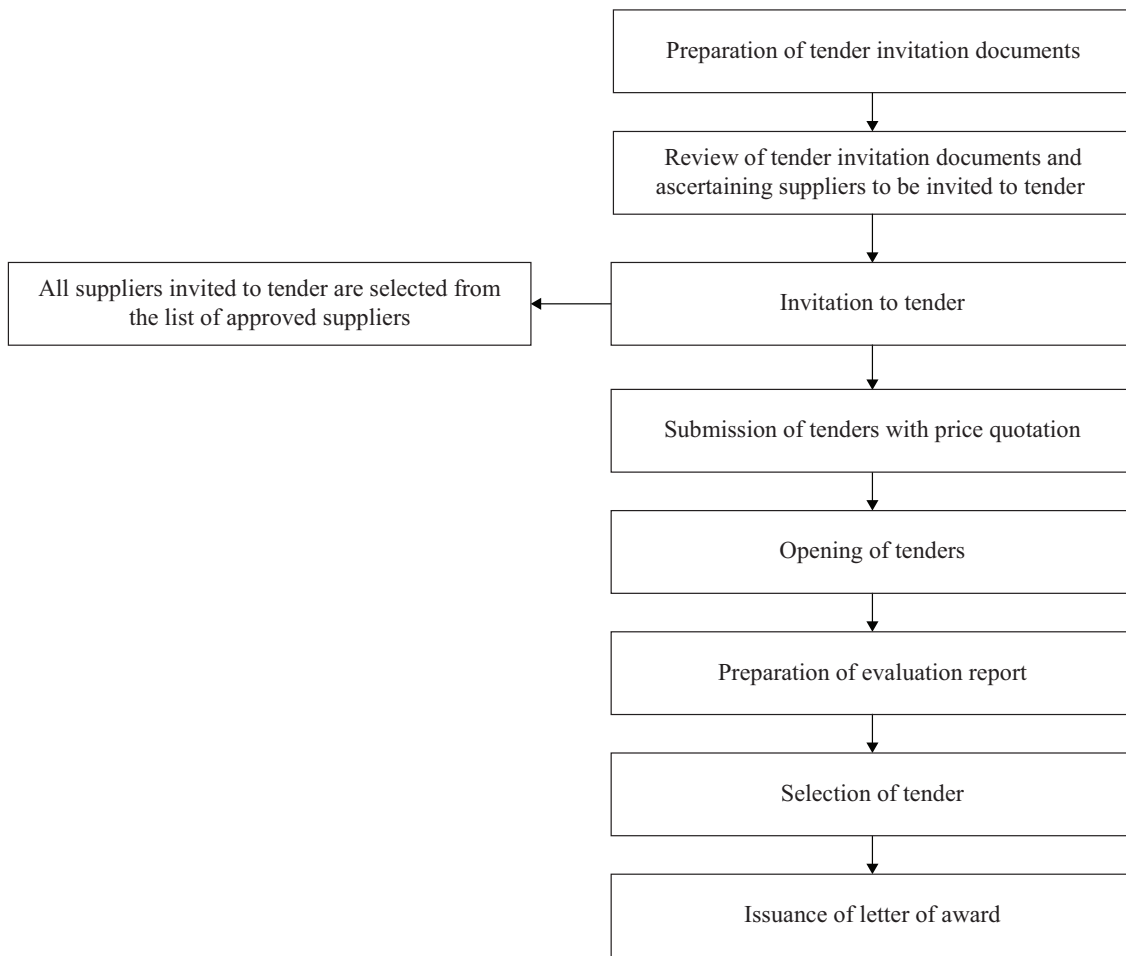
2. Tendering and Selection of Tenders

- (i) Tendering: the Group has adopted an online tendering system which enables the tenderers to submit the tenders through their account login and password.
- (ii) Opening of tenders: upon the deadline for tender submission, the tenders submitted will be opened through the online tendering system which is operated by the department head of the cost management department. After the opening of tenders, the tender-opening records and the uploaded information will be saved in the system and unalterable.

LETTER FROM THE BOARD

- (iii) Selection of tenders: based on the Group's established system of tendering, the winning bid will usually be the one with the Materials conforming to the technical requirements with a reasonable and minimum price offered. The selection of tender is determined collectively by the relevant decision-making body in a meeting where contents of the proposed tender, the supplier's capability and risk of default are given full consideration. The relevant decision-making body is the Group's construction management committee, which comprises the Company's Chief Executive Officer, the person in charge of each of the finance and treasury, construction, costs and design departments of the headquarters, and the general manager of each of the cost management, construction management and finance and treasury departments of the headquarters. All members of the decision-making bodies are independent of the COLI Group. The relevant letter of award will be issued once the final decision is made in the meeting of the relevant decision-making body based on the final tender amount.

Tendering Procedures



LETTER FROM THE BOARD

Calculation of the New Caps

In view of the recent environmental and sustainability policies of the PRC government, the Group intends to significantly increase the Renovated GFA Proportion of the Projects so as to reduce pollution and waste from secondary renovation by property owners. In this connection, the Group expects to incur more costs for the acquisition of Materials for the period commencing from 1 January 2022 and ending on 31 December 2024 in relation to the additional renovated properties before their delivery. As such, it is contemplated that the Group will invite the COLI Group to tender for the supply of more Materials for the Projects to meet the renovation requirements, and the original Caps under the existing Framework Agreement of RMB1,600 million for each of the years ending 31 December 2022 and 2023 will need to be increased accordingly. As of the Latest Practicable Date, the original Caps under the existing Framework Agreement of RMB1,600 million for each of the years ending 31 December 2021 and 2022 have not been exceeded.

The New Caps are calculated with reference to the following factors:

1. the total contract sum for the procurement of Materials historically entered into by the Group with the COLI Group in connection with the Projects for the financial year ended 31 December 2021 of approximately RMB1,585 million;
2. the total contract sum that was awarded by the Group to the COLI Group for the supply of Materials by the COLI Group to the Group for the Projects for the period from 1 January 2022 to 31 March 2022 of approximately RMB975 million;
3. the estimated total contract sum of approximately RMB3,000 million for the procurement of Materials potentially required by the Group to achieve the intended Renovated GFA Proportion for the Group's Projects for each of the financial years ending on 31 December 2022, 2023 and 2024, taking into account the number of potential new Projects and the corresponding total gross floor area of such new Projects; and
4. the wider product variety of the Materials expected to be offered under the New Framework Agreement that may be supplied to the Group.

The contract sums under the New Framework Agreement will be satisfied by the Group in cash from its general working capital. The New Framework Agreement (together with the New Caps) will replace and supersede all rights and obligations of the parties under the Framework Agreement (together with the Caps) starting from 1 January 2022 with effect from the date of satisfaction of the conditions precedent set out under the New Framework Agreement.

In the event that the New Framework Agreement does not become effective, the Framework Agreement (together with the Caps) will remain in full force and binding on the Company and COLI.

LETTER FROM THE BOARD

Conditions Precedent

The transactions contemplated under the New Framework Agreement (together with the New Caps) are conditional upon (i) the passing of the resolution by the Independent Shareholders at the GM approving the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder; and (ii) the Company having complied with all requirements under the Listing Rules with respect to the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder, if any.

Reasons for Entering into the New Framework Agreement

The COLI Group, being one of the largest property developers in the PRC, usually purchases the Materials in bulk quantities. The entering into of the New Framework Agreement provides the Group with a more diverse base of suppliers for the provision and supply of Materials to the Group, and if upon successful tender awarded to the COLI Group, allows the Group to enjoy a greater volume discount which is applied to the COLI Group's bulk purchase.

The Directors (including the independent non-executive Directors whose opinion has been set out in this circular together with the advice of the Independent Financial Adviser) are of the view that as far as the Shareholders are concerned, the transactions contemplated under the New Framework Agreement are expected to be entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Framework Agreement (together with the New Caps) are fair and reasonable and in the best interests of the Company and its Shareholders as a whole.

Listing Rules Implications

As of the Latest Practicable Date, COLI is the controlling shareholder of the Company by virtue of it being interested in approximately 38.32% of the issued share capital of the Company. Therefore, COLI is a connected person of the Company and the transactions contemplated under the New Framework Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios as defined under the Listing Rules calculated for the Company in respect of the highest New Cap exceed 5%, the transactions contemplated under the New Framework Agreement are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

GENERAL

The Group is principally engaged in business of property investment and development, property leasing and investment holding.

The COLI Group is principally engaged in property development and investment, and other operations.

CSCEC is the ultimate holding company of COLI, which in turn, is the controlling shareholder of the Company. The CSCEC Group is a conglomerate principally engaged in building construction, international contracting, real estate development and investment, infrastructure construction and investment and design and prospecting.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder. Maxa Capital has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this connection.

GM

A notice convening the GM to be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 20 June 2022 at 10:30 a.m. or after the AGM (whichever is later), is set out on pages GM-1 to GM-2 of this circular. An ordinary resolution will be proposed to the Independent Shareholders at the GM to consider and, if thought fit, to approve the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Independent Shareholders at the GM will be taken by poll and the Company will announce the poll results in the manner prescribed under Rule 13.39(5) of the Listing Rules.

As at the Latest Practicable Date, COLI and its associates together held 1,311,965,566 Shares, representing approximately 38.32% of the issued share capital of the Company. COLI and its associates will abstain from voting on the relevant resolution to be proposed at the GM.

To the extent that the Directors are aware having made all reasonable enquiries, as at the Latest Practicable Date:

1. there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon COLI;

LETTER FROM THE BOARD

2. COLI was not subject to any obligation or entitlement whereby it had or it might have temporarily or permanently passed control over the exercise of the voting right in respect of its Shares to a third party, either generally or on a case-by-case basis; and
3. it was not expected that there would be any discrepancy between COLI's beneficial shareholding interest in the Company as disclosed in this circular and the number of Shares in respect of which it would control or would be entitled to exercise control over the voting right at the GM.

ACTIONS TO BE TAKEN

A form of proxy for use at the GM is enclosed with this circular. Whether or not you intend to be present at the GM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable and in any event not later than 10:30 a.m. on Friday, 17 June 2022. Completion and deposit of the form of proxy will not preclude you from attending and voting in person at the GM or any adjourned meeting thereof (as the case may be) should you so wish.

The results of the voting will be announced in the manner prescribed under Rule 13.39(5) of the Listing Rules after the GM.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 15 June 2022 to Monday, 20 June 2022 (both days inclusive), during which period no transfer of shares will be effected. In order to determine the identity of the Shareholders who are entitled to attend and vote at GM, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 14 June 2022.

RECOMMENDATION

Your attention is drawn to the letter of advice from the Independent Board Committee set out on pages 15 to 16 in this circular which contains its recommendation to the Independent Shareholders in relation to the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder.

Your attention is also drawn to the letter from the Independent Financial Adviser set out on pages 17 to 31 in this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder.

LETTER FROM THE BOARD

None of the Directors has a material interest in the New Framework Agreement and the transactions contemplated thereunder. However, Mr. Zhuang Yong, being the Chairman and executive Director of the Company, vice chairman and non-executive director of COLI and director of COHL, and Mr. Guo Guanghui, being the non-executive Director of the Company and executive director and vice-president of COLI, have voluntarily abstained from voting on the board resolution(s) of the Company approving the New Framework Agreement and the transactions contemplated thereunder.

The Directors (including the independent non-executive Directors whose opinion has been set out in this circular together with the advice of the Independent Financial Adviser) consider that the New Framework Agreement (together with the New Caps) has been entered into on normal commercial terms, and the transactions contemplated thereunder (together with the New Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the GM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular and the notice of GM.

Yours faithfully,
By Order of the Board
China Overseas Grand Oceans Group Limited
Zhuang Yong
Chairman and Executive Director



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)

25 May 2022

To the Independent Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS
WITH CHINA OVERSEAS LAND & INVESTMENT LIMITED
IN RELATION TO SUPPLY OF MATERIALS
AND
NOTICE OF GENERAL MEETING**

We refer to the circular dated 25 May 2022 (the “**Circular**”) issued by the Company to the Shareholders of which this letter forms part. Terms defined in the Circular shall have the same meanings herein unless the context otherwise requires.

The Independent Board Committee has been formed to advise the Independent Shareholders as to whether, in its opinion, the terms of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder are fair and reasonable, are on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Maxa Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder.

We wish to draw your attention to the letter from the Board, as set out on pages 5 to 14 of the Circular and the text of a letter of advice from the Independent Financial Adviser, as set out on pages 17 to 31 of the Circular, both of which provide details of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder.

Having considered (i) the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder; (ii) the advice of Maxa Capital; and (iii) the relevant information contained in the letter from the Board, we are of the opinion that the terms of the transactions contemplated under the New Framework Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the GM.

Yours faithfully,

For and on behalf of

**The Independent Board Committee of
China Overseas Grand Oceans Group Limited**

Timpson Chung Shui Ming

*Independent
Non-executive Director*

Jeffrey Lam Kin Fung

*Independent
Non-executive Director*

Dantes Lo Yiu Ching

*Independent
Non-executive Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter from Maxa Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders setting out its advice in respect of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder for the purpose of inclusion in this circular.



Unit 1908, Harbour Center
25 Harbour Road
Wan Chai
Hong Kong

25 May 2022

To: *The Independent Board Committee and the Independent Shareholders of China Overseas Grand Oceans Group Limited*

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS WITH CHINA OVERSEAS LAND & INVESTMENT LIMITED IN RELATION TO SUPPLY OF MATERIALS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 25 May 2022 (the “**Circular**”), of which this letter forms parts. Capitalised terms used in this letter shall have the same meanings ascribed to them in the Circular unless the context otherwise requires.

Reference is made to the announcement of the Company dated 19 November 2020 in relation to the Framework Agreement entered into between the Company and COLI, pursuant to which the COLI Group may supply Materials for the Projects upon the Group’s request in accordance with the tendering procedures of the Group from time to time for a term of three years commencing from 1 January 2021 and ending on 31 December 2023 subject to the Caps.

On 27 April 2022, the Company and COLI entered into the New Framework Agreement, pursuant to which (i) the COLI Group may supply Materials for the Projects upon the Group’s request in accordance with the tendering procedures of the Group from time to time for a term of three years commencing from 1 January 2022 and ending on 31 December 2024 subject to the New Caps; and (ii) the Group may engage the COLI Group as supplier of Materials for the Projects upon the COLI Group’s successful tender. The New Framework Agreement (together with the New Caps) will replace and supersede all rights and obligations of the parties under the Framework Agreement (together with the Caps) starting from 1 January 2022 with effect from the date of satisfaction of the conditions precedent set out under the New Framework Agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, COLI is the controlling shareholder of the Company by virtue of it being interested in approximately 38.32% of the issued share capital of the Company. Therefore, COLI is a connected person of the Company and the transactions contemplated under the New Framework Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios as defined under the Listing Rules calculated for the Company in respect of the highest New Cap exceed 5%, the transactions contemplated under the New Framework Agreement are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Dr. Timpson Chung Shui Ming, Mr. Jeffrey Lam Kin Fung and Mr. Dantes Lo Yiu Ching, has been formed to advise the Independent Shareholders as to whether the terms of the New Framework Agreement (together with the New Caps) and the transactions contemplated thereunder are fair and reasonable, and on normal commercial terms, in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote in respect of the relevant resolution(s) to be proposed at the GM to approve the entering into of the New Framework Agreement and the transactions contemplated thereunder. We, Maxa Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, we were independent from and not connected with the Company, COLI and any of their respective associates that could reasonably be regarded as relevant to our independence in accordance with Rule 13.84 of the Listing Rules and accordingly, are qualified to give independent advice to the Independent Board Committee and the Independent Shareholders in respect of the terms of the New Framework Agreement and the transactions contemplated thereunder (including the New Caps). In the past two years, we were appointed by the Company as the independent financial adviser in May 2020, August 2020 and December 2020 in respect of certain continuing connected transactions and/or connected transactions. Apart from the normal advisory fees payable to us in connection with this appointment, no arrangement exists whereby we shall receive any other fees or benefits from the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS OF OUR OPINION

In formulating our opinion and recommendation, we have reviewed, among other things: (i) the New Framework Agreement; (ii) the annual reports of the Company for the two years ended 31 December 2020 (the “**2020 AR**”) and 31 December 2021 (the “**2021 AR**”); and (iii) the basis and assumption adopted in determining the New Caps. We consider that we have reviewed sufficient and relevant information and documents and have taken reasonable steps as required under Rule 13.80 of the Listing Rules to reach an informed view and to provide a reasonable basis for our recommendation. We have relied on the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Directors and the management of the Group (the “**Management**”). We have reviewed, inter alia, the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors and the Management. We have assumed that (i) all statements, information and representations provided by the Directors and the Management; and (ii) the information referred to in the Circular, for which they are solely responsible, were true and accurate at the time when they were provided and continued to be so as at the Latest Practicable Date and the Shareholders will be notified of any material changes to such information and representations before the GM. We have also assumed that all statements of belief, opinion, intention and expectation made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the representations and opinions expressed by the Company, its advisers and/or the Directors. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information included in the Circular and provided to us by the Directors and the Management nor have we conducted any form of in-depth investigation into the business and affairs or the future prospects of the Group.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in the Circular misleading.

Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company. Where information in this letter has been extracted from published or otherwise publicly available sources, the sole responsibility of us is to ensure that such information has been correctly and fairly extracted, reproduced or presented from the relevant stated sources and not be used out of context.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Background information of the Group

The Group is principally engaged in businesses of property investment and development, property leasing and investment holding. The Group operates its business through three segments, namely, (i) property investment and development segment; (ii) property leasing segment; and (iii) other segment. The property investment and development segment is engaged in the construction of residential and commercial properties in the PRC. The property leasing segment mainly holds office units, commercial units and hotel properties in the PRC. The other segment is involved in the operation of hotels and the provision of other ancillary services.

Set out below is the audited consolidated financial information of the Group for the three years ended 31 December 2019 (“FY2019”), 31 December 2020 (“FY2020”) and 31 December 2021 (“FY2021”) as extracted from the 2020 AR and the 2021 AR.

	For the year ended 31 December		
	2021	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenue	53,830,471	42,909,060	28,590,883
Gross profit	12,399,136	11,641,416	9,527,847
Gross profit margin	23.0%	27.1%	33.3%
Profit attributable to owners of the company	5,050,575	4,374,765	3,329,681
Net profit margin	9.4%	10.2%	11.6%
	As at 31 December		
	2021	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Non-current assets	8,143,839	6,427,765	5,741,814
Investment properties	3,978,235	3,355,235	2,744,787
Property, plant and equipment	839,080	869,409	1,090,024
Interests in joint ventures	908,170	701,038	901,626
Deferred tax assets	1,883,460	1,242,877	609,534
Current assets	190,642,582	160,985,732	128,355,460
Inventories of properties	136,371,481	107,721,167	86,397,320
Trade and other receivables, prepayments and deposits	15,076,202	19,451,556	11,867,467
Amounts due from joint ventures	752,391	2,091,043	479

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	As at 31 December		
	2021	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Amounts due from non-controlling interests	2,215,461	871,139	581,245
Tax prepaid	2,574,823	2,545,737	1,796,235
Restricted cash and deposits	12,616,346	7,525,826	10,671,299
Cash and bank balances	19,876,023	20,543,265	16,755,435
Current liabilities	127,586,335	110,189,045	90,557,019
Trade and other payables	19,928,604	15,699,347	11,989,788
Contract liabilities	81,803,731	70,336,424	54,618,728
Amounts due to non-controlling interests	5,510,332	2,834,726	5,082,077
Guaranteed notes payable	–	3,314,214	–
Taxation liabilities	7,282,145	6,757,759	5,940,199
Borrowings	12,773,873	10,448,303	11,656,478
Net current assets	63,056,247	50,796,687	37,798,441
Non-current liabilities	35,443,827	29,988,070	22,026,947
Borrowings	29,162,103	26,701,867	15,611,683
Guaranteed notes payable	3,286,018	–	3,521,449
Deferred tax liabilities	2,892,481	3,189,358	2,869,227
Net assets	35,756,259	27,236,382	21,513,308

According to the 2021 AR, the Group recorded revenue of approximately RMB53,830.5 million for FY2021, representing an increase of approximately 25.5% as compared to revenue of approximately RMB42,909.1 million for FY2020. The gross profit was approximately RMB12,399.1 million for FY2021, representing an increase of approximately 6.5% as compared to gross profit of approximately RMB11,641.4 million for FY2020. The gross profit margin decreased by approximately 4.1 percentage points from approximately 27.1% for FY2020 to approximately 23.0% for FY2021, as driven by the higher gross profit margin of Projects recognized during FY2020. Profit attributable to owners of the Company amounted to approximately RMB5,050.6 million for FY2021, representing an increase of approximately 15.4% as compared to profit attributable to owners of the Company of approximately RMB4,374.8 million for FY2020, which was primarily attributable to the net effects of (i) the increase in revenue and gross profit due to more sales recognised from high-rise residential Projects for FY2021; (ii) the increase in distribution and selling expenses by approximately RMB266.1 million from approximately RMB1,368.8 million for FY2020 to approximately RMB1,634.9 million for FY2021, resulting from the more frequent use of electronic platforms in sales activities of the Group; (iii) the increase in administrative expenses by approximately RMB26.5 million from approximately RMB1,069.9 million for FY2020 to approximately RMB1,096.4 million for FY2021, resulting from the gradual expansion of operating scale of the Group; (iv) the fair value gain on the reclassification of certain properties of the Group from inventories of properties to investment properties of approximately RMB80.7 million for

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

FY2021; and (v) the decrease in income tax expense by approximately RMB431.2 million from approximately RMB4,935.7 million for FY2020 to approximately RMB4,504.5 million for FY2021, resulting from the decrease in effective tax rate on land appreciation tax as driven by the drop in gross profit margin.

According to the 2020 AR, the Group recorded revenue of approximately RMB42,909.1 million for FY2020, representing an increase of approximately 50.1% as compared with revenue of approximately RMB28,590.9 million for FY2019. The gross profit was approximately RMB11,641.4 million for FY2020, representing an increase of approximately 22.2% as compared with the gross profit of approximately RMB9,527.8 million for FY2019. The gross profit margin decreased by approximately 6.2 percentage points from approximately 33.3% for FY2019 to approximately 27.1% for FY2020, as driven by the higher gross profit margin of Projects recognized during FY2019. Profit attributable to owners of the Company was approximately RMB4,374.8 million for FY2020, representing an increase of approximately 31.4% as compared with profit attributable to owners of the Company of approximately RMB3,329.7 million for FY2019, which was primarily attributable to the net effects of (i) the increase in revenue and gross profit due to more sales recognized from high-rise residential Projects for FY2020; (ii) the increase in distribution and selling expenses by approximately RMB220.9 million from approximately RMB1,148.0 million for FY2019 to approximately RMB1,368.9 million for FY2020, resulting from the use of electronic platforms in sales activities of the Group; (iii) the increase in administrative expenses by approximately RMB276.6 million from approximately RMB793.3 million for FY2019 to approximately RMB1,069.9 million for FY2020, resulting from the accelerated expansion of operations to ten new cities with high growth potential; (iv) the fair value gain on the reclassification of certain properties of the Group from inventories of properties to investment properties of approximately RMB8.1 million for FY2020; and (v) the increase in income tax expense by approximately RMB137.1 million from approximately RMB4,798.6 million for FY2019 to approximately RMB4,935.7 million for FY2020, resulting from the increase in gross profit for FY2020.

As at 31 December 2021, the net assets amounted to approximately RMB35,756.3 million, representing an increase of approximately 31.3% as compared to approximately RMB27,236.4 million as at 31 December 2020. Such increase was primarily attributable to (i) the increase in inventories of properties by approximately RMB28,650.3 million; and (ii) the increase in cash and bank balances plus restricted cash and deposits by approximately RMB4,423.3 million; and was partially offset by (i) the decrease in amounts due from joint ventures by approximately RMB1,338.7 million; (ii) the decrease in trade and other receivables, prepayments and deposits by approximately RMB4,375.4 million; (iii) the increase in amounts due to non-controlling interests by approximately RMB2,675.6 million; (iv) the increase in contract liabilities by approximately RMB11,467.3 million; and (v) the increase in borrowings by approximately RMB4,785.8 million.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at 31 December 2020, the net assets amounted to approximately RMB27,236.4 million, representing an increase of approximately 26.6% as compared to approximately RMB21,513.3 million as at 31 December 2019. Such increase was primarily attributable to (i) the increase in inventories of properties by approximately RMB21,323.8 million; (ii) the increase in amounts due from joint ventures by approximately RMB2,090.6 million; and (iii) the increase in trade and other receivables, prepayments and deposits by approximately RMB7,584.1 million; and was partially offset by (i) the increase in contract liabilities by approximately RMB15,717.7 million; and (ii) the increase in borrowings by approximately RMB9,882.0 million.

According to the 2021 AR, despite the ups and downs in the real estate industry and the complicated internal and external environment, the Group reacted swiftly, moved forward against the obstacles, and responded proactively. The contracted property sales and cash collections for the FY2021 reached a new level and achieved steady growth in operations performance. The Group seized opportunities and made flexible adjustments on supplies according to market conditions. In FY2021, the Group together with its associates and joint ventures (collectively the “**Group Series of Companies**”) achieved contracted property sales of approximately RMB71,204.4 million, representing a year-on-year increase of approximately 10.0%. The contracted sales area was approximately 5,683,400 square meters (“**sq.m.**”), representing a year-on-year increase of approximately 7.2%. The Group Series of Companies realized an average selling price of approximately RMB12,528 per sq.m., representing a year-on-year increase of approximately 2.7%. At the end of FY2021, the balance of preliminary sales pending the completion of sales and purchase agreements was approximately RMB1,383.0 million for an aggregated contracted area of approximately 101,300 sq.m.. Among the 40 cities the Group has deployed, the Group ranked top three in 17 cities on contracted sales, an increase of 8 cities compared to FY2020. Among them, Yinchuan, Taizhou and Jilin ranked top sales locally. As at 31 December 2021, the gross floor area of total land bank of the Group Series of Companies amounted to approximately 29,768,900 sq.m., of which approximately 25,530,700 sq.m. was attributable to the Group.

2. Background overview of COLI

The COLI Group is mainly engaged in property development and investment and other operations. COLI operates its business through three segments, namely, (i) property development segment; (ii) property investment segment; and (iii) other operations segment. The property development segment is engaged in the property development and sales. The property investment segment is engaged in property rentals. The other operations segment is involved in the operation of hotels and the provision of construction and building design consultancy services and others.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the audited consolidated financial information of COLI for FY2019, FY2020 and FY2021, as extracted from the annual reports for FY2020 and FY2021 of COLI.

	For the year ended 31 December		
	2021	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenue	242,240,783	185,789,528	163,650,953
Gross profit	57,025,798	55,820,852	55,080,112
Gross profit margin	23.5%	30.0%	33.7%
Profit attributable to owners of the company	40,155,361	43,903,954	41,618,313
Net profit margin	16.6%	23.6%	25.4%

	As at 31 December		
	2021	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Non-current assets	220,949,894	187,404,193	163,264,226
Property, plant and equipment	5,524,471	5,010,803	4,019,414
Investment properties	166,204,097	140,879,089	114,020,656
Interests in associates	17,862,412	14,543,727	12,430,239
Interests in joint ventures	22,708,422	18,770,162	23,876,179
Deferred tax assets	8,107,614	7,693,664	7,324,745
Current assets	648,956,804	636,253,178	560,631,561
Stock of properties and other inventories	450,620,363	458,087,286	390,982,478
Land development expenditure	12,388,697	13,403,278	18,046,053
Trade and other receivables	8,244,489	12,196,646	10,931,518
Deposits and prepayments	11,393,943	10,497,858	9,215,418
Deposits for land use rights for property development	1,020,286	4,198,634	14,026,891
Amounts due from associates	6,036,539	3,580,280	4,334,368
Amounts due from joint ventures	11,428,036	8,744,043	7,068,451
Tax prepaid	12,139,810	8,961,644	7,715,181
Bank balances and cash	130,956,191	110,468,910	95,447,568
Total assets	869,906,698	823,657,371	723,895,787
Non-current liabilities	218,899,759	191,345,851	176,502,947
Amounts due to non-controlling shareholders	–	1,542,377	2,293,675
Bank and other borrowings – due after one year	124,091,050	109,307,995	99,050,354

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	As at 31 December		
	2021	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Guaranteed notes and corporate bonds			
– due after one year	73,210,824	59,867,471	58,835,801
Deferred tax liabilities	21,226,461	20,199,210	16,186,850
Current liabilities	293,900,585	303,962,200	258,248,215
Trade and other payables	90,054,871	82,807,619	65,812,031
Pre-sales proceeds	100,455,190	121,121,893	97,939,167
Amounts due to joint ventures	5,962,081	4,197,226	6,980,871
Amounts due to non-controlling shareholders	7,534,562	9,337,457	13,409,714
Tax liabilities	39,172,639	38,123,766	38,671,775
Bank and other borrowings – due within one year	38,220,634	27,501,259	23,217,153
Guaranteed notes and corporate bonds – due within one year	6,399,786	16,303,716	8,861,117
Net assets	357,106,354	328,349,320	289,144,625

According to the annual report of COLI for FY2021, COLI's revenue was approximately RMB242,240.8 million and gross profit was approximately RMB57,025.8 million for FY2021, representing the growth rate of approximately 30.4% and 2.2% as compared to approximately RMB185,789.5 million and RMB55,820.9 million for FY2020, respectively. Such increase in the revenue and gross profit was primarily attributable to the combined effects of (i) the speedy recovery of the real estate market amidst the COVID-19 pandemic while also affected 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; and (ii) the COLI Group recorded an increase of approximately 2.4% in contracted sales, in particular, the contracted sales in cities such as Beijing, Shanghai, Guangzhou and Nanjing exceeded RMB1,000.0 million and the sales proceeds collection reached approximately RMB35,281.0 million, representing an increase of approximately 3.0% as compared to FY2020. Profit attributable to its owners was approximately RMB40,155.4 million for FY2021, representing a decrease of approximately 8.5%, as compared to that of approximately RMB43,904.0 million for FY2020, such decrease was mainly due to the decrease in the gain arising from changes in fair value of investment properties by approximately RMB3,651.2 million from approximately RMB9,191.4 million for FY2020 to approximately RMB5,540.2 million for FY2021. As at 31 December 2021, COLI's net assets amounted to approximately RMB357,106.4 million, registered an increase of approximately 8.8% compared to approximately RMB328,349.3 million as at 31 December 2020.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

According to the annual report of COLI for FY2020, COLI's revenue was approximately RMB185,789.5 million, gross profit was approximately RMB55,820.9 million and profit attributable to its owners was approximately RMB43,904.0 million, representing the growth rate of 13.5%, 1.3% and 5.5% compared to approximately RMB163,651.0 million, RMB55,080.1 million and RMB41,618.3 million recorded for FY2019 respectively, contributed by the speedy recovery of the real estate market amidst the pandemic, which in turn allowed COLI to deliver consistent growth as the leading industry player. As at 31 December 2020, COLI's net assets amounted to approximately RMB328,349.3 million, registered an increase of approximately 13.6% as compared to approximately RMB289,144.6 million as at 31 December 2019.

3. Reasons for Entering into the New Framework Agreement (together with the New Caps)

According to a report published by the China Real Estate Association¹, COLI is the second largest property developer in the PRC in 2022. We understand from the Management that the COLI Group usually purchases the Materials in bulk quantities and its leading position in the real estate industry gives COLI Group a better bargaining power with the suppliers. The entering into of the New Framework Agreement will allow the Group to maintain a more diverse base of suppliers for the provision and supply of Materials, and if upon successful tender awarded to the COLI Group, allows the Group to enjoy a greater volume discount which is applied to the COLI Group's bulk purchase.

We have reviewed COLI's 2021 annual report and noted that (i) COLI maintained a policy of pursuing high-quality development based on financial stability; (ii) COLI had not breached any of the "three red lines" and remained as a "green category" enterprise; and (iii) the gross floor area sold for the contracted property sales of the COLI Group amounted to approximately 18.90 million sq.m., in particular, the gross floor area of commercial projects for operation increased by 940,000 sq.m. In addition, we have obtained three sets of samples from the Management, we have compared the quotations of the same Materials ordered by COLI and the Group from the same suppliers, of which we noted that the leading position of COLI in the property industry enables COLI in getting a better bulk purchase discount.

Based on the above, we concur with the Directors that COLI being a qualified and leading real estate developer in the market has the advantage to bargain with construction material suppliers and the Group can benefit from entering into the New Framework Agreement (together with the New Caps) with COLI, which would continue to provide the Group a consistent supplier in relation to the provision and supply of Materials. Upon successful tender awarded to the COLI Group in accordance to the Group's tendering procedure, the Group may continue to enjoy a great volume discount which is applied to the COLI Group's bulk purchase. Based on the foregoing, we consider that there is a justifiable commercial rationale for the Company and it is in the ordinary course of business of the Group to enter into the New Framework Agreement (together with the New Caps).

¹ <http://www.fangchan.com/zt/top500/>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

4. Principal terms of the New Framework Agreement

The terms of the New Framework Agreement are as follow:

Date

27 April 2022

Parties

- (a) The Company; and
- (b) COLI.

Subject Matter

As the Group intends to significantly increase the Renovated GFA Proportion of the Projects for the period commencing from 1 January 2022 and ending on 31 December 2024, it is contemplated that the Group will invite the COLI Group to tender for the supply of more Materials for the Projects, and as such (i) the Caps provided for in the Framework Agreement for the period commencing from 1 January 2021 and ending on 31 December 2023; and (ii) the term of the Framework Agreement need to be revised. Accordingly, on 27 April 2022, the Company and COLI entered into the New Framework Agreement for a term of three years commencing from 1 January 2022 and ending on 31 December 2024 whereby the parties agreed, among other things, that:

- (a) the COLI Group may tender for the supply of Materials for the Projects as supplier of the Group in accordance with the tendering procedures of the Group from time to time and on the same and normal terms as offered to other independent third party suppliers;
- (b) if any contract is granted in favour of the COLI Group as a result of the above tender, the COLI Group may act as supplier of Materials for the Projects based on the terms of the successful tender provided that the maximum total contract sum in respect of the supply of Materials for the Projects that may be awarded by the Group to the COLI Group for each of the financial years ending on 31 December 2022, 2023 and 2024 shall not exceed RMB3,000 million (i.e. the New Caps); and
- (c) the amounts in respect of the supply of Materials for the Projects payable by the Group to the COLI Group will be settled pursuant to the payment terms set out in the tender documents for the relevant contracts for the supply of such Materials.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Pricing Basis

As a general principle, the prices and terms of the contracts shall be determined in the ordinary course of business, on normal commercial terms, negotiated on an arm's length basis and at prices and on terms no more favourable than those awarded to the independent third party suppliers of the Group.

The Group will normally invite suppliers in the Group's approved list to participate in competitive tenders for the Projects as supplier in accordance with its tendering procedures.

In conducting the Group's invitations to tender, review of tenders and tender selection, the participation of the members of the COLI Group in the tender process shall not in any way affect the Group's tendering procedures, contract terms and selection principles. The members of the COLI Group shall be treated in the same way as independent third parties.

The price and terms of the tenders awarded by the Group to the COLI Group for the supply of Materials for the Projects are subject to the standard and systematic tender procedures maintained by the Group, which apply to tenders submitted by both connected persons and independent third parties to ensure that the price and terms of the tender awarded by the Group to the COLI Group are no more favourable than those awarded to independent third parties. We have also compared the key terms of the New Framework Agreement with that of Framework Agreement, including the background and clauses, and acknowledged there is no material difference between them save for the amounts under the New Caps and Caps.

In assessing whether the Group has been adhering to the tendering process, we randomly obtained a total of six tendering documents together with their results from the Management in relation to procurement of Materials by the Group from suppliers for FY2019, FY2020 and FY2021, three of those tendering documents were from connected parties and three were from independent third parties. We note from the aforementioned tendering documents that (i) suppliers were first vetted internally and an invitation was sent to supplier for submitting tender bid for the Group's projects; (ii) at least three suppliers were invited each time; (iii) the Group will then aggregate all metrics side by side in a document capturing comparison analysis with reference to selection criteria including but not limited to the supplier's qualification grade, financial ability, technical capability, cooperation record, project management ability, quality of Materials and business management capability once the invited suppliers have sent in their tender bids in accordance with the Group's Materials checklist; (iv) the decision to decide on the tender winner will be voted internally within the Group's construction management committee which the decisions were all documented in a signed document capturing each of committee member's decision; and (v) formal contract between the tender winner and the Group was submitted to the Group's construction management committee for approval. Among the reviewed tendering documents, most of which indicated that the winning bid was the supplier with the Materials conforming to the technical requirements with a reasonable and minimum price offered except for one tender where the Group awarded the tender equally to two suppliers consider the price quotation and technical capabilities of the two suppliers were similar. In light of the above, we are of the view that six contracts were sufficient to provide us with a wholistic view that the Group has consistently implemented standard vetting procedures and governance in accordance with the tendering procedures stated in the circular from pages 8 to 9.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

5. Calculation of the New Caps

In view of the recent environmental and sustainability policies of the PRC government, the Group intends to significantly increase the Renovated GFA Proportion of the Projects so as to reduce pollution and waste from secondary renovation by property owners. In this connection, the Group expects to incur more costs for the acquisition of Materials for the period commencing from 1 January 2022 and ending on 31 December 2024 in relation to the additional renovated properties before their delivery. As such, it is contemplated that the Group will invite the COLI Group to tender for the supply of more Materials for the Group's Projects to meet the renovation requirements, and the original Caps under the existing Framework Agreement of RMB1,600 million for each of the years ending 31 December 2022 and 2023 will need to be increased accordingly. As at the Latest Practicable Date, the original Caps under the existing Framework Agreement of RMB1,600 million for FY2021 and for the year ending 31 December 2022 have not been exceeded.

The New Caps are calculated with reference to the following factors:

- (a) the total contract sum for the procurement of Materials historically entered into by the Group with the COLI Group in connection with the Projects for the financial year ended 31 December 2021 of approximately RMB1,585 million;
- (b) the total contract sum that was awarded by the Group to the COLI Group for the supply of Materials by the COLI Group to the Group for the Projects for the period from 1 January 2022 to 31 March 2022 of approximately RMB975 million;
- (c) the estimated total contract sum of approximately RMB3,000 million for the procurement of Materials potentially required by the Group to achieve the intended Renovated GFA Proportion for the Group's Projects for each of the financial years ending on 31 December 2022, 2023 and 2024, taking into account the number of potential new Projects and the corresponding total gross floor area of such new Projects; and
- (d) the wider product variety of the Materials expected to be offered under the New Framework Agreement that may be supplied to the Group.

The contract sums under the New Framework Agreement will be satisfied by the Group in cash from its general working capital. The New Framework Agreement (together with the New Caps) will replace and supersede all rights and obligations of the parties under the Framework Agreement (together with the Caps) starting from 1 January 2022 with effect from the date of satisfaction of the conditions precedent set out under the New Framework Agreement.

In the event that the New Framework Agreement does not become effective, the Framework Agreement (together with the Caps) will remain in full force and binding on the Company and COLI.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Cap for FY2021 under the Framework Agreement was RMB1,600 million and contract sum of approximately RMB1,585 million of Materials has been awarded to the COLI Group for FY2021. We have reviewed the composition of the category of Materials awarded by the Group under the Framework Agreement, there were approximately 13 different Materials procured, of which mainly comprise of electrical wires, elevators, wood and concrete floor. During the period from 1 January 2022 to 31 March 2022, the total contract sum of the Materials amounting to approximately RMB975 million has been awarded to the COLI Group, representing 60.9% of the Cap for FY2022.

In further assessing the reasonableness and fairness of the New Caps, we have obtained and reviewed (i) the Group's estimated total contract sum in relation to procurement of Materials from suppliers with reference to the development plan of Projects for the three financial years ending 31 December 2024; (ii) the estimated total contract sum of the tenders in relation to the procurement of Materials which the COLI Group will be invited to compete for the three years ending 31 December 2024; and (iii) the Group's top 10 suppliers of the Materials suppliers for the three years ended 31 December 2021. We have reviewed the development plan formulated by the Management for deriving the New Caps of which it is expected that the new construction area ("**New Construction Area**") amounted to approximately 6.9 million sq.m., 10.7 million sq.m. and 11.5 million sq.m., respectively, for the three years ending 31 December 2024, while the Renovated GFA Proportion will increase gradually to 35%, 40% and 45%, respectively. New Construction Area for FY2021 was approximately 10.1 million sq.m. which was higher than the expected New Construction Area for the year ending 31 December 2022 and similar to the expected New Construction Area for the years ending 31 December 2023 and 2024, where approximately 28% of which was categorised as Renovated GFA Proportion for FY2021. According to the Management, the proposed New Caps of RMB3,000 million for each of the financial years ending on 31 December 2022, 2023 and 2024 constitute approximately 86%, 73% and 64% to the total expected contract sum that is required from the suppliers for the three years ending 31 December 2022, 2023 and 2024, respectively.

Having considered (i) the total contract sum in respect of the supply of Materials awarded to the COLI Group in FY2021 and the first quarter of 2022 that aggregated to approximately RMB2,560 million; and (ii) the expected total contract sum in respect of the supply of Materials that could be awarded to the COLI Group in accordance with the development plan of Projects which is in line with the overall growth in the Group's revenue in the past, the New Caps are set to accommodate the potential contract sum of procurement of the Materials by the Group from the COLI Group. Under the New Framework Agreement, the COLI Group will continue to enter into competitive tendering processes invited by the Group whereas the Group can continue to enjoy the bulk discounts in relation to the procurement of Materials for Projects in the event the COLI Group wins the tenders.

We are also of the view that engaging the COLI Group to supply the Materials for the Group's Projects under the New Framework Agreement (together with the New Caps) is expected to continue to provide the Group with a supplier that could potentially offer a bulk purchase discount and it is considered in the interest of the Company and its Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

6. Listing Rules' requirements and internal control procedures

We have reviewed the Group's annual report for the past three years and it has complied with the relevant review requirement and reviewed by the Group's auditor. In addition, we have also obtained and reviewed (i) the Group's internal control procedures in relation to the procurement of the Materials and the New Framework Agreement and are of view the terms and conditions of the documents mentioned above are consistent with the information listed in the Letter from the Board; and (ii) a total of six tendering documents in relation to procurement of Materials by the Group from suppliers for FY2019, FY2020 and FY2021, where we note that the aforesaid tendering documents followed the Group's internal control procedures. The Group proposes to enter into the New Framework Agreement with the COLI Group in relation to the procurement of Materials, having considered, in particular, (i) the reasonableness of the New Caps under the New Framework Agreement; and (ii) there will be ongoing review by the independent non-executive directors and auditors of both the Company and COLI of the terms of the New Framework Agreement (together with the New Caps) not being exceeded, we are of the view that there are appropriate measures in place to govern the conduct of the New Framework Agreement and safeguard the interests of the Independent Shareholders.

RECOMMENDATION

Having considered the above principal factors and reasons discussed above, we consider that (i) the terms of the New Framework Agreement (together with the New Caps) are on normal commercial terms, in the ordinary and usual course of business of the Group and are fair and reasonable so far as the Independent Shareholders are concerned, (ii) the entering into of the New Framework Agreement (together with the New Caps) is in the interests of the Company and its Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend that the Independent Shareholders vote in favour of the ordinary resolution to be proposed at the GM to approve the New Framework Agreement (together with the New Caps).

Yours faithfully,
For and on behalf of
Maxa Capital Limited
Michael Fok
Managing Director

Mr. Michael Fok is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Maxa Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 20 years of experience in the corporate finance industry.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions in the Shares

Name of Director	Capacity	Number of Shares held	Approximate percentage of the Shares in issue⁽¹⁾
Mr. Zhuang Yong	Beneficial owner	500,000	0.01%
Mr. Yang Lin	Beneficial owner	2,550,000	0.08%
	Interest of spouse	346,125	
Mr. Yung Kwok Kee, Billy	Beneficial owner	17,849,999	13.53%
	Beneficiary of a trust ⁽²⁾	372,617,689	
	Interest of controlled corporation ⁽³⁾	62,578,292	
	Interest of spouse	10,000,000	
Dr. Chung Shui Ming, Timpson	Beneficial owner	544,875	0.02%

Notes:

- (1) The percentage is based on the total number of Shares in issue as at the Latest Practicable Date (i.e. 3,423,359,841 Shares).
- (2) These Shares are held by a trust for the benefit of Mr. Yung Kwok Kee, Billy and his family members.
- (3) These Shares are held by Extra-Fund Investment Limited, a wholly-owned subsidiary of Shell Electric Holdings Limited, which in turn is owned as to 80.5572% by Red Dynasty Investments Limited, a company wholly owned by Mr. Yung Kwok Kee, Billy.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company held any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange.

DIRECTORS' POSITIONS IN SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, save as disclosed below, none of the Directors or proposed Directors was a director or employee of a company which had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Director	Name of companies which had such discloseable interest or short position	Position within such companies
Mr. Zhuang Yong	COLI	Vice Chairman and Non-executive Director
	COHL	Director
Mr. Guo Guanghui	COLI	Executive Director and Vice-President

DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors or proposed Directors had any direct or indirect interest in any assets which had been, since 31 December 2021 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to or were proposed to be acquired or disposed of by or leased to any member of the Group.

DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS

There is no contract or arrangement subsisting at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Group.

SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract or a proposed service contract with any member of the Group which is not expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there is no material adverse change in the financial or trading position of the Group since 31 December 2021, the date to which the latest published audited accounts of the Company were made up.

COMPETING BUSINESS INTERESTS OF DIRECTORS

As at the Latest Practicable Date, Mr. Zhuang Yong, the Chairman and executive Director of the Company, is also a director of COHL, and the vice chairman and non-executive director of COLI. As at the Latest Practicable Date, Mr. Guo Guanghui, the non-executive Director of the Company, is also the executive director and vice-president of COLI. COHL and COLI are principally engaged in investment holding and property development and investment and related businesses.

The Board is independent of the boards of directors of COHL and COLI. With the presence of an appropriate portion of independent non-executive Directors in the Board, the Group is capable of carrying on its business independently of, and at arm's length from, the businesses in which the Directors have declared interests.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, proposed Directors or their respective close associates (as if each of them were treated as a controlling shareholder under Rule 8.10 of the Listing Rules) had any competing interests in a business which competes or is likely to compete with the business of the Group.

QUALIFICATIONS AND CONSENTS OF EXPERT

The following are the qualifications of the expert who has given its opinions and advices which are contained in this circular:

Name	Qualification
Maxa Capital Limited	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, the expert above had no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

The expert above has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and/or reports and references to its name in the form and context in which they are included.

As at the Latest Practicable Date, the expert above did not have any direct or indirect interest in any assets which have been, since 31 December 2021 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to or were proposed to be acquired or disposed of by or leased to any member of the Group.

The letter from the Independent Financial Adviser is given as of the date of this circular for incorporation herein.

DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.cogogl.com.hk) for a period of 14 days from the date of this circular:

1. the New Framework Agreement;
2. the letter from the Independent Board Committee, the text of which is set out in the section headed "Letter from the Independent Board Committee" of this circular;
3. the letter from the Independent Financial Adviser, the text of which is set out in the section headed "Letter from Independent Financial Adviser" of this circular;
4. the letter of consent from the expert referred to under the section headed "Qualifications and Consents of Expert" in this appendix; and
5. this circular.

NOTICE OF GM



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)

NOTICE IS HEREBY GIVEN that a general meeting (“GM”) of China Overseas Grand Oceans Group Limited (the “Company”) will be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 20 June 2022 at 10:30 a.m. or after the AGM (whichever is later) for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company. Unless otherwise indicated, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 25 May 2022 of which this notice forms part (the “Circular”).

ORDINARY RESOLUTION

“THAT:

- (A) (i) the New Framework Agreement (a copy of which is tabled at the meeting and marked “A” and initialled by the chairman of the meeting for identification purpose) and transactions contemplated thereunder, and the implementation thereof be and are hereby approved, confirmed and ratified; and
- (ii) the New Caps for the period between 1 January 2022 and 31 December 2024 be and are hereby approved;
- (B) any one director of the Company (or any two directors of the Company or any two persons appointed by the board of directors of the Company, in the case of execution of documents under seal) be and is hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him to be incidental to, ancillary to or in connection with the matters contemplated in the New Framework Agreement and the transactions contemplated thereunder, and the implementation thereof including the affixing of seal thereon.”

By Order of the Board
China Overseas Grand Oceans Group Limited
Zhuang Yong
Chairman and Executive Director

Hong Kong, 25 May 2022

Registered Office:
Suites 701-702, 7/F.
Three Pacific Place
1 Queen’s Road East
Hong Kong

NOTICE OF GM

Notes:

1. Any shareholder of the Company (“**Shareholder**”) entitled to attend and vote at the GM is entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder of two or more shares of the Company (“**Share(s)**”) may appoint more than one proxy to attend on the same occasion. A proxy need not be a Shareholder. A form of proxy for use at the GM is enclosed herewith.
 2. To be valid, a form of proxy, together with any power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company’s share registrar, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as practicable and in any event not later than 10:30 a.m. on Friday, 17 June 2022.
 3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
 4. Delivery of the form of proxy will not preclude a Shareholder from attending and voting in person at the GM or any adjourned meeting or upon the poll concerned and, in such event, the instrument appointing a proxy will be deemed to be revoked.
 5. Where there are joint registered holders of any Share, any one of such persons may vote at the GM, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at the GM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
 6. The register of members of the Company will be closed from Wednesday, 15 June 2022 to Monday, 20 June 2022 (both days inclusive), during which period no transfer of shares will be effected. In order to determine the identity of the Shareholders who are entitled to attend and vote at GM, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 14 June 2022.
 7. Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), all votes of the Shareholders at the GM in respect of the resolution set out in this notice will be taken by poll and the Company will announce the poll results in the manner prescribed under Rule 13.39(5) of the Listing Rules.
 8. This notice will also be available for viewing on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk, on the website of the Company at www.cogogl.com.hk and the website of EQS TodayIR Limited at www.todayir.com/en/showcases.php?code=81.
 9. **In view of the ongoing coronavirus (COVID-19) pandemic and recent requirements for prevention and control of its spread, the Company may conduct body temperature check and require the attending Shareholders or their proxy to wear surgical masks throughout the GM as preventive measures to protect attending Shareholders, staff and other stakeholders of the Company from the risk of infection. Any person with a body temperature of over 37.2 degrees Celsius may be denied entry into the GM venue or be required to leave the GM venue.**
- No distribution of gifts or cake coupons and no refreshments will be served at the GM.**
- Shareholders are strongly encouraged to appoint the chairman of the GM as their proxy and to return their proxy forms by the time specified above, instead of attending the GM in person.**
10. As at the date of this notice, the board of directors of the Company comprises eight directors, of which three are executive directors, namely Mr. Zhuang Yong, Mr. Yang Lin and Mr. Paul Wang Man Kwan; two non-executive directors, namely Mr. Guo Guanghui 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.