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*(incorporated in Hong Kong with limited liability)*  
**(Stock Code: 81)**

## **CONTINUING CONNECTED TRANSACTION TERMINATION OF LANZHOU LEASE AGREEMENT**

Reference is made to the Announcement in relation to, among other things, the Lanzhou Lease entered into between Lanzhou COGO, an indirect wholly-owned subsidiary of the Company, and Lanzhou China Overseas, an indirect wholly-owned subsidiary of COLI, in respect of the Lanzhou Premises comprising a shopping centre located in Anning District of Lanzhou in the PRC.

The Board announces that, on 27 March 2023, Lanzhou COGO has entered into the Surrender Agreement with Lanzhou China Overseas to surrender the Lanzhou Lease. As the continuing connected transaction under the Lanzhou Lease was terminated pursuant to the Surrender Agreement, this announcement is made pursuant to Rule 14A.35 of the Listing Rules.

Reference is made to the Announcement dated 1 April 2020 in relation to the five property lease agreements entered into between relevant subsidiaries of the Company and certain connected persons in respect of the premises located in Shanghai, Beijing, Lanzhou, Huizhou and Shantou in the PRC. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

### **THE SURRENDER AGREEMENT**

As disclosed in the Announcement and the 2021 annual report of the Company, the Lanzhou Lease commenced on 31 December 2020 and will expire on 30 December 2023 and the other Leases will expire on 31 March 2023 or 30 April 2023 (as the case may be). The Group and COLI have considered the corporate strategy, business initiatives and adjustments for managing the Premises in light of their respective business needs and resources as well as the current conditions of the property market, and have negotiated for the Leases to end by 30 April 2023. As such, on 27 March 2023, Lanzhou COGO has entered into the Surrender Agreement with Lanzhou China Overseas to surrender the Lanzhou Lease, pursuant to which the Lanzhou Lease Agreement would be early terminated on 30 April 2023 and the Lanzhou Premises will be returned to the Group accordingly.

The Surrender Agreement is not expected to give rise to any material adverse impact on the Company's operations and financial position, and the existing tenancies at the Lanzhou Premises.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Surrender Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole, and the Surrender Agreement is entered in the ordinary and usual course of business of the Group on an arm's length basis.

None of the Directors is regarded as having a material interest in the Surrender 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 Surrender Agreement and the transactions contemplated thereunder.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, COLI holds approximately 39.63% of the issued share capital of the Company. Therefore, Lanzhou China Overseas (a indirect wholly-owned subsidiary of COLI) is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Lanzhou Lease constitutes continuing connected transaction of the Company. As the continuing connected transaction under the Lanzhou Lease was terminated pursuant to the Surrender Agreement, this announcement is made pursuant to Rule 14A.35 of the Listing Rules.

## **INFORMATION ON THE PARTIES**

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

Lanzhou COGO is a company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company. Lanzhou COGO is principally engaged in property investment and development, and property leasing.

Lanzhou China Overseas is a company incorporated in the PRC and an indirect wholly-owned subsidiary of COLI. Lanzhou China Overseas is principally engaged in property management, property leasing and related services.

COLI Group is principally engaged in the business of property development and investment, and other operations.

## DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Announcement”	the Company’s announcement dated 1 April 2020 in relation to the five property lease agreements entered into between relevant subsidiaries of the Company and certain connected persons in respect of the premises located in Shanghai, Beijing, Lanzhou, Huizhou and Shantou;
“COLI Group”	COLI and its subsidiaries 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);
“Lanzhou Lease”	the lease relating to the Lanzhou Premises pursuant to the Lanzhou Lease Agreement;
“Lanzhou Lease Agreement”	the property lease agreement dated 1 April 2020 entered into between the Lanzhou COGO, as landlord, and Lanzhou China Overseas, as tenant, in relation to the lease of the Lanzhou Premises;
“Lanzhou Premises”	the properties located at 1131-1149 Mogao Street, Anning District, Lanzhou, the PRC (中國蘭州市安寧區莫高大道 1131-1149 號);
“Leases”	the leases relating to the Premises pursuant to the Property Lease Agreements; and
“Surrender Agreement”	the surrender agreement dated 27 March 2023 entered into between Lanzhou COGO and Lanzhou China Overseas in relation to the termination of the Lanzhou Lease Agreement.

*In this announcement, unless the context otherwise requires, the terms “connected person(s)”, “continuing connected transaction(s)”, and “subsidiary(ies)” shall have the meanings given to such terms in the Listing Rules.*

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

Hong Kong, 27 March 2023

*As at the date of this announcement, the Board 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. Andrew Fan Chun Wah.*