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# 中國海外發展有限公司

## CHINA OVERSEAS LAND & INVESTMENT LTD.

*(incorporated in Hong Kong with limited liability)*

(Stock Code: 688)

### RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

#### FINANCIAL HIGHLIGHTS

1. Contracted property sales of the Group Series of Companies<sup>1</sup> was RMB294.76 billion and the corresponding GFA sold was 13.87 million sq m.
2. The Group's revenue was RMB180.32 billion.
3. The Group's revenue from commercial properties was RMB5.26 billion.
4. Profit attributable to the shareholders of the Company was RMB23.26 billion. Profit attributable to the shareholders of the Company excluding elements such as net gains after tax arising from changes in fair value of investment properties and net foreign exchange gains or losses, amounted to RMB24.42 billion (2021: RMB33.92 billion).
5. Basic earnings per share was RMB2.13.
6. The Group acquired 40 land parcels in 16 cities in mainland China, adding a total GFA of 7.39 million sq m to the land reserve. At 31 December 2022, total land reserve of the Group Series of Companies<sup>1</sup> was 68.42 million sq m.
7. At 31 December 2022, the Group had total debt amounted to RMB270.39 billion; bank balances and cash amounted to RMB110.31 billion; net gearing of the Group maintained at an industry-low level of 45.2%.
8. Equity attributable to the shareholders of the Company increased from RMB343.56 billion at the end of 2021 to RMB354.48 billion at the end of 2022, an increase of 3.2%. Net assets per share was RMB32.39. Return on equity was 6.7%.
9. The Board proposed a final dividend of HK40 cents per share. Together with an interim dividend of HK40 cents per share, the total dividends for the year were HK80 cents per share.

<sup>1</sup> *The Group together with its associates and joint ventures (collectively the "Group Series of Companies")*

The board of directors (the “Board”) of China Overseas Land & Investment Limited (the “Company”) hereby announces the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2022. Profit attributable to the shareholders of the Company amounted to RMB23.26 billion. Profit attributable to the shareholders of the Company excluding elements such as net gains after tax arising from changes in fair value of investment properties and net foreign exchange gains or losses, amounted to RMB24.42 billion (2021: RMB33.92 billion). Basic earnings per share was RMB2.13; equity attributable to the shareholders of the Company amounted to RMB354.48 billion; net assets per share was RMB32.39; and return on equity was 6.7%. The Board proposed a final dividend of HK40 cents per share for the year ended 31 December 2022.

The audited consolidated results of the Group for the year ended 31 December 2022 and the comparative figures in 2021 are as follows:

### CONSOLIDATED INCOME STATEMENT

	<i>Notes</i>	<b>2022</b> <i>RMB'000</i>	2021 <i>RMB'000</i>
<b>Revenue</b>	3	<b>180,321,569</b>	242,240,783
Direct operating costs		<b>(141,928,019)</b>	(185,214,985)
		<b>38,393,550</b>	57,025,798
Other income and (losses)/gains, net	4	<b>(1,785,094)</b>	4,712,403
Gain arising from changes in fair value of investment properties		<b>4,795,561</b>	5,540,183
Selling and distribution expenses		<b>(3,919,149)</b>	(3,778,148)
Administrative expenses		<b>(2,602,607)</b>	(3,190,504)
<b>Operating profit</b>		<b>34,882,261</b>	60,309,732
Share of profits and losses of			
Associates		<b>1,776,078</b>	2,781,412
Joint ventures		<b>405,315</b>	904,445
Finance costs	5	<b>(1,056,725)</b>	(865,928)
<b>Profit before tax</b>		<b>36,006,929</b>	63,129,661
Income tax expenses	6	<b>(11,450,757)</b>	(20,068,125)
<b>Profit for the year</b>		<b>24,556,172</b>	43,061,536
Attributable to:			
Owners of the Company		<b>23,264,747</b>	40,155,361
Non-controlling interests		<b>1,291,425</b>	2,906,175
		<b>24,556,172</b>	43,061,536
		<i>RMB</i>	<i>RMB</i>
<b>Earnings per share</b>	7		
Basic and diluted		<b>2.13</b>	3.67

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
<b>Profit for the year</b>	<b><u>24,556,172</u></b>	<b><u>43,061,536</u></b>
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss in subsequent periods</i>		
Exchange differences on translation of subsidiaries of the Company	(817,840)	(197,468)
Exchange differences on translation of associates	<u>(654,875)</u>	<u>210,003</u>
	<u>(1,472,715)</u>	<u>12,535</u>
<b>Other comprehensive income for the year</b>	<b><u>(1,472,715)</u></b>	<b><u>12,535</u></b>
<b>Total comprehensive income for the year</b>	<b><u>23,083,457</u></b>	<b><u>43,074,071</u></b>
Total comprehensive income attributable to:		
Owners of the Company	21,810,367	40,176,585
Non-controlling interests	<u>1,273,090</u>	<u>2,897,486</u>
	<b><u>23,083,457</u></b>	<b><u>43,074,071</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
<b>Non-current Assets</b>			
Property, plant and equipment		7,085,545	5,524,471
Investment properties		190,226,516	166,204,097
Goodwill		56,395	56,395
Interests in associates		21,241,893	17,862,412
Interests in joint ventures		22,168,401	22,708,422
Financial assets at fair value through profit or loss		218,173	120,228
Other receivables		298,254	366,255
Deferred tax assets		7,559,276	8,107,614
		<b>248,854,453</b>	<b>220,949,894</b>
<b>Current Assets</b>			
Stock of properties and other inventories		488,812,985	450,620,363
Land development expenditure		11,469,316	12,388,697
Trade and other receivables	9	7,042,079	8,244,489
Contract assets		1,278,436	926,912
Deposits and prepayments		11,929,654	11,393,943
Deposits for land use rights for property development		-	1,020,286
Amount due from a fellow subsidiary		-	62,490
Amounts due from associates		4,459,576	6,036,539
Amounts due from joint ventures		8,788,592	11,428,036
Amounts due from non-controlling shareholders		4,367,921	3,739,048
Tax prepaid		15,945,005	12,139,810
Bank balances and cash		110,306,115	130,956,191
		<b>664,399,679</b>	<b>648,956,804</b>
<b>Current Liabilities</b>			
Trade and other payables	10	78,650,740	90,054,871
Pre-sales proceeds		107,675,933	100,455,190
Amounts due to fellow subsidiaries and a related company		3,625,206	3,967,806
Amounts due to associates		1,635,770	1,872,114
Amounts due to joint ventures		4,408,323	5,962,081
Amounts due to non-controlling shareholders		13,712,388	7,534,562
Lease liabilities - due within one year		132,897	260,902
Tax liabilities		31,952,821	39,172,639
Bank and other borrowings - due within one year		19,717,640	38,220,634
Guaranteed notes and corporate bonds - due within one year		19,639,747	6,399,786
		<b>281,151,465</b>	<b>293,900,585</b>
<b>Net Current Assets</b>		<b>383,248,214</b>	<b>355,056,219</b>
<b>Total Assets Less Current Liabilities</b>		<b>632,102,667</b>	<b>576,006,113</b>

	<i>Notes</i>	<b>2022</b> <b>RMB'000</b>	2021 RMB'000
<b>Capital and Reserves</b>			
Share capital	<i>11</i>	<b>74,035,443</b>	74,033,624
Reserves		<b>280,444,265</b>	269,526,551
Equity attributable to owners of the Company		<b>354,479,708</b>	343,560,175
Non-controlling interests		<b>18,618,117</b>	13,546,179
<b>Total Equity</b>		<b>373,097,825</b>	357,106,354
<b>Non-current Liabilities</b>			
Lease liabilities - due after one year		<b>1,024,636</b>	371,424
Bank and other borrowings - due after one year		<b>145,834,990</b>	124,091,050
Guaranteed notes and corporate bonds - due after one year		<b>85,192,869</b>	73,210,824
Deferred tax liabilities		<b>26,952,347</b>	21,226,461
		<b>259,004,842</b>	218,899,759
<b>Total of Equity and Non-Current Liabilities</b>		<b>632,102,667</b>	576,006,113

*Notes:*

## 1. Basis of preparation

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

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

The financial information relating to the years ended 31 December 2022 and 2021 included in this preliminary announcement of annual results of 2022 does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with Section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2021 to the Hong Kong Registrar of Companies as required by Section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 31 December 2022 in due course. The Company’s auditor has reported on the financial statements of the Group for both years. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under Sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

## 2. Application of Revised HKFRSs

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

Amendments to HKFRS 3	<i>Reference to Conceptual Framework</i>
Amendment to HKFRS 16	<i>Covid-19-Related Rent Concessions beyond 30 June 2021</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i>
Amendments to HKAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
Annual Improvements to HKFRSs 2018-2020	<i>Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41</i>

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

The Group has not early adopted the following amendments to existing standards that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>3</sup></i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies<sup>1</sup></i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates<sup>1</sup></i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction<sup>1</sup></i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current<sup>2,4,5</sup></i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants<sup>2,5</sup></i>
Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback<sup>2</sup></i>

<sup>1</sup> *Effective for annual periods beginning on or after 1 January 2023*

<sup>2</sup> *Effective for annual periods beginning on or after 1 January 2024*

<sup>3</sup> *No mandatory effective date yet determined but available for early adoption*

<sup>4</sup> *As a consequence of the amendments to HKAS 1 issued in August 2020 and December 2022, Hong Kong Interpretation 5, Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause was revised to align the corresponding wording with no change in conclusion*

<sup>5</sup> *As a consequence of the amendments to HKAS 1, Non-current Liabilities with Covenants issued by the HKICPA in 2022, the effective date of the amendments to HKAS 1, Classification of Liabilities as Current or Non-current was deferred to annual periods beginning on or after 1 January 2024. In addition, consequential amendments were made to HKFRS Practice Statement 2, Making Materiality Judgement*

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

### 3. Revenue and results

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

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

#### Segment revenue and results

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

#### *Year ended 31 December 2022*

	Property development <i>RMB'000</i>	Property investment <i>RMB'000</i>	Other operations <i>RMB'000</i>	Segment total <i>RMB'000</i>
<b>Revenue from contracts with customers</b>				
- Recognised at a point in time	156,604,249	-	-	156,604,249
- Recognised over time	17,906,389	-	1,070,324	18,976,713
	<u>174,510,638</u>	<u>-</u>	<u>1,070,324</u>	<u>175,580,962</u>
<b>Revenue from other sources</b>				
- Rental income	-	4,740,607	-	4,740,607
<b>Segment revenue - External</b>	<u>174,510,638</u>	<u>4,740,607</u>	<u>1,070,324</u>	<u>180,321,569</u>
<b>Segment profit (including share of profits and losses of associates and joint ventures)</b>	<u>32,273,653</u>	<u>7,264,477</u>	<u>55,558</u>	<u>39,593,688</u>

*Year ended 31 December 2021*

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

**Reconciliation of reportable segment profit to the consolidated profit before tax**

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

	<b>2022</b> <i>RMB'000</i>	2021 <i>RMB'000</i>
Reportable segment profit	<b>39,593,688</b>	60,154,340
Unallocated items:		
Interest income on bank deposits	<b>1,821,626</b>	1,616,669
Corporate expenses	<b>(68,361)</b>	(232,652)
Finance costs	<b>(1,056,725)</b>	(865,928)
Net foreign exchange (losses)/gains recognised in the consolidated income statement	<u><b>(4,283,299)</b></u>	<u>2,457,232</u>
Consolidated profit before tax	<u><b>36,006,929</b></u>	<u>63,129,661</u>



#### 4. Other income and (losses)/gains, net

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Other income and (losses)/gains, net include:		
Interest income on bank deposits	1,821,626	1,616,669
Interest income on amounts due from fellow subsidiaries, associates, joint ventures and non-controlling shareholders	387,277	290,157
Other interest income	106,584	50,236
Total interest income	<u>2,315,487</u>	<u>1,957,062</u>
Net foreign exchange (losses)/gains	(5,179,102)	2,457,232
Add: exchange losses arising from foreign currency debt capitalised	<u>895,803</u>	-
Net foreign exchange (losses)/gains recognised in the consolidated income statement	<u>(4,283,299)</u>	<u>2,457,232</u>
Re-measurement gain on pre-existing interest in an associate upon acquisition	1,251,160	-
Gains on bargain purchase of subsidiaries	1,236,618	-
Impairment losses on stock of properties	(1,520,022)	-
Impairment losses on amounts due from joint ventures	(1,327,122)	-

#### 5. Finance costs

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Interest on bank and other borrowings, guaranteed notes and corporate bonds	9,577,935	7,844,825
Interest on amounts due to fellow subsidiaries and a related company, associates, joint ventures and non-controlling shareholders	560,198	330,479
Interest on lease liabilities and other finance costs	213,396	281,951
Total finance costs	<u>10,351,529</u>	<u>8,457,255</u>
Less: Amount capitalised	<u>(9,294,804)</u>	<u>(7,591,327)</u>
	<u>1,056,725</u>	<u>865,928</u>

## 6. Income tax expenses

	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Current tax:		
PRC Corporate Income Tax (“CIT”)	7,004,004	11,869,001
PRC Land Appreciation Tax (“LAT”)	2,902,387	6,856,260
PRC withholding income tax	49,614	333,352
Hong Kong profits tax	69,884	354,349
Macau income tax	5,070	18,020
Others	20,670	26,632
	<u>10,051,629</u>	<u>19,457,614</u>
Deferred tax:		
Current year	<u>1,399,128</u>	610,511
Total	<u>11,450,757</u>	<u>20,068,125</u>

Under the Law of PRC on CIT (the “CIT Law”) and Implementation Regulation of the CIT Law, the tax rate of PRC subsidiaries of the Company is 25% (2021: 25%).

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

Hong Kong profits tax is calculated at 16.5% (2021: 16.5%) of the estimated assessable profit for the year.

Macau income tax is calculated at the prevailing tax rate of 12% (2021: 12%) in Macau.

## 7. Earnings per share

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

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
<u>Earnings</u>		
Earnings for the purpose of calculation of basic and diluted earnings per share		
Profit for the year attributable to owners of the Company	<u>23,264,747</u>	<u>40,155,361</u>
	2022 <i>'000</i>	2021 <i>'000</i>
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purpose of calculation of basic and diluted earnings per share	<u>10,944,864</u>	<u>10,945,018</u>

No adjustment has been made to the basic earnings per share presented for the years ended 31 December 2022 and 2021 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share presented.

## 8. Dividends

### Dividends recognised as distributions during the year

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Interim dividend for the year ended 31 December 2022 of HK40 cents per share (2021: Interim dividend for the year ended 31 December 2021 of HK45 cents per share)	3,860,042	4,067,942
Final dividend for the year ended 31 December 2021 of HK76 cents per share (2021: Final dividend for the year ended 31 December 2020 of HK73 cents per share)	<u>7,018,822</u>	<u>6,664,221</u>
	<u>10,878,864</u>	<u>10,732,163</u>

The final dividend of HK40 cents per share for the year ended 31 December 2022, amounting to approximately RMB3,826,331,000 has been proposed by the Board and is subject to approval by the shareholders at the forthcoming annual general meeting of the Company. The amount of the proposed final dividend, which was calculated based on the number of ordinary shares in issue at the date of approval of the consolidated financial statements, has not been recognised as dividend payable in the consolidated financial statements.

## 9. Trade and other receivables

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

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

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

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Trade receivables, aged		
0 – 30 days	3,657,213	5,059,654
31 – 90 days	157,530	326,623
Over 90 days	<u>801,309</u>	<u>901,780</u>
	4,616,052	6,288,057
Other receivables – current portion	<u>2,426,027</u>	<u>1,956,432</u>
	<u><b>7,042,079</b></u>	<u><b>8,244,489</b></u>

In determining the recoverability of trade receivables, management has closely monitored the credit qualities and the collectability of these receivables and considers that the expected credit risks of them are minimal in view of the track record of repayment from them, the history of cooperation with them and forward-looking information. The concentration of credit risk is limited due to the customer base being large and unrelated. The provision of trade and other receivables was insignificant at the end of the reporting period (2021: insignificant).

## 10. Trade and other payables

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

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Trade payables, aged		
0 – 30 days	17,706,981	22,694,559
31 – 90 days	7,145,132	9,285,168
Over 90 days	<u>37,619,422</u>	<u>40,959,622</u>
	62,471,535	72,939,349
Other payables	9,480,747	11,486,856
Retention payable	<u>6,698,458</u>	<u>5,628,666</u>
	<u><b>78,650,740</b></u>	<u><b>90,054,871</b></u>

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

## 11. Share capital

	Number of shares '000	HK\$'000	RMB'000
<u>Issued and fully paid</u>			
At 1 January 2021	10,953,185	90,420,438	74,033,624
Shares repurchased (Note (i))	<u>(8,370)</u>	<u>-</u>	<u>-</u>
At 31 December 2021 and 1 January 2022	<b>10,944,815</b>	<b>90,420,438</b>	<b>74,033,624</b>
Exercise of share option under share option schemes (Note (ii))	<b>69</b>	<b>2,203</b>	<b>1,819</b>
At 31 December 2022	<b><u>10,944,884</u></b>	<b><u>90,422,641</u></b>	<b><u>74,035,443</u></b>

Notes:

- (i) During the year ended 31 December 2021, the Company repurchased a total of 8,370,000 of its shares on the Hong Kong Stock Exchange at an aggregate consideration of RMB108,413,000 (net of transaction costs) which was paid fully out of the Company's retained profits in accordance with Section 257 of the Hong Kong Companies Ordinance. All repurchased shares were cancelled during the year ended 31 December 2021. The total amount paid for the repurchase of the shares has been charged to retained profits of the Company during the year ended 31 December 2021.
- (ii) During the year ended 31 December 2022, the subscription rights attaching to 68,500 share options were exercised at the subscription price of HK\$25.85 per share, resulting in the issue of 68,500 shares for a total cash consideration, before expenses, of HK\$1,770,000 (equivalent to RMB1,461,000). An amount of HK\$433,000 (equivalent to RMB358,000) was transferred from the share option reserve to share capital upon the exercise of share options under share option scheme.

## **PROPOSED FINAL DIVIDEND**

The Board has recommended the payment of a final dividend of HK40 cents per share for the year ended 31 December 2022. Together with an interim dividend of HK40 cents per share, the total dividends for the whole year amounted to HK80 cents per share.

The proposed final dividend is subject to the approval by the shareholders of the Company at the forthcoming annual general meeting of the Company (the “2023 AGM”) and the final dividend warrant is expected to be despatched to the shareholders of the Company on 19 July 2023.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purposes of determining shareholders’ eligibility to attend and vote at the 2023 AGM, and entitlement to the proposed final dividend, the Company’s Register of Members will be closed as set out below:

(i) For determining eligibility to attend and vote at the 2023 AGM:

- Latest time to lodge transfer documents for registration with the Company’s registrar and transfer office At 4:30 p.m. on 21 June 2023
- Closure of Register of Members 23 June 2023 to 28 June 2023 (both days inclusive)
- Record date 28 June 2023

(ii) For determining entitlement to the final dividend:

- Ex-dividend date 30 June 2023
- Latest time to lodge transfer documents for registration with the Company’s registrar and transfer office At 4:30 p.m. on 3 July 2023
- Closure of Register of Members 4 July 2023
- Record date 4 July 2023

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the 2023 AGM, and to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s registrar and transfer office, Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than the aforementioned latest time.

## CHAIRMAN'S STATEMENT

In 2022, the global economy was impacted by factors including the COVID-19 pandemic, the Russo-Ukrainian War, and US dollar interest rate rises. Mainland China's economy faced the triple pressures of shrinking demand, disrupted supply and weakening expectations. With the weakening of growth expectations for the domestic economy and national income, the domestic real estate market continued to decline, entering a slump. In 2022, according to statistics from CRIC(克而瑞), total sales of the top 100 property developers decreased by 42.3% compared to last year and their attributable sales amount decreased by 42.2% compared to last year, which was the largest decline since the 1998 housing reform in mainland China.

The audited revenue of the Group for the year ended 31 December 2022 was RMB180.32 billion, profit attributable to equity shareholders of the Company was RMB23.26 billion. Profit attributable to the shareholders of the Company excluding elements such as net gains after tax arising from changes in fair value of investment properties and net foreign exchange gains or losses, amounted to RMB24.42 billion (2021: RMB33.92 billion). The equity attributable to the shareholders of the Company was RMB354.48 billion, and the net assets per share was RMB32.39.

The Group's performance was affected by significant market downturn. In response to the challenges in the market, the Group made targeted and lean investments, executed precise management, maintained industry-leading profitability, and continued to create value for the shareholders. The Board proposed a final dividend of HK40 cents per share for the year 2022, making total dividends of HK\$8.76 billion for the year.

The downward adjustment in the overall property market in the second half of 2021 signalled the end of the property market's rapid-growth phase, and that it was gradually entering the next phase. The property market is currently in a transitional period characterised by a significant drop in market volume, while gradually gathering momentum to bottom out. The Group maintains confidence in the development potential of the real estate industry in the next phase and believes that with policy and market in place, the property market is turning the bend and about to begin a new virtuous cycle, progressing into stable and healthy development in the next phase. Throughout the transitional period, the Group leveraged its strengths of financial soundness and abundant capital, pursued investment opportunities offering stability, strengthened its competitive advantages and proactively accumulated resources for sustainable and high-quality development in the future.

**Firstly, the Group intensified the advantages of its investment presence and strived to increase market share.** The Group has leveraged its long-term focus on its investment presence in major cities and mainstream locations, helping to boost market share, even amid a declining market. In 2022, the Group Series of Companies achieved contracted sales of RMB294.76 billion, accounting for 2.21% of national sales of residential properties, an increase from 2.03% in 2021. In 2022, according to statistics from CRIC(克而瑞), the attributable sales of the Group Series of Companies rose to third place in the industry, against market headwinds.

**Secondly, the Group enhanced its strong portfolio of premium properties and maintained a stable selling price in a market of falling supply and price.** In 2022, the average selling price of the Group Series of Companies was RMB21,251 per sq m, an increase of 8.7% compared to last year. In particular, the Group's average selling price was RMB25,548 per sq m, an increase of 12.5% compared to last year.

**Thirdly, the Group led the industry in the acquisition of new land parcels, and retained strong momentum for future quality development.** In 2022, the Group Series of Companies acquired 50 land parcels with a total land premium of RMB120.87 billion and corresponding newly added saleable resources of RMB240.34 billion. Among these, the Group acquired 40 land parcels with a total land premium of RMB110.72 billion and corresponding newly added saleable resources of RMB213.94 billion. In line with the trend of increasing market segmentation, the Group further focused on selecting the highest-quality assets in higher-tier cities. Newly added saleable resources in the four first-tier cities of Beijing, Shanghai, Guangzhou and Shenzhen accounted for 48.1% of the total newly added saleable resources of the Group. Seizing the opportunity of a realignment in the industry, the Group is actively seeking acquisition opportunities, and thus acquired equity interests in several projects in Guangzhou, Shanghai and Chengdu, with a total investment of RMB10.66 billion during the year. Going forward, the Group will continue to search out further acquisition opportunities.

**Fourthly, the Group put increasing numbers of commercial projects into operation, which are expected to accelerate rental income growth.** In 2022, coming through the pandemic, the Group's commercial properties operated steadily, with revenue reaching RMB5.26 billion, an increase of 1.8% compared to last year. The number of commercial properties in operation newly added by the Group reached a peak, with 15 new commercial properties in operation, including five shopping malls, one office building, six star-rated hotels, and three long-term leased apartments, for a total added GFA of 880,000 sq m, driving significant revenue growth from commercial properties.

**Fifthly, the Group benefitted from dual onshore and offshore financing channels, together with low finance costs and abundant funds, and leveraged its financial soundness to manoeuvre flexibly in a volatile market.** Amid a constrained offshore financing environment, the Group issued an offshore syndicated loan of HK\$12.11 billion. The Group's annual weighted average borrowing cost was 3.57%, which was among the lowest in the industry. At the end of 2022, the Group's liability-to-asset ratio was 59.1%, and the net gearing was 45.2%, and remained a "green category" enterprise. Cash on hand was RMB110.31 billion. The Group has the abundant financial resources to weather market fluctuations and seize opportunities that arise from market adjustments.

The Group sustains its strong cost advantages. In 2022, the Group's selling and distribution expenses and administrative expenses in total accounted for 3.6% of annual revenue, an industry-leading cost efficiency ratio. As more digital platforms and tools are applied by the management, the Group will enhance its control efficiency and digital management, and further strengthen its cost advantage and overall competitive advantage.

In 2022, the Group's main business of property development and operation was stable and it further intensified the competitive advantages of its main businesses, while its other businesses including senior living and elderly care, supply chain management, construction design and build-to-order services all achieved steady growth. Among them, Lingchao Supply Chain Management Company, founded two years ago, achieved annual revenue of RMB9.79 billion from external and internal customers.

Looking ahead, the domestic property market will continue to show "three major segmentations of market segmentation, industry segmentation and enterprise segmentation". The market is expected to bottom out as the Central Government re-emphasises the property sector as a pillar industry of the national economy and introduces a series of policies to support housing demand from first-time home buyers and upgraders. The Group confidently expects to achieve high-quality development and generate still further improved operating results in 2023.



In 2022, the impact of the global economic slowdown, the pandemic outbreak in Hong Kong and US dollar interest rate hikes drove an unbalanced decline in the Hong Kong property market, with prices and sales volumes falling in tandem. The Group Series of Companies coped effectively with these multiple challenges, and sales in Hong Kong reached HK\$13.59 billion. In 2023, Hong Kong relaxed its pandemic control measures and smoothly resumed cross-border exchanges with foreign countries. Although market sentiment was affected by economic uncertainty and interest rate hikes, and the property and land markets in Hong Kong show short-term fluctuation, the Group remains confident in Hong Kong's future development and will continue to seize opportunities to increase investment when appropriate.

The Group has been established for more than 40 years and listed in Hong Kong for 30 years. Through various economic cycles and fluctuations in the property market, the Group has maintained its leading position in the industry as it steadfastly pursues the long-term goal of becoming a centennial enterprise. Facing the pain and challenges of the industry's transition, the Group will continue to uphold the concept of quality development, being people-oriented and driving innovation and change. The Group will collaborate closely with its peers to facilitate the smooth transition of the real estate industry to a new development model and will lead the industry with quality development in the next phase.

Finally, I would like to take this opportunity to express my sincere gratitude to our domestic and overseas customers, the shareholders and the whole community for their support and trust. I would also like to express my heartfelt gratitude to my fellow directors and all employees for their dedication and determination to pursue excellence.

**China Overseas Land & Investment Limited**

**Yan Jianguo**

*Chairman and Executive Director*

## MANAGEMENT DISCUSSION & ANALYSIS

### Overall Performance

During the year, the revenue of the Group was RMB180.32 billion. The operating profit was RMB34.88 billion. The gross profit margin was 21.3% and the net profit margin attributable to shareholders was 12.9%. The ratio of selling, distribution and administrative expenses to revenue was 3.6%. Profit attributable to the shareholders of the Company amounted to RMB23.26 billion. Profit attributable to the shareholders of the Company excluding elements such as net gains after tax arising from changes in fair value of investment properties and net foreign exchange gains or losses, amounted to RMB24.42 billion (2021: RMB33.92 billion). Basic earnings per share was RMB2.13.

During the year, the Group recorded net foreign exchange losses of RMB4.28 billion (2021: net foreign exchange gains of RMB2.46 billion) due to fluctuations in market exchange rates.

### Property Development

In 2022, the contracted property sales of the Group Series of Companies was RMB294.76 billion and the corresponding GFA sold was 13.87 million sq m.

In 2022, the Group Series of Companies' contracted property sales and the corresponding GFA sold by region are as follows:

	<b>Contracted property sales (RMB billion)</b>	<b>Proportion (%)</b>	<b>GFA sold ('000 sq m)</b>	<b>Proportion (%)</b>
Southern Region	55.99	19.0%	1,962	14.1%
Eastern Region	49.49	16.8%	2,204	15.9%
Central and Western Region	24.91	8.5%	1,613	11.6%
Northern Region	77.34	26.2%	2,739	19.7%
Hong Kong, Macau and Overseas Region	11.57	3.9%	66	0.5%
<b>Sub-total for the Company and its subsidiaries</b>	<b>219.30</b>	<b>74.4%</b>	<b>8,584</b>	<b>61.8%</b>
Joint ventures and associates of the Company (excluding COGO)	35.14	11.9%	1,561	11.3%
China Overseas Grand Oceans Group Limited ("COGO")	40.32	13.7%	3,725	26.9%
<b>Total</b>	<b>294.76</b>	<b>100%</b>	<b>13,870</b>	<b>100%</b>

The Group adheres to cash flow management as its core policy, seeking to boost sales proceeds collection, including in Beijing, Guangzhou, Shenzhen, Hangzhou, Xiamen and Tianjin, where sales proceeds collection is satisfactory, at more than RMB10.0 billion in each city.

During the year, the Group's revenue from property development was RMB174.51 billion.

During the year, the net profit contribution from associates and joint ventures amounted to RMB2.18 billion.

The major associate, COGO, recorded contracted property sales of RMB40.32 billion, revenue of RMB57.49 billion, and profit attributable to the shareholders of RMB3.15 billion.

During the year, the Group Series of Companies (excluding COGO) completed projects with a total area of 14.45 million sq m in 33 cities in mainland China and in Hong Kong.

The area of projects completed by region in 2022 is as below:

City	Total Area ('000 sq m)
<b>Southern Region</b>	
Guangzhou	879
Foshan	641
Dongguan	604
Changsha	406
Xiamen	351
Zhuhai	193
Shenzhen	110
Hainan	54
Nanchang	23
<b>Sub-total</b>	<b>3,261</b>
<b>Eastern Region</b>	
Qingdao	1,084
Jinan	992
Yantai	567
Ningbo	478
Nanjing	409
Suzhou	334
Shanghai	162
Wuxi	64
<b>Sub-total</b>	<b>4,090</b>

City	Total Area ('000 sq m)
<b>Central and Western Region</b>	
Taiyuan	747
Zhengzhou	404
Xi'an	365
Wuhan	285
Guiyang	235
Chongqing	120
Kunming	114
Urumqi	106
Chengdu	82
<b>Sub-total</b>	<b>2,458</b>
<b>Northern Region</b>	
Beijing	2,029
Tianjin	612
Harbin	551
Shijiazhuang	406
Dalian	374
Shenyang	343
Changchun	266
<b>Sub-total</b>	<b>4,581</b>
<b>Hong Kong, Macau and Overseas Region</b>	
Hong Kong	55
<b>Sub-total</b>	<b>55</b>
<b>Total</b>	<b>14,445</b>

During the year, the Group acquired 40 land parcels in 16 cities in mainland China, adding a total GFA of 7.39 million sq m to the land reserve (attributable interest of 6.09 million sq m). The total land premium was RMB110.72 billion (attributable interest of RMB86.38 billion).

The table below shows the details of land parcels added in 2022:

City	Name of Development Project	Attributable Interest	Land Area ('000 sq m)	Total GFA ('000 sq m)
Beijing	Changping District Project	100%	60	216
Beijing	Daxing District Project	100%	23	85
Shanghai	Yangpu District Project	80%	34	170
Xiamen	Jimei District Project	100%	9	39
Chongqing	Yubei District Project #1	100%	59	162
Chengdu	Tianfu New Area Project #1	100%	38	110
Chengdu	High-tech Industrial Development Zone Project	100%	94	338
Chengdu	Tianfu New Area Project #2	100%	21	60
Changsha	Tianxin District Project #1	100%	131	339
Ningbo	Haishu District Project	100%	30	90
Nanjing	Jiangning District Project	100%	68	127
Guangzhou	Baiyun District Project	100%	25	116
Nanchang	High-tech Industrial Development Zone Project	100%	66	194
Beijing	Shijingshan District Project #1	99%	29	116
Xi'an	High-tech Industrial Development Zone Project #1	100%	51	207
Beijing	Shunyi District Project	70%	158	311
Dalian	High-tech Industrial Development Zone Project	100%	21	73
Qingdao	Huangdao District Project #1	51%	35	144
Qingdao	Huangdao District Project #2	51%	53	222
Ningbo	Jiangbei District Project	100%	80	291
Chengdu	Tianfu New Area Project #3	50%	47	170
Chongqing	Yubei District Project #2	100%	134	275
Beijing	Fengtai District Project #1	20%	44	163
Changsha	Tianxin District Project #2	100%	220	658
Shenzhen	Longhua District Project	70%	12	97
Xiamen	Siming District Project #1	40%	26	139
Dongguan	Nancheng Subdistrict Project	100%	16	78
Beijing	Haidian District Project #1	100%	48	125
Beijing	Haidian District Project #2	100%	46	161
Beijing	Fengtai District Project #2	100%	39	140
Ningbo	Yinzhou District Project	100%	31	115
Tianjin	Hexi District Project #1	100%	74	203
Tianjin	Hexi District Project #2	100%	15	43
Xi'an	High-tech Industrial Development Zone Project #2	100%	68	267
Xiamen	Siming District Project #2	48.5%	69	361
Shenzhen	Guangming District Project	100%	29	240
Beijing	Shijingshan District Project #2	100%	30	106

City	Name of Development Project	Attributable Interest	Land Area ('000 sq m)	Total GFA ('000 sq m)
Shenzhen	Qianhai Cooperation Zone Project	30%	24	165
Dongguan	Songshan Lake Science and Technology Industrial Park Project	20%	60	309
Xiamen	Huli District Project	30%	40	168
<b>Total</b>			<b>2,157</b>	<b>7,393</b>

At 31 December 2022, the Group Series of Companies (excluding COGO) had a total land reserve of 43.89 million sq m (attributable interest of 37.58 million sq m).

During the year, the major associate COGO increased its land reserve by 2.21 million sq m. At 31 December 2022, COGO's total land reserve was 24.53 million sq m (attributable interest of 20.75 million sq m).

The total land reserve of the Group Series of Companies reached 68.42 million sq m.

### Property Investment

The Group maintains a long-term approach, continues to cultivate the integrated urban ecosystem, and has established a diverse array of high-quality assets, well-known brands, and operating platforms from office buildings, shopping malls and long-term leased apartments to hotels, industrial parks, senior living and elderly care, and more, it has generated strong prospects for revenue growth.

During the year, rental income from the Group's investment properties amounted to RMB4.74 billion, an increase of 1.6% as compared to last year (if excluding rental relief impact, an increase of 7.2% compared to last year), of which rental income from office buildings amounted to RMB3.42 billion; and rental income from shopping malls amounted to RMB1.20 billion.

The gain arising from changes in fair value of investment properties amounted to RMB4.80 billion, a decrease of 13.4% compared to last year. The net gains after tax attributable to the shareholders of the Company amounted to RMB3.12 billion, a decrease of 17.2% compared to last year.

During the year, the Group added 15 commercial properties in operation, with an additional GFA of 880,000 sq m, achieving quality growth in the commercial portfolio. The newly added commercial properties in operation in 2022 are listed below:

Name of property	Type	City	Total GFA ('000 sq m)
China Overseas Fortune Center Tower B	Office Building	Beijing	71
Asian Games City Plaza Phase 1	Shopping Mall	Guangzhou	49
Jin'an Unielite	Shopping Mall	Beijing	31
Yinghai Unifun	Shopping Mall	Beijing	94
Unielite	Shopping Mall	Suzhou	35
Huashan Unipark	Shopping Mall	Jinan	211
Unilive Apartment (Hongqiao International)	Long-term Leased Apartment	Shanghai	6
Unilive Apartment (Huashan International)	Long-term Leased Apartment	Jinan	12
Unilive Apartment (Tianfu International)	Long-term Leased Apartment	Chengdu	47
Renaissance Zhuhai Hotel	Hotel	Zhuhai	82
The COLI Hotel	Hotel	Fuzhou	60
Ascott Qinghuang Chengdu	Hotel	Chengdu	44
Grand Hyatt Shenzhou Peninsula	Hotel	Hainan	79
The COLI Hotel	Hotel	Jinan	37
Kimpton Bamboo Grove Suzhou	Hotel	Suzhou	25
<b>Total</b>			<b>883</b>

## Other Operations

During the year, revenue from other operations amounted to RMB1.07 billion, of which income from hotels and other commercial properties was RMB520 million.

## Liquidity, Financial Resources and Debt Structure

The Group continues to adhere to the principle of prudent financial fund management, adhere to cash flow management as the core policy, adhere to the “centralised management; unified arrangement” of funds, accelerate turnover, operate steadily, and continue to consolidate cost control advantages. The Group will conduct financing activities through multiple channels according to its business needs, actively optimise debt structure, and work to manage healthy and reasonable gearing levels and borrowing costs.

The Group continues to maintain a prudent financial strategy. The net debt to equity ratio and other related indicators are lower than the “three red lines” metrics. It is a “green category” enterprise, and the net debt to equity ratio was in the lowest bracket in the industry. At 31 December 2022, the net current assets was RMB383.25 billion, the current ratio was 2.4 times, net gearing was 45.2%; and the cash on hand was RMB110.31 billion. During the year, the Group’s weighted average borrowing cost was 3.57%, among the lowest in the industry. The three major international credit rating agencies have given the Group industry-leading and stable credit ratings: Fitch A-/Stable; Moody’s Baa1/Stable; and Standard & Poor’s BBB+/Stable.

The Group continues to leverage the advantages of onshore and offshore dual financing platforms, flexibly use multiple tools, optimally apply various financing combinations, and proactively carry out innovative financing, with funds of RMB94.32 billion raised during the year. In 2022, the Group arranged a total of RMB20.04 billion of offshore loans, including a five-year syndicated loan of HK\$12.11 billion with 12 banks in Hong Kong, being the largest bank financing among China property developers during the year, and a sustainability-related club loan of GBP100 million which is the Group's first green offshore bank financing. The Group issued a total of RMB28.50 billion of onshore bonds, of which RMB10.50 billion was corporate bonds; RMB13.00 billion was medium term notes; and RMB5.00 billion was green carbon neutral commercial mortgage-backed securities products.

During the year, the Group raised funds from onshore and offshore debt financing amounting to RMB94.32 billion. Total repayment of debts amounted to RMB76.96 billion. Sales proceeds collection was RMB190.77 billion and other operating cash collection was RMB11.12 billion. Total operating cash collection amounted to RMB201.89 billion. Total capital expenditure payments for the Group were RMB183.52 billion (of which RMB105.48 billion was for land costs and RMB78.04 billion was for construction expenditure). At 31 December 2022, the Group had unpaid land premiums of RMB11.36 billion, while bank and other borrowings, and guaranteed notes and corporate bonds due to mature in the first half of 2023, amounted to RMB16.13 billion.

At 31 December 2022, the Group had bank and other borrowings amounting RMB165.56 billion while guaranteed notes and corporate bonds amounted to RMB104.83 billion. Total debt amounted to RMB270.39 billion, of which RMB39.36 billion will mature within a year, accounting for 14.6% of total debt. Among the total debt, 62.6% was denominated in renminbi, 22.6% was denominated in HK dollars, 14.5% was denominated in US dollars and 0.3% was denominated in pounds sterling. The fixed-rate debt accounted for 49.4% of total debt while the remaining was floating-rate debt.

At 31 December 2022, the Group's available funds amounted to RMB167.99 billion comprising bank balances and cash of RMB110.31 billion and unutilised banking facilities of RMB57.68 billion. Among the bank balances and cash, 94.1% was denominated in renminbi, 4.9% was denominated in HK dollars, 0.7% was denominated in US dollars, 0.1% was denominated in pounds sterling and a small amount was denominated in other currencies, while the above bank balances and cash also included regulated pre-sales proceeds of properties of RMB25.17 billion.

In 2022, global economy became increasingly uncertain in the face of risks related to the Russo-Ukrainian War, soaring global energy prices, and financial market volatility. Mainland China's economy is generally stable, but still faces downward pressure related to the pandemic situation and the international environment. The People's Bank of China cut interest rates three times, while the United States intensified and accelerated interest rate hikes to combat inflation, and the interest rate gap between mainland China and the United States widened. Despite a strengthened US dollar index and overall lower RMB exchange rate against the US dollar, the RMB exchange rate stabilised at the end of the year, and the RMB exchange rate index has been relatively stable against a basket of currencies. The Group offsets exchange rate and interest rate risks mainly through natural hedging and has not participated in any speculative trading of derivative financial instruments, but will carefully consider whether to conduct currency and interest rate swaps at an appropriate time to hedge against corresponding risks. The Board believes that the Group's exchange rate and interest rate risks are relatively controllable.



## Sustainable Development

During the year, the Group continued to strengthen disclosure transparency and credibility of the Environmental, Social and Governance (ESG) report in compliance with the Guidance under Appendix 27 of the Hong Kong Stock Exchange, and the Global Reporting Initiative (GRI) Standards and with reference to Standards of Sustainability Accounting Standards Board (SASB) and the United Nations' Guide for Business Action on the Sustainable Development Goals (SDGs). This year, a third-party verification organisation was sought to conduct independent assurance for the Group's ESG Report, responding to the expectations of the capital market.

The Group's ESG initiatives and management achievements have been highly recognised by the capital market. The Group was admitted into index constituents of the "Hang Seng Corporate Sustainability Index" (HSSUS) for 13 consecutive years (Top 30 Hong Kong-listed companies with the best ESG performance), was enlisted in the "Hang Seng ESG 50 Index" for three consecutive years, and was included in the newly launched "Hang Seng Climate Change 1.5°C Target Index" in May 2022. During the year, the Group was also granted the "2022 Influential Companies for ESG Development Top 10", "China Property of Supreme Excellence Award 2022", "BCI Asia Top 10 Developers (Hong Kong)", and the Platinum Award at "The Asset ESG Corporate Awards 2022", and other authoritative honors.

In active response to mainland China's "14th Five-Year Plan" and "3060" goals of achieving carbon peak and carbon neutrality, the Group established a China Overseas Land & Investment's Carbon Peak and Carbon Neutrality Working Leadership to coach and organise dual-carbon work of the Group, completed the related background research and analysis, as well as comprehensive carbon audit, striving to achieve carbon peak by 2030 and carbon neutrality by 2060, under the Group's sustainable development strategic framework of "a Company of Four Excellences".

With growing concern for climate change issues, the Group gradually refined the climate-related disclosures of the "Proposals on Task Force on Climate-related Financial Disclosures" (TCFD) during the year, completed climate change scenario analysis on physical and transition risks to understand the impacts of climate change on the Group's business in selected areas in terms of exposure and sensitivity under different scenarios, and identified the high-risk areas for the formulation of appropriate climate change response policies.

As at the end of 2022, the Group had accumulated 569 green building certifications, including National Green Building Star Certifications, US LEED certification, US BOMA certification, US WELL certification and UK BREEAM certification, corresponding to an accumulative green GFA reaching 98.69 million sq m. In particular, the new project of China Overseas Building is the exemplar of the Group's zero-carbon building. Aiming to build the first-ever 5A-level high-rise office building with nearly zero-energy building and zero carbon building (operation stage) in China, China Overseas Building has obtained the National Three-star Green Building Label, Three-star Healthy Building Label, Nearly Zero-Energy Building, WELL Platinum Certification, LEED Platinum Certification and a variety of pre-certifications. The building was also the only commercial project among all zero-carbon building technology demonstration projects of the Ministry of Housing and Urban-Rural Development of the PRC in 2022.

The Group placed great emphasis on sustainable supply chain management, constantly improved the “Supplier Code of Conduct”, and developed a new “Sustainable Procurement Policy” to encourage suppliers to abide by the code of conduct in ten aspects including environmental protection, corporate ethics, and health and safety. In 2022, the Group earnestly carried out the standardisation of green and healthy material procurement, and completed the formulation of green procurement category standards. During the year, the Group was acknowledged with the “Green Supply Chain Enterprise” by the Elite Award.

Adhering to the human resources strategy of “Diversified and Inclusive Recruitment and Talent Retention” and the talent concept of “Gathering Hard-workers and Inspiring Talents”, the Group has implemented a comprehensive performance management system, and measures the efforts and value creations of each employee in an open, fair and equitable manner. The Group continued to expand recruitment channels to select talents through three major recruitment brands, namely “Sons of the Sea”, “Sea’s Recruits” and “Stars of the Sea”. During the year, the Group won a number of employer recognition awards in 2022, including but not limited to the “2022 China Excellent Talent Management Award” and “2022 Top Human Resources Management Awards” by 51Job, “Best Employer Award 2022” by Zhaopin Limited, as well as “2022 Best Employer Brand Ranking Top 3” by Enchanting.

In 2022, the Group continued to facilitate rural revitalisation in three counties of Gansu Province with a focus on Zhuoni County, assisting in the selection of native characteristic agriculture products and creating a special new product “Highland barley & grain porridge” under the brand series of “Vale of Clouds” in collaboration with local government. More than 60 promotional events of “Sea of Hope, Rural Revitalisation” were carried out across the country. Besides, the Group held a week-long Greater Bay Area teacher training programme “Spring Bud Action” at Dongguan Nankai Experimental School to enhance the effectiveness of educational assistance.

## ANNUAL GENERAL MEETING

The 2023 AGM will be held on Wednesday, 28 June 2023 at 11:00 a.m.. The notice of the 2023 AGM, which constitutes part of a circular to shareholders of the Company, will be sent to the shareholders of the Company in due course.

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

Save as disclosed below, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Group's listed securities during the year ended 31 December 2022.

### Issue of Listed Securities

China Overseas Development Group Co., Ltd.\* (“China Overseas Development”), a wholly-owned subsidiary of the Company, issued the following securities during the year. The net proceeds are used to repay the existing indebtedness of the Group, finance general working capital and project development.

Securities	Issue Date	Due Date	Issue Scale (RMB'000)	Coupon Rate	Name of stock exchange/ market on which the securities are listed/issued
2022 medium term notes					National interbank bond market
(i) First tranche (Type I)	12 January 2022	14 January 2025	1,800,000	2.88%	
(ii) First tranche (Type II)	12 January 2022	14 January 2027	1,200,000	3.25%	
(iii) Second tranche (Green)	21 February 2022	23 February 2027	1,000,000	3.22%	
(iv) Third tranche (Type I)	25 May 2022	27 May 2025	2,000,000	2.63%	
(v) Third tranche (Type II)	25 May 2022	27 May 2027	1,000,000	3.10%	
(vi) Fourth tranche	21 July 2022	25 July 2027	2,000,000	3.26%	
(vii) Fifth tranche	25 October 2022	27 October 2027	1,000,000	2.85%	
(viii) Sixth tranche (Green)	12 December 2022	14 December 2027	2,000,000	2.70%	
(ix) Seventh tranche (Green)	12 December 2022	14 December 2027	1,000,000	2.70%	
2022 corporate bonds					Shenzhen Stock Exchange
(i) First tranche (Type I)	6 April 2022	7 April 2025	2,000,000	3.05%	
(ii) First tranche (Type II)	6 April 2022	7 April 2027	1,000,000	3.50%	
(iii) Second tranche (Type I)	9 May 2022	10 May 2025	1,500,000	2.75%	
(iv) Second tranche (Type II)	9 May 2022	10 May 2027	1,500,000	3.48%	
(v) Third tranche (Type I)	19 September 2022	20 September 2025	1,000,000	2.40%	
(vi) Third tranche (Type II)	19 September 2022	20 September 2027	500,000	3.15%	
(vii) Fourth tranche (Type I)	19 December 2022	20 December 2025	1,500,000	2.25%	
(viii) Fourth tranche (Type II)	19 December 2022	20 December 2027	1,500,000	2.70%	

\* English translation for identification purpose only

Beijing China Overseas Plaza Commercial Development Ltd.\* (“Beijing China Overseas Plaza”), a wholly-owned subsidiary of the Company, issued the following securities during the year. The net proceeds are used in the Group’s business development in the field of green industry. All the commercial mortgage-backed securities are listed on the Shenzhen Stock Exchange.

Securities	Issue Date	Due Date	Issue Scale
Green carbon neutral commercial mortgage-backed securities	29 March 2022	29 March 2040	Preferred class securities of RMB5,000 million at coupon rate of 3.35% and equity class securities of RMB1 million (Beijing China Overseas Plaza subscribed for all equity class securities)

## Redemption of Listed Securities

The following securities were redeemed by the wholly-owned subsidiaries of the Company during the year:

Name of Subsidiary	Securities	Issue Date	Redemption Date	Redemption Value (RMB'000)	Remaining Value (RMB'000)
China Overseas Development	RMB2,000 million at coupon rate of 3.47% corporate bonds which were listed on the Shenzhen Stock Exchange	23 January 2019	24 January 2022	2,000,000	Nil
Beijing China Overseas Plaza	(i) RMB3,701 million at coupon rate of 2.50% (ii) RMB3,001 million at coupon rate of 3.90% (iii) RMB1,001 million at coupon rate of 3.85% (iv) RMB2,101 million at coupon rate of 3.60% (v) RMB1,901 million at coupon rate of 3.50% (vi) RMB5,001 million at coupon rate of 3.35% Commercial mortgage-backed securities listed on the Shenzhen Stock Exchange	(i) 28 April 2020 (ii) 17 August 2020 (iii) 23 March 2021 (iv) 23 June 2021 (v) 10 November 2021 (vi) 29 March 2022	(i)-(iv) Principal amount with interest payable will be repaid in instalments in May and November each year    (v)-(vi) Principal amount with interest payable will be repaid in instalments in February and August each year	(i) 6,920 (ii) 2,800 (iii) 1,600 (iv) 38,000 (v) 7,850 (vi) 5,000	(i) 3,686,200 (ii) 2,996,500 (iii) 999,800 (iv) 2,045,100 (v) 1,894,150 (vi) 4,996,000
China Overseas Finance (Cayman) V Limited	US\$700 million at coupon rate of 3.95% guaranteed notes which were listed on the Hong Kong Stock Exchange	15 November 2012	15 November 2022	4,866,225	Nil

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

\* English translation for identification purpose only

## CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31 December 2022 with all the code provisions of the Corporate Governance Code from time to time as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”) and with some of the recommended best practices contained therein.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a set of code of conduct on governing securities transactions by directors (the “Code of Conduct”) on terms no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules. Having made specific inquiries to all directors of the Company, they confirmed that they have complied with the Code of Conduct throughout the year of 2022.

## **AUDIT AND RISK MANAGEMENT COMMITTEE AND REVIEW OF ACCOUNTS**

The Audit and Risk Management Committee of the Company has reviewed the accounting policies adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 December 2022.

## **SCOPE OF WORK OF MESSRS. ERNST & YOUNG**

The figures in respect of the Group’s consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2022 as set out in this results announcement have been agreed by the Company’s auditor, Ernst & Young, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on the results announcement.

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

Hong Kong, 31 March 2023

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

*This results announcement is published on the website of the Company (<http://www.coli.com.hk>) and the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>). The 2022 Annual Report will also be available at the aforementioned websites and will be despatched to shareholders of the Company thereafter in due course.*