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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)

**DISCLOSEABLE TRANSACTION
IN RELATION TO THE DISPOSAL AND REPURCHASE OF
THE RECEIVABLES AS THE UNDERLYING ASSETS
UNDER THE BOHAI TRUST SCHEME**

The Board announces that, on 11 December 2024, COGOP, a wholly-owned subsidiary of the Company, entered into the Underlying Assets Transfer and Repurchase Agreement with Bohai Trust, pursuant to which COGOP agreed to dispose of the Underlying Assets (being the receivables) to Bohai Trust (as the trustee of the Bohai Trust Scheme) at a consideration of no more than RMB500,000,000 (the “**Transaction**”). On the 180th day after the Transfer Date, COGOP shall repurchase all the remaining Underlying Assets held under the Bohai Trust Scheme.

As one or more of the applicable percentage ratios calculated for the Company in relation to the Transaction exceeds 5% but all the percentage ratios are less than 25%, the Transaction constitutes a discloseable transaction of the Company according to Chapter 14 of the Listing Rules and shall be subject to reporting and announcement requirements but is exempted from the Shareholders’ approval requirement under Chapter 14 of the Listing Rules.

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UNDERLYING ASSETS TRANSFER AND REPURCHASE AGREEMENT

The details of principal terms and conditions of the Underlying Assets Transfer and Repurchase Agreement are set out below:

Date

11 December 2024

Parties

- (1) COGOP as the transferor; and
- (2) Bohai Trust as the transferee.

Assets to be Disposed of

The assets to be disposed of under the Underlying Assets Transfer and Repurchase Agreement are receivables of the Project Companies to be acquired by COGOP under the Receivables Transfer Agreement(s) for onward disposal to Bohai Trust in accordance with the Underlying Assets Transfer and Repurchase Agreement, comprising the receivables owed to the Project Companies by property purchasers pursuant to various property purchase contracts (the “**Underlying Assets**”). The book value of the Underlying Assets to be acquired by Bohai Trust from COGOP under the Underlying Assets Transfer and Repurchase Agreement amounted to RMB555,668,781.71 as at the Benchmark Date.

Consideration and Payment Terms

Bohai Trust shall pay the purchase price of no more than RMB500,000,000 to COGOP for the Underlying Assets within five days after the fulfilment of the conditions precedent as stipulated in the Underlying Assets Transfer and Repurchase Agreement. Bohai Trust shall settle the payment with the subscription proceeds of the Fund Units at such amount to the bank account designated by COGOP.

The consideration was arrived at with reference to the book value of the Underlying Assets, the terms and conditions of the Bohai Trust Scheme, applicable laws and regulations and normal market practice.

Conditions Precedent

Completion of the Underlying Assets Transfer and Repurchase Agreement is conditional upon the fulfilment of the following salient conditions:

- (1) The subscription proceeds of the Fund Units from the Bohai Trust Scheme, intended to pay the consideration of the Underlying Assets, have been fully raised;
- (2) COGOP and Bohai Trust have signed and delivered to each other the Underlying Assets Transfer and Repurchase Agreement and other relevant documents under the Bohai Trust Scheme;
- (3) COGOP and Bohai Trust have received or obtained all consents, approvals and authorisations required for fulfilling the obligations under the Underlying Assets Transfer and Repurchase Agreement and other relevant documents under the Bohai Trust Scheme;
- (4) The Underlying Assets meet the qualified asset standards stipulated in the Underlying Assets Transfer and Repurchase Agreement and are free from any defects; and
- (5) The Bohai Trust Scheme has been established in accordance with agreed terms and conditions.

Underlying Assets Repurchase Arrangement

From the Transfer Date (inclusive), Bohai Trust is entitled to the receivables generated from the Benchmark Date (inclusive). On the 180th day after the Transfer Date, COGOP commits to unconditionally repurchasing all the remaining Underlying Assets held under the Bohai Trust Scheme at RMB500,000,000 (being the amount of the consideration), plus a repurchase premium which is the financing cost chargeable on COGOP for Bohai Trust advancing payments on the back of the transfer of these Underlying Assets to the Bohai Trust Scheme. Any recovery amount from the Underlying Assets collected by Bohai Trust shall be deducted from the repurchase price upon repurchase by COGOP.

Asset Redemption

When disqualified, distressed or disputed Underlying Assets are identified during the period from the Transfer Date up to the Repurchase Date, COGOP shall, pursuant to the Underlying Assets Transfer and Repurchase Agreement, redeem such disqualified, distressed or disputed Underlying Assets from Bohai Trust. The redemption price shall be the book value of the redeemed Underlying Assets.

BOHAI TRUST SCHEME

The Bohai Trust Scheme consists of Fund Units in the aggregate principal amount of RMB500,000,000 which shall be subscribed by subscribers. The Bohai Trust Scheme shall be terminated upon COGOP's fulfilment of all its repurchase obligations under the Underlying Assets Transfer and Repurchase Agreement. Thereafter, Bohai Trust shall no longer hold any rights to the Underlying Assets under the Underlying Assets Transfer and Repurchase Agreement. All rights to the Underlying Assets shall be retained by COGOP.

REASONS FOR AND BENEFITS OF THE TRANSACTION AND THE ESTABLISHMENT OF THE BOHAI TRUST SCHEME

The Transaction and the establishment of the Bohai Trust Scheme is beneficial to the Group as it provides the Group with immediate funding for working capital and business development. It also allows the Group to meet liquidity development needs and diversify the funding sources of the Group, and therefore increase capital use efficiency and enhance operational capabilities for the Group.

In view of the above, the Directors (including the independent non-executive Directors) consider that the Transaction and the establishment of the Bohai Trust Scheme is on normal commercial terms and fair and reasonable and in the interest of the Company and the Shareholders as a whole. None of the Directors has a material interest in the Transaction and the establishment of the Bohai Trust Scheme.

FINANCIAL IMPACT ON THE ESTABLISHMENT OF THE BOHAI TRUST SCHEME AND THE DISPOSAL OF THE UNDERLYING ASSETS

Based on the terms and conditions of the Transaction and the Bohai Trust Scheme, the consideration received by the Group under the Transaction is to be recorded as a borrowing to the Group according to applicable accounting policies. Therefore, the respective profit or loss impact of the Transaction and the establishment of the Bohai Trust Scheme on the Group will be the incurrence of interest payment and other costs and fees payable under the Bohai Trust Scheme as finance costs and administrative expenses, respectively. The Group intends to use the net proceeds from the Transaction for project development and construction and replenishment of working capital.

INFORMATION OF THE PARTIES

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

COGOP is a wholly-owned subsidiary of the Company and is principally engaged in investment and development of property, property sales and leasing, and commercial housing sales and leasing.

Bohai Trust is a company incorporated in the PRC with limited liability and is principally engaged in trust and financial businesses. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, at the date of this announcement, Bohai Trust and its ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated for the Company in relation to the Transaction exceeds 5% but all the percentage ratios are less than 25%, the Transaction constitutes a discloseable transaction of the Company according to Chapter 14 of the Listing Rules and shall be subject to reporting and announcement requirements but is exempted from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Benchmark Date”	12 December 2024;
“Board”	the board of Directors;
“Bohai Trust”	渤海國際信託股份有限公司(Bohai International Trust Co., Ltd.*), a company incorporated in PRC with limited liability;
“Bohai Trust Scheme”	渤海信託·2024 潤商 13 號集合資金信託計劃第 1 期(Bohai Trust · Runshong No. 13 Assembled Fund Trust Scheme 2024 Phase 1*);
“COGOP”	中海宏洋地產集團有限公司(China Overseas Grand Oceans Property Group Co., Ltd.*), a company incorporated in PRC with limited liability and a wholly-owned subsidiary of the Company;
“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);
“Director(s)”	the director(s) of the Company;
“Fund Units”	fund units to be subscribed by subscribers under the Bohai Trust Scheme, details of which are set out under the section headed “Bohai Trust Scheme” in this announcement;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of PRC;
“Independent Third Party(ies)”	an independent third party not connected with the Company and its subsidiaries, their respective directors, chief executives and substantial shareholders and any of their associates within the meaning of the Listing Rules;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;

“PRC”	the People’s Republic of China, but for the purpose of this announcement excluding Hong Kong, the Macao Special Administrative Region of PRC and Taiwan;
“Project Companies”	developers of various properties in PRC, each a subsidiary of the Company as at the date of this announcement;
“Receivables Transfer Agreement(s)”	the agreement(s) entered into between COGOP and the Project Companies for acquiring the Underlying Assets by COGOP from time to time;
“Repurchase Date”	on the 180th day after the Transfer Date, subject to adjustment pursuant to the terms and conditions of the Bohai Trust Scheme;
“RMB”	Renminbi, the lawful currency of PRC;
“Shareholder(s)”	the shareholder(s) of the Company from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transaction”	the disposal and repurchase of the Underlying Assets pursuant to the Underlying Assets Transfer and Repurchase Agreement;
“Transfer Date”	the date on which COGOP transfers the Underlying Assets to Bohai Trust as set out in the Underlying Assets Transfer and Repurchase Agreement;
“Underlying Assets”	the receivables of the Project Companies to be acquired by COGOP under the Receivables Transfer Agreement(s) for onward disposal to Bohai Trust in accordance with the Underlying Assets Transfer and Repurchase Agreement, comprising the receivables owed to the Project Companies by property purchasers pursuant to various property purchase contracts;

“Underlying Assets Transfer and Repurchase Agreement” the underlying assets transfer and repurchase agreement entered into by COGOP and Bohai Trust on 11 December 2024, pursuant to which COGOP agreed to transfer the Underlying Assets to Bohai Trust at a consideration of no more than RMB500,000,000; and

“%” per cent.

In this announcement, unless the context otherwise requires, the terms “associate(s)”, “percentage ratio(s)”, “subsidiary(ies)” and “substantial shareholder(s)” shall have the meanings given to such terms in the Listing Rules.

** English translation for identification purpose only.*

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

Hong Kong, 11 December 2024

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. Zhou Hancheng; two are non-executive Directors, namely Mr. Billy Yung Kwok Kee and Ms. Liu Ping, and three are independent non-executive Directors, namely Dr. Timpson Chung Shui Ming, Mr. Jeffrey Lam Kin Fung and Mr. Andrew Fan Chun Wah.