
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).

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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)

**RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS
WITH
中國建築股份有限公司
(CHINA STATE CONSTRUCTION ENGINEERING CORPORATION LIMITED)
IN RELATION TO CONSTRUCTION RELATED SERVICES
AND
NOTICE OF GENERAL MEETING**

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



Unless the context otherwise requires, all capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 5 to 15 of this circular and a letter from the Independent Board Committee is set out on pages IBC-1 to IBC-2 of this circular. A letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders is set out on pages IFA-1 to IFA-12 of this circular.

A notice convening the GM to be held at 7/F., Three Pacific Place, 1 Queen's Road East, Hong Kong on Monday, 23 June 2025 at 10:15 a.m. (or immediately after the conclusion of the annual general meeting of the Company to be held at the same venue and on the same day at 10:00 a.m.) is set out on pages GM-1 to GM-3 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 form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not less than 48 hours (exclusive of any part of a day that is a public holiday) before the time appointed for the GM (i.e. not later than 10:15 a.m. on Friday, 20 June 2025) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the GM and any adjournment thereof (as the case may be) should you so wish.

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

30 May 2025

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Accompanying document:

– *Form of Proxy*

DEFINITIONS

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

“associate(s)”, “close associate(s)”, “connected person(s)”, “continuing connected transaction(s)”, “controlling shareholder(s)”, “holding company”, “percentage ratios”, “subsidiary(ies)” and “substantial shareholder(s)”	each has the meaning ascribed to it under the Listing Rules;
“Board”	board of Directors;
“Cap(s)”	the maximum aggregate value of the contract sum of the contracts that may be awarded by the Group to the CSCECL Group for the provision of Construction Related Services for each year/period under the Renewal Engagement Agreement;
“COHL”	China Overseas Holdings Limited, a company incorporated in Hong Kong with limited liability and the holding company of COLI;
“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), which holds approximately 39.63% of the issued share capital of the Company as at the Latest Practicable Date;
“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);
“Construction Related Services”	services including building design, construction, piling and foundation, building and property fitting-out work, interior decoration, installation of air-conditioning units and elevators, environmental, social and governance related consulting, etc.;

DEFINITIONS

“CSCECL”	中國建築股份有限公司 (China State Construction Engineering Corporation Limited), a joint stock company incorporated in the PRC and whose shares are listed on the Shanghai Stock Exchange (Stock Code: 601668), which is an intermediate holding company of COLI;
“CSCECL Group”	CSCECL and its subsidiaries (for the purpose of this circular, excluding COHL, COLI, China State Construction International Holdings Limited and China Overseas Property Holdings Limited, and their respective subsidiaries) from time to time;
“Directors”	the director(s) of the Company;
“Existing Engagement Agreement”	the engagement agreement entered into between the Company and CSCECL on 18 May 2022 in respect of the engagement of the CSCECL Group as construction contractor for the Group’s construction works in the PRC from time to time upon successful tender(s) of the CSCECL Group during the period from 1 July 2022 to 30 June 2025 subject to the caps set out therein;
“GM”	the general meeting of the Company to be held at 7/F., Three Pacific Place, 1 Queen’s Road East, Hong Kong on Monday, 23 June 2025 at 10:15 a.m. (or immediately after the conclusion of the annual general meeting of the Company to be held at the same venue and on the same day at 10:00 a.m.), or any adjournment thereof;
“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. Andrew Fan Chun Wah, to advise the Independent Shareholders in respect of the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder;

DEFINITIONS

“Independent Financial Adviser” or “Maxa Capital”	Maxa Capital Limited, a licensed corporation 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 Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder;
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the GM to approve the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder under the Listing Rules;
“Latest Practicable Date”	26 May 2025, 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;
“PRC”	the People’s Republic of China, but for the purpose of this circular, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan;
“Renewal Engagement Agreement”	the engagement agreement entered into between the Company and CSCECL on 9 May 2025 in respect of the engagement of the CSCECL Group as contractor for the Group’s Construction Related Services in the PRC from time to time upon successful tender(s) of the CSCECL Group during the period from 1 July 2025 to 30 June 2028 subject to the Caps set out therein;
“RMB”	Renminbi, the lawful currency of the PRC;
“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 shareholder(s) of the Company from time to time;

DEFINITIONS

“Stock Exchange”

The Stock Exchange of Hong Kong Limited; and

“%”

per cent.

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. ZHOU Hancheng (*Vice President*)

Registered office:

Suites 701-702, 7/F

Three Pacific Place

1 Queen's Road East

Hong Kong

Non-executive Directors:

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

Ms. LIU Ping

Independent Non-executive Directors:

Dr. CHUNG Shui Ming, Timpson

Mr. LAM Kin Fung, Jeffrey

Mr. FAN Chun Wah, Andrew

30 May 2025

To the Shareholders

Dear Sir or Madam,

**RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS
WITH
中國建築股份有限公司
(CHINA STATE CONSTRUCTION ENGINEERING CORPORATION LIMITED)
IN RELATION TO CONSTRUCTION RELATED SERVICES
AND
NOTICE OF GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 9 May 2025 in relation to the Renewal Engagement Agreement entered into between the Company and CSCECL, pursuant to which the Group might continue to invite the CSCECL Group to participate in competitive tenders for the Group's Construction Related Services in the PRC and to engage the CSCECL Group upon its successful tender(s) for a term of three years from 1 July 2025 to 30 June 2028.

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

1. the particulars of the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder;

LETTER FROM THE BOARD

2. the letter from the Independent Board Committee with its recommendation to the Independent Shareholders on the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder;
3. the letter from the Independent Financial Adviser with its advice on the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder; and
4. other information as required under the Listing Rules,

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

RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 18 May 2022 in relation to, among other things, the Existing Engagement Agreement entered into between the Company and CSCECL, pursuant to which the Group might engage the CSCECL Group as contractor upon its successful tender(s) in accordance with the tendering procedures of the Group from time to time for a term of three years from 1 July 2022 to 30 June 2025.

The Existing Engagement Agreement will expire on 30 June 2025 and the Group expects to continue to invite the CSCECL Group to participate in competitive tenders for the Group's Construction Related Services in the PRC and to engage the CSCECL Group upon its successful tender(s). As such, on 9 May 2025, the Company and CSCECL entered into the Renewal Engagement Agreement for a term of three years from 1 July 2025 to 30 June 2028.

RENEWAL ENGAGEMENT AGREEMENT

Date

9 May 2025

Parties

1. The Company; and
2. CSCECL.

Subject Matter

Pursuant to the Renewal Engagement Agreement, it is agreed that:

1. any member of the CSCECL Group may submit tender for the Group's Construction Related Services in the PRC in accordance with the standard and systematic tendering procedures of the Group from time to time for a term of three years commencing from 1 July 2025 and ending on 30 June 2028 (for details on the Group's tendering procedures, please refer to the sections headed

LETTER FROM THE BOARD

“LETTER FROM THE BOARD — RENEWAL ENGAGEMENT AGREEMENT — Pricing Basis” and “LETTER FROM THE BOARD — RENEWAL ENGAGEMENT AGREEMENT — Tendering Procedures” of this circular);

2. if any contract is granted in favour of any member of the CSCECL Group as a result of a successful tender, such member of the CSCECL Group may act as contractor for the Group in the PRC to provide the Construction Related Services based on the terms of the successful tender provided that (i) such terms shall be consistent with the terms of the Renewal Engagement Agreement, which terms shall prevail to the extent of any inconsistency between any individual contract and the Renewal Engagement Agreement; and (ii) the aggregate amount of all contract sums in respect of the Construction Related Services that may be awarded by the Group to the CSCECL Group for the following years/periods shall not exceed the corresponding Caps as set out below:

For the period from			For the period from
1 July to	For the year ending	For the year ending	1 January to
31 December 2025	31 December 2026	31 December 2027	30 June 2028
RMB500 million	RMB800 million	RMB800 million	RMB500 million

3. the amounts in respect of the Construction Related Services payable by the Group to the CSCECL Group will be settled by way of progress payments after each stage of construction, inspection and completion. A small portion of the amounts payable will be retained by the Group for repair works to be carried out by CSCECL Group in respect of any defects after completion. The payment terms (including the exact percentage of the aforesaid progress payment and quality assurance payment) will be negotiated on arm's length basis and in line with comparable market standards and industry norms. Such terms will vary from contract to contract depending on actual circumstances and will be set out in the tender documents for the relevant individual contracts; and
4. for the avoidance of doubt, the transactions contemplated under the Renewal Engagement Agreement are entered into by the parties on a non-exclusive basis, and neither members of the Group nor members of the CSCECL Group shall be obliged to enter into any such transactions in relation to the Construction Related Services unless a successful tender is awarded.

Pricing Basis

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

The Group will normally invite contractors in the Group's approved list (which includes members of the CSCECL Group) to participate in competitive tenders for the Group's

LETTER FROM THE BOARD

Construction Related Services in the PRC in accordance with its standard and systematic tendering procedures. To the extent a potential contractor which the Group would like to invite is not yet on the Group's approved list, such potential contractor will be required to first submit an application to be listed as the Group's approved contractor through the procedures as set out under paragraph (i) of the sub-section headed "*1. Invitations to Tender*" below.

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

The price and terms of the tenders awarded by member(s) of the Group to member(s) of the CSCECL Group for the Construction Related Services are subject to the standard and systematic tendering 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 member(s) of the Group to member(s) of the CSCECL Group are no more favourable than those awarded to independent third parties.

1. Invitations to Tender

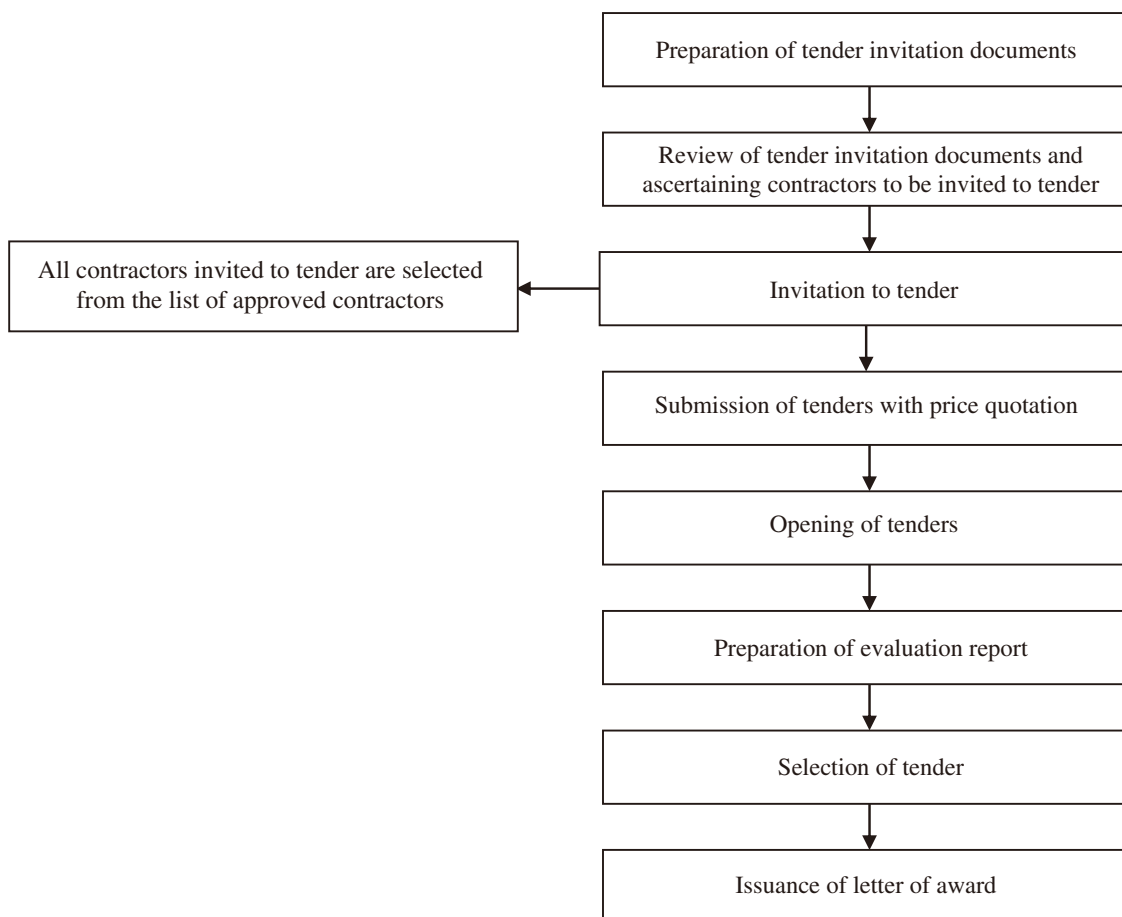
- (i) The Group has established its own list of approved contractors (which is subject to periodic review and update by its management). All contractors invited to submit tenders for the Group's projects are selected from such list. Contractors in the list include those contractors with or without prior working history with the Group. Contractors with working history with the Group will be subject to suitability assessment annually. A contractor can be retained in the list if the result of such assessment is satisfactory to the Group. The Group will remove a contractor from the list if it fails to meet the minimum criteria for retention. If a contractor has no prior working history with the Group, the contractor will be subject to qualification evaluation and review (including assessment on its qualification, performance, reputation, techniques, funding, relationship with the Group's other approved contractors and/or employees) to ascertain if it is suitable for including the contractor in the list.
- (ii) Number of tenders to be invited: not less than three tenders for the contracts of the Group's Construction Related Services in the PRC will be invited. Among the aforesaid tenders, at least two shall be from independent third parties.
- (iii) Selection of contractors to be invited to tender: the suitability of a contractor is assessed with reference to the selection criteria including but not limited to the contractor's qualification grade, financial ability, technical capability, cooperation record, project management ability, quality of work and business management capability. Depending on the estimated value of the relevant contract, the relevant leader in charge of the district company, which manages and operates the business activities in the cities within its own district, shall conduct the vetting process to ascertain which contractors to be invited to tender, following which the letter of invitation to tender will be issued.

LETTER FROM THE BOARD

2. *Tendering and Selection of Tenders*

- (i) Tendering: the Group has adopted an online tendering system which allows tenderers to submit their tenders online.
- (ii) Opening of tenders: upon the deadline for tender submission, the submitted tenders will be opened through the online tendering system operated by the department head of the cost management department of the district company. After the tenders are opened, the tender-opening records and uploaded information will be saved in the system and will be unalterable.
- (iii) Selection of tenders: based on the Group's established system of tendering, there must be at least two tenders from independent third parties for selection. The winning bid will usually be the one 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 contractor's capability and risk of default are given full consideration. The relevant decision-making body is the Group's engineering management committee, the members of which are all independent of the CSCECL Group. The relevant letter of award will be issued once the final decision is made in the meeting of the decision-making body based on the final tender amount.

Tendering Procedures



LETTER FROM THE BOARD

Calculation of the Caps

The Caps are calculated with reference to the following factors:

1. the caps, utilisation rates of the caps and total contract sums awarded by the Group to the CSCECL Group under the Existing Engagement Agreement:

- (i) the caps and utilisation rates of the caps under the Existing Engagement Agreement:

For the period from 1 July to 31 December 2022	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January to 30 June 2025
RMB280 million (0%) ⁽¹⁾	RMB520 million (Approximately 99%)	RMB520 million (Approximately 38%)	RMB280 million (0%) ⁽²⁾

Notes:

- (1) The nil utilisation rates for the respective periods from 1 July 2022 to 31 December 2022 and from 1 January 2025 to 30 June 2025 were primarily attributable to the delay of the development of certain projects for which the Group originally planned to invite CSCECL Group to tender. The Group expects that by the end of June 2025, CSCECL Group will be invited to tender for certain delayed projects with an aggregated contract sum of approximately RMB0.2 billion.
- (2) The utilisation rate of the cap is calculated with reference to the total contract sum awarded by the Group to the CSCECL Group for the period from 1 January to 31 March 2025.

- (ii) the total contract sums awarded by the Group to the CSCECL Group under the Existing Engagement Agreement:

For the period from 1 July to 31 December 2022	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January to 31 March 2025
Nil	RMB513 million	RMB195 million	Nil

2. the estimated total contract sums of the Construction Related Services in the range between RMB200 million to RMB260 million per contract based on the historical contract sums for the period from 1 July 2025 to 30 June 2028 for an estimate of 1 to 4 potential new construction projects per year for which the Group may from time to time invite the CSCECL Group to tender, taking into account the scale of such projects, and the prevailing market prices of construction materials and the labour costs, which are in line with the historical figures.

The contract sums payable by the Group under the Renewal Engagement Agreement will be satisfied by the Group in cash from its general working capital.

In light of the above factors, 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 Caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Shareholders should note that the Caps represent the best estimates by the Directors of the maximum amount of the relevant transaction(s) based on the information currently available. The Caps bear no direct relationship to, nor should be taken to have any direct bearing on, the Group's financial or potential financial performance. The Group may or may not engage the CSCECL Group to provide Construction Related Services up to the level of the Caps, if at all, as its engagement is subject to tendering procedures which are open to other independent third party contractors.

Conditions Precedent

The obligations in the Renewal Engagement Agreement are conditional upon the following conditions being satisfied on or before 30 June 2025 (or such other date as the parties to the Renewal Engagement Agreement may agree in writing), otherwise the Renewal Engagement Agreement shall terminate forthwith:

1. the Company having obtained the approval of the Independent Shareholders at the GM by way of poll in relation to the Renewal Engagement Agreement (including the Caps) and the transactions contemplated thereunder; and
2. the Company having complied with all other requirements as may be imposed by the Stock Exchange as a condition to the transactions contemplated under the Renewal Engagement Agreement (including the Caps) taking effect, if any.

REASONS FOR AND BENEFITS OF ENTERING INTO THE RENEWAL ENGAGEMENT AGREEMENT

The Directors consider that the CSCECL Group is a professional group with high qualifications in the PRC for providing Construction Related Services, and has a vast network of construction subsidiaries in the PRC. The Renewal Engagement Agreement, subject to successful tender(s), enables the Group to engage the CSCECL Group as its contractor and to provide the Construction Related Services for the property development projects of the Group in the PRC.

INTERNAL CONTROL MEASURES

In addition to the standard and systematic tendering procedures of the Group as mentioned in the sections headed "LETTER FROM THE BOARD — RENEWAL ENGAGEMENT AGREEMENT — Pricing Basis" and "LETTER FROM THE BOARD — RENEWAL ENGAGEMENT AGREEMENT — Tendering Procedures" in this circular, the Group has adopted the following internal control procedures in relation to the Renewal Engagement Agreement to protect the interests of the Shareholders:

1. the Group will comply with its internal control procedures in respect of connected transactions, where (i) the Company will review and compare the price of the tenders submitted by all the tenderers, the price of other similar projects and the market price for similar projects before selecting the tender with the reasonable lowest price; (ii) the intendance and audit department will monitor and inspect the tendering procedure; and (iii) the internal system of the Company

LETTER FROM THE BOARD

will, on an on-going basis regardless of the tender amount, monitor the amounts awarded if a successful tender is awarded to a connected person of the Company to ensure that the caps will not be exceeded before entering into any transactions contemplated under the corresponding framework/engagement agreements;

2. the Group will monitor the implementation of the Renewal Engagement Agreement on a regular basis and ensure that the transactions contemplated under the Renewal Engagement Agreement will be conducted under the terms of the Renewal Engagement Agreement, and the Caps will not be exceeded;
3. the Company will appoint an external auditor pursuant to the Listing Rules to conduct annual review of the transactions contemplated under the Renewal Engagement Agreement (together with the Caps);
4. the Company will continue to review on a regular basis the implementation and the effectiveness of the internal control system and tendering procedures of the Group; and
5. the independent non-executive Directors will review the report of the continuing connected transactions of the Company (including the transactions contemplated under the Renewal Engagement Agreement) annually to ensure that they have been entered into in the ordinary and usual course of business of the Group and on normal commercial terms, and have been carried out pursuant to the terms of such transactions, and that such terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Board considers that the above internal control procedures adopted by the Group in connection with the transactions contemplated under the Renewal Engagement Agreement are appropriate and sufficient, and will give sufficient assurance that such transactions contemplated under the Renewal Engagement Agreement will be appropriately monitored by the Company.

INFORMATION ON THE PARTIES

The Group is principally engaged in property development and commercial property operations.

The CSCECL Group is principally engaged in housing construction, infrastructure and investment, real estate investment and development, and investigation and design.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, CSCECL is an intermediate holding company of COLI which in turn holds approximately 39.63% of the issued share capital of the Company. Therefore, CSCECL is a connected person of the Company and the transactions contemplated under the Renewal Engagement Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

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

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 Renewal Engagement Agreement (together with the 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 7/F., Three Pacific Place, 1 Queen's Road East, Hong Kong at Monday, 23 June 2025 at 10:15 a.m. (or immediately after the conclusion of the annual general meeting of the Company to be held at the same venue and on the same day at 10:00 a.m.) is set out on pages GM-1 to GM-3 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 Renewal Engagement Agreement (together with the 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 and controlled the voting right in 1,410,758,152 Shares, representing approximately 39.63% of the issued share capital of the Company. COLI and its associates (namely, Star Amuse Limited and China Overseas Project Development Limited, being the direct Shareholders) 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 or its associates;
2. COLI and its associates were not subject to any obligation or entitlement whereby any of them had or might have temporarily or permanently passed control over the exercise of the voting right in respect of their Shares to a third party, either generally or on a case-by-case basis; and

LETTER FROM THE BOARD

3. it was not expected that there would be any discrepancy between the beneficial shareholding interest of COLI and its associates in the Company as disclosed in this circular and the number of Shares in respect of which they 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 and is also available on the websites of the Company (<https://www.cogogl.com.hk/en>) and HKEXnews (<https://www.hkexnews.hk>), respectively. Whether or not you intend to attend the GM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable and in any event not less than 48 hours (exclusive of any part of a day that is a public holiday) before the time appointed for the GM (i.e. not later than 10:15 a.m. on Friday, 20 June 2025) or any adjournment thereof. Completion and deposit of the form of proxy will not preclude you from attending and voting in person at the GM or any adjournment 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, 18 June 2025 to Monday, 23 June 2025 (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 the GM, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Tuesday, 17 June 2025.

RECOMMENDATION

Your attention is drawn to the letter of advice from the Independent Board Committee set out on pages IBC-1 to IBC-2 in this circular which contains its recommendation to the Independent Shareholders in relation to the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder.

Your attention is also drawn to the letter from the Independent Financial Adviser set out on pages IFA-1 to IFA-12 in this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder.

LETTER FROM THE BOARD

None of the Directors is regarded as having a material interest in the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder, and no Director is required to abstain from voting on the Board resolutions of the Company approving the Renewal Engagement Agreement (together with the Caps) 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) are of the view that as far as the Shareholders are concerned, the transactions contemplated under the Renewal Engagement Agreement are expected to be entered into in the ordinary and usual course of business of the Group, and the Renewal Engagement Agreement (together with the Caps) has been entered into on normal commercial terms, after arm's length negotiations between the parties, and the terms of the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder are fair and reasonable and in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the GM to approve the entering into of the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder.

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)

30 May 2025

To the Independent Shareholders

Dear Sir or Madam,

**RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS
WITH
中國建築股份有限公司
(CHINA STATE CONSTRUCTION ENGINEERING CORPORATION LIMITED)
IN RELATION TO CONSTRUCTION RELATED SERVICES**

We refer to the circular dated 30 May 2025 (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 Renewal Engagement Agreement (together with the 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 Renewal Engagement Agreement (together with the 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 15 of the Circular and the text of a letter of advice from the Independent Financial Adviser, as set out on pages IFA-1 to IFA-12 of the Circular, both of which provide details of the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder.

Having considered (i) the Renewal Engagement Agreement (together with the 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 Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder 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

Andrew Fan Chun Wah
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 Renewal Engagement Agreement (together with the Caps) and the respective transactions contemplated thereunder for the purpose of inclusion in this circular.



Unit 2602, 26/F, Golden Center
188 Des Voeux Road Central
Sheung Wan
Hong Kong

30 May 2025

To: The Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

**RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS
WITH
中國建築股份有限公司
(CHINA STATE CONSTRUCTION ENGINEERING CORPORATION LIMITED)
IN RELATION TO CONSTRUCTION RELATED SERVICES**

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 terms of the Renewal Engagement Agreement (together with the 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 30 May 2025 (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.

On 9 May 2025, the Company and CSCECL entered into the Renewal Engagement Agreement to extend all rights and obligations of the parties under the Existing Engagement Agreement (including the Caps) whereby the Group continues to invite the CSCECL Group to participate in competitive tenders for the Group’s Construction Related Services in the PRC and to engage the CSCECL Group upon its successful tender(s) for a term of three years from 1 July 2025 to 30 June 2028.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, CSCECL is an intermediate holding company of COLI which in turn holds approximately 39.63% of the issued share capital of the Company. Therefore, CSCECL is a connected person of the Company and the transactions contemplated under the Renewal Engagement Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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

INDEPENDENT BOARD COMMITTEE

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the Renewal Engagement Agreement (together with the Caps) and the transactions contemplated thereunder. We, Maxa Capital, 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 the Company, CSCECL 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 Renewal Engagement Agreement and the transactions contemplated thereunder (including the Caps). In the past two years, we were appointed by the Company as the independent financial adviser in respect of (i) continuing connected transaction in relation to renewal of master engagement agreement; and (ii) renewal of continuing connected transaction in relation to supply of materials; details of which were set out in the circulars of the Company dated 10 November 2023 and 15 November 2024, respectively. Each of the aforesaid previous appointments was limited to providing one-off independent advisory service, for which we received normal professional fees. Accordingly, we do not consider such previous appointments give rise to any conflict of interest for us in acting as the Independent Financial Adviser in respect of the Renewal Engagement Agreement and the transactions contemplated thereunder (including the Caps). 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.

BASIS OF OUR OPINION

In formulating our opinion and recommendation, we have reviewed, among other things: (i) the Renewal Engagement Agreement and the Existing Engagement Agreement; (ii) the annual report of the Company for the year ended 31 December 2023 (the “**2023AR**”); (iii) the annual report of the Company for the year ended 31 December 2024 (the “**2024AR**”); and (iv) the basis and assumption adopted in determining the 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 or referred to in the Circular and the information and representations as provided to us by the Directors and the management of the Group (the “**Management**”), for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the date of this letter. We have also

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

assumed that all statements of belief, opinion, expectation, and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. Our opinion is based on the Directors' representation and confirmation that no material facts have been omitted from the information provided and referred to in the Circular.

The Company confirmed that it has, at our request, provided us with all currently available information and documents which are available under present circumstances to enable us to reach an informed view and we have relied on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our opinion. We have no reason to suspect that any material facts or information, which is known to the Company, have been omitted or withheld from the information supplied or opinions expressed in the Circular nor do doubt the truth and accuracy of the information and facts, or the reasonableness of the opinions expressed by the Company and the Directors which have been provided to us. We have not, however, conducted any independent verification on the information provided to us by the Directors, nor have we conducted any form of independent in-depth investigation into the business and affairs of the Company, CSCECL and each of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Background information of the Group

The Group is principally engaged in property development and commercial property operations.

Set out below is the summarised financial information of the Group for the three years ended respectively on 31 December 2022, 31 December 2023, and 31 December 2024 ("FY2022", "FY2023", and "FY2024", respectively), as extracted from 2023AR and 2024AR of the Company.

	For the year ended 31 December		
	2022	2023	2024
	(audited)	(audited)	(audited)
	RMB'000	RMB'000	RMB'000
Revenue	57,492,018	56,408,144	45,895,252
Profit attributable to owners of the Company	3,150,440	2,301,686	954,050

The Group's revenue decreased by approximately 1.9% to approximately RMB56.4 billion for FY2023 from approximately RMB57.5 billion for FY2022 and the Group's revenue decreased by approximately 18.6% to approximately RMB45.9 billion for FY2024 from approximately RMB56.4 billion for FY2023. Such decrease in the Group's revenue was primarily due to the ongoing consolidation of the overall real estate market in the PRC in FY2023 and FY2024.

The Group's profit attributable to owners of the Company decreased by approximately 26.9% to approximately RMB2.3 billion for FY2023 from approximately RMB3.2 billion for

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

FY2022 and the Group's profit attributable to owners of the Company decreased by approximately 58.5% to approximately RMB954.1 million in FY2024 from approximately RMB2.3 billion in FY2023. Such decrease in the Group's profit attributable to owners of the Company was mainly due to the decrease in gross profit from sales of properties in FY2023 and FY2024.

	As at 31 December		
	2022	2023	2024
	(audited)	(audited)	(audited)
	RMB'000	RMB'000	RMB'000
Total assets	180,781,831	152,030,454	129,182,894
– Inventories of properties	131,891,355	107,119,484	84,369,988
– Cash and bank balances	29,330,896	26,020,603	27,290,854
Total liabilities	143,380,679	113,900,938	91,631,831
– Pre-sales proceeds	61,157,740	40,829,178	27,803,620
– Bank and other borrowings	43,005,162	34,908,813	30,919,589
– Trade and other payables	20,830,621	17,567,987	13,650,255
Net assets	37,401,152	38,129,516	37,551,063

Total assets

The decrease in the Group's total assets by approximately RMB28.8 billion to approximately RMB152.0 billion as at 31 December 2023 as compared to 31 December 2022 was mainly attributable to (i) decrease in inventories of properties by approximately RMB24.8 billion to RMB107.1 billion; and (ii) decrease in cash and bank balances by approximately RMB3.3 billion to RMB26.0 billion.

The decrease in the Group's total assets by approximately RMB22.8 billion to approximately RMB129.2 billion as at 31 December 2024 as compared to 31 December 2023 was mainly due to the decrease in inventories of properties by approximately RMB22.7 billion to RMB84.4 billion.

Total liabilities

The decrease in the Group's total liabilities by approximately RMB29.5 billion to approximately RMB113.9 billion as at 31 December 2023 as compared to 31 December 2022 was mainly due to (i) decrease in pre-sales proceeds by approximately RMB20.3 billion to RMB40.8 billion; (ii) decrease in bank and other borrowings by approximately RMB8.1 billion to RMB34.9 billion; and (iii) decrease in trade and other payables by approximately RMB3.3 billion to RMB17.6 billion.

The decrease in the Group's total liabilities by approximately RMB22.3 billion to approximately RMB91.6 billion as at 31 December 2024 as compared to 31 December 2023 was mainly due to (i) decrease in pre-sales proceeds by approximately RMB13.0 billion to RMB27.8 billion; (ii) decrease in bank and other borrowings by approximately RMB4.0 billion to RMB30.9 billion; and (iii) decrease in trade and other payables by approximately RMB3.9 billion to RMB13.7 billion.

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Net assets

The Group's net assets increased by approximately 1.9% to approximately RMB38.1 billion as at 31 December 2023 and then decreased by approximately 1.5% to approximately RMB37.6 billion as at 31 December 2024.

2. Background information of CSCECL

CSCECL is a joint stock company incorporated in the PRC whose shares are listed on the Shanghai Stock Exchange (Stock Code: 601668), and is an intermediate holding company of COLI. The CSCECL Group is principally engaged in housing construction, infrastructure and investment, real estate investment and development, and investigation and design.

3. Reasons for and benefits of entering into the Renewal Engagement Agreement

CSCECL is the world largest construction contractor and had demonstrated its capability with good reputation and proven track records in Construction Related Services. CSCECL ranked 14th on the 2024 Fortune Global 500, and ranked 1st in the 2024 Top 250 Global Contractors list published by Engineering News-Record. CSCECL Group has undertaken the construction of large number of landmark buildings in the PRC, such as Shenzhen Ping'an International Financial Center, Shanghai World Financial Center and Beijing CITIC Tower, etc.. We have reviewed CSCECL's annual reports in the past three years and noted that CSCECL Group recorded revenue from housing construction engineering segment of approximately RMB1,265.1 billion, RMB1,383.7 billion and RMB1,321.8 billion, and had total value of newly signed contracts from housing construction of approximately RMB2,472.8 billion, RMB2,689.4 billion and RMB2,651.6 billion for FY2022, FY2023 and FY2024, respectively. Benefiting from its superior expertise and scale strength, CSCECL Group is able to provide the Group with high-quality and stable nationwide Construction Related Services in the PRC that meet the Group's property development demand. Also, the entering into of the Renewal Engagement Agreement would provide the Group with a more diverse base of contractors to be invited to tender for Construction Related Services. The benign competition among the contractors as encouraged by the Group's standard and systematic tendering procedures will enable the Group to procure Construction Related Services from CSCECL Group at prices no higher than the prices offered by other independent qualified contractors and effectively reduce the Group's construction costs as well.

Based on the above, we agree with the Directors that the CSCECL Group is a professional group with high qualifications in the PRC for providing Construction Related Services, and has a vast network of construction subsidiaries in the PRC. The Group can benefit from entering into the Renewal Engagement Agreement (together with the Caps) with CSCECL, which would provide the Group with a more diverse base of contractors to participate in the Construction Related Services. The Renewal Engagement Agreement (together with the Caps) would allow the Group, but not impose an obligation, to engage the CSCECL Group to provide Construction Related Services as long as its tender is awarded in accordance with the Group's tendering procedures. Based on the foregoing, we consider that entering into the Renewal Engagement Agreement (together with the Caps) is in the ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

4. Principal terms of the Renewal Engagement Agreement

The terms of the Renewal Engagement Agreement are as follows:

Date

9 May 2025

Parties

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

Subject Matter

Pursuant to the Renewal Engagement Agreement, it is agreed that:

- a) any member of the CSCECL Group may submit tender for the Group's Construction Related Services in the PRC in accordance with the standard and systematic tendering procedures of the Group from time to time for a term of three years commencing from 1 July 2025 and ending on 30 June 2028;
- b) if any contract is granted in favour of any member of the CSCECL Group as a result of a successful tender, such member of the CSCECL Group may act as contractor for the Group in the PRC to provide the Construction Related Services based on the terms of the successful tender provided that (i) such terms shall be consistent with the terms of the Renewal Engagement Agreement, which terms shall prevail to the extent of any inconsistency between any individual contract and the Renewal Engagement Agreement; and (ii) the aggregate amount of all contract sums in respect of the Construction Related Services that may be awarded by the Group to the CSCECL Group for the following years/periods shall not exceed the corresponding Caps as set out below:

For the period from 1 July to 31 December 2025	For the year ending 31 December 2026	For the year ending 31 December 2027	For the period from 1 January to 30 June 2028
RMB500 million	RMB800 million	RMB800 million	RMB500 million

- c) the amounts in respect of the Construction Related Services payable by the Group to the CSCECL Group will be settled by way of progress payments after each stage of construction, inspection and completion. A small portion of the amounts payable will be retained by the Group for repair works to be carried out by CSCECL Group in respect of any defects after

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

completion. The payment terms (including the exact percentage of the aforesaid progress payment) and quality assurance payment will be negotiated on arm's length basis and in line with comparable market standards and industry norms. Such terms will vary from contract to contract depending on actual circumstances and will be set out in the tender documents for the relevant individual contracts; and

- d) for the avoidance of doubt, the transactions contemplated under the Renewal Engagement Agreement are entered into by the parties on a non-exclusive basis, and neither members of the Group nor members of the CSCECL Group shall be obliged to enter into any such transactions in relation to the Construction Related Services unless a successful tender is awarded.

Pricing Basis

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

The Group will normally invite contractors in the Group's approved list (which includes members of the CSCECL Group) to participate in competitive tenders for the Group's Construction Related Services in the PRC in accordance with its standard and systematic tendering procedures. To the extent a potential contractor which the Group would like to invite is not yet on the Group's approved list, such potential contractor will be required to first submit an application to be listed as the Group's approved contractor through the procedures as set out under the paragraph (i) of a sub-section headed "*1. Invitations to Tender*" in the Circular.

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

The price and terms of the tenders awarded by member(s) of the Group to member(s) of the CSCECL Group for the Construction Related Services are subject to the standard and systematic tendering 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 member(s) of the Group to member(s) of the CSCECL Group are no more favourable than those awarded to independent third parties.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In assessing the fairness and reasonableness of the terms in the Renewal Engagement Agreement, we have obtained and reviewed both the Existing Engagement Agreement and the Renewal Engagement Agreement. We noted that the major terms in the Renewal Engagement Agreement are similar with those in the Existing Engagement Agreement which was entered into and announced by the Company on 18 May 2022.

In respect of the pricing basis, we have randomly obtained and reviewed four historical tendering documents from the Management in relation to procurement of Construction Related Services by the Group from contractors, including a contract awarded to the members of the CSCECL Group and comparing to a contract awarded to independent third party contractors for each of FY2023 and FY2024. Given (i) the historical tendering documents are samples covering both FY2023 and FY2024, being the effective period of Existing Engagement Agreement whereas there were no Construction Related Services granted to the CSCECL Group during the second half of 2022 and first half of 2025; (ii) the historical tendering documents in each year comprise transactions between the Group and CSCECL Group and independent third parties, respectively; and (iii) the contract sum of sample tendering documents with CSCECL Group represents over 40% of the annual historical amount of the Existing Engagement Agreement in each year, we consider such allocation is appropriate and aforementioned samples are fair and representative. We note from the aforementioned historical tendering documents that (i) at least three contractors were invited and attended the tender for providing Construction Related Services; (ii) an evaluation report containing comparison analysis with reference to the selection criteria including but not limited to the tender participating contractors' qualification grade, financial ability, technical capability, cooperation record, project management ability, quality of work and business management capability was prepared for each reviewed historical tender; (iii) the selection of tender were decided by the Group's engineering management committee with signed documents capturing each committee member's decision; (iv) the contracts were awarded to the contractor conforming to the technical requirements with a reasonable lowest price offered; and (v) all parties participating in the tendering for each project are subject to the same payment terms, which follows the payment terms set out in the section headed "Subject Matter" above. Therefore, we consider that the pricing basis and payment terms set out in the Existing Engagement Agreement, which are the same as those set out in the Renewal Engagement Agreement, have been complied with and the prices and terms of the individual contracts awarded by the members of the Group to the members of the CSCECL Group are not more favourable than those awarded by the Group to independent third party contractors.

In view of the above, we consider that the terms of the Renewal Engagement Agreement are on normal commercial terms, the terms of which are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

5. Calculation of the Caps

The Caps are calculated with reference to the following factors:

- (i) the caps, utilisation rates of caps and total contract sums awarded by the Group to the CSCECL Group under the Existing Engagement Agreement:

	For the period from 1 July to 31 December 2022	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January to 30 June 2025
Caps and utilisation rates of annual caps under the Existing Engagement Agreement	RMB280 million (0%) ⁽¹⁾	RMB520 million (Approximately 99%)	RMB520 million (Approximately 38%)	RMB280 million (0%) ⁽²⁾

Notes:

- (1) The nil utilisation rates for the respective periods from 1 July 2022 to 31 December 2022 and from 1 January 2025 to 30 June 2025 were primarily attributable to the delay of the development of certain projects for which the Group originally planned to invite CSCECL Group to tender. The Group expects that by the end of June 2025, CSCECL Group will be invited to tender for certain delayed projects with an aggregated contract sum of approximately RMB0.2 billion.
- (2) The utilisation rate of the cap is calculated with reference to the total contract sum awarded by the Group to the CSCECL Group for the period from 1 January to 31 March 2025.

	For the period from 1 July to 31 December 2022	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January to 31 March 2025
Total contract sums awarded by the Group to the CSCECL Group under the Existing Engagement Agreement	Nil	RMB513 million	RMB195 million	Nil

- (ii) the estimated total contract sums of the Construction Related Services in the range between RMB200 million to RMB260 million per contract based on the historical contract sums for the period from 1 July 2025 to 30 June 2028 for an estimate of 1 to 4 potential new construction projects per year for which the Group may from time to time invite the CSCECL Group to tender, taking into account the scale of such projects, and the prevailing market prices of construction materials and the labour costs, which are in line with the historical figures.

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In assessing the fairness and reasonableness of the Caps, we have reviewed the historical contract sums awarded by the Group to the CSCECL Group, the existing caps under the Existing Engagement Agreement (the “**Existing Caps**”) and the Caps. We noted that (i) the Caps for the period from 1 July to 31 December 2025 and the period from 1 January to 30 June 2028 of RMB500 million represent an increase of approximately 78.6% as compared to the Existing Caps for the period from 1 July to 31 December 2022 and the period from 1 January to 30 June 2025, respectively; (ii) the Caps for the two years ending 31 December 2027 of RMB800 million represent an increase of 53.8% as compared to the Existing Caps for the two years ended 31 December 2024; and (iii) the highest historical contract sums awarded by the Group to the CSCECL Group during the validity period of the Existing Engagement Agreement reached approximately RMB513 million in FY2023, representing approximately 99% of the Existing Caps for the year ended 31 December 2023.

We have reviewed the detailed calculation of the Caps and discussed with the Management on the basis and assumptions used in such calculation. We understood that the Caps are determined with reference to the estimated total contract sums of the Group’s Construction Related Services that may be awarded to the CSCECL Group, which are projected based on the estimated number and scale of potential new construction projects of the Group in the PRC for the period from 1 July 2025 to 30 June 2028. We have reviewed the annual reports of the Group for three years ended 31 December 2024 and noted that there were over 20 new projects of the Group commenced the construction work in the PRC for each of FY2022, FY2023 and FY2024, which is in line with the annual estimated number of potential new construction projects of the Group for the three-years period from 1 July 2025 to 30 June 2028. As advised by the Management, it is expected that around 1 to 4 potential new construction projects may be awarded to the CSCECL Group per year for the period from 1 July 2025 to 30 June 2028. We have obtained and reviewed a list of historical construction contracts entered into by the Group with the CSCECL Group for Construction Related Services and noted that 1 and 2 master construction contracts for certain existing construction projects were awarded to the CSCECL Group in FY2023 and FY2024 respectively with contract sums ranging from approximately RMB200 million to RMB260 million, which are generally in line with the estimated number and scale of potential new construction projects of the Group that may be awarded to the CSCECL Group in the projection. We have also discussed with the Management and understood that the Group is expected to invite more state-owned construction enterprises to attend the tender for the Group’s Construction Related Services in the PRC as the contract fulfilling capability of non-state-owned construction enterprises may be affected by financial strain in the recent years due to the tighter credit policy, therefore the possibility of contracts being awarded to the CSCECL Group for the period from 1 July 2025 to 30 June 2028 may increase and the estimated maximum number of potential new construction projects may be awarded to the CSCECL Group per year in the projection increase accordingly, resulting in the increase in the Caps as compared to the Existing Caps.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered (i) the historical contract sums awarded to the CSCECL Group under the Existing Engagement Agreement; (ii) the Caps are determined with reference to the expected total contract sums in respect of Construction Related Services that could be awarded to the CSCECL Group; and (iii) the Caps will continue to provide the Group with a contractor that with strong technical capability and deep understanding of the Group, we consider that the Caps are set to accommodate the potential contract sums of procurement of Construction Related Services by the Group from the CSCECL Group and are fair and reasonable.

6. Internal control procedures

The Group has established certain internal control procedures for the transactions contemplated under the Renewal Engagement Agreement, details of which are included in section headed “INTERNAL CONTROL MEASURES” in the Circular.

Pursuant to Rules 14A.55 and 14A.56 of the Listing Rules, the independent non-executive Directors and auditor of the Company will conduct annual review and issue confirmations regarding the continuing connected transactions of the Group each year. We have reviewed the 2023AR and 2024AR and noted that the independent non-executive directors and the auditor of the Company have reviewed the non-exempt continuing connected transactions during such years and provided the relevant confirmations. As confirmed with the Company, the Company will continue to comply with the relevant annual review requirements under the Listing Rules on an on-going basis and therefore the transactions contemplated under the Renewal Engagement Agreement will be reviewed annually by the independent non-executive Directors and the auditor of the Company.

In addition, we have also obtained and reviewed four historical tendering documents in relation to procurement of Construction Related Services by the Group from contractors (including two contracts awarded to the members of the CSCECL Group and two contracts awarded to independent third party contractors) in FY2023 and FY2024, where we noted that (a) the selection of tender was decided by the Group’s construction management committee with formal documentations; (b) the contracts were awarded to the contractor conforming to the technical requirements with a reasonable lowest price offered subject to the tendering procedures; (c) the prices and terms of the individual contracts awarded by the members of the Group to the members of the CSCECL Group are not more favourable than those awarded by the Group to independent third party contractors; and (d) the contract sums awarded to connected persons of the Company were monitored by the internal system of the Company.

Based on the above, we are of the view that there are effective internal control measures in place to continue to monitor the continuing connected transactions under the Renewal Engagement Agreement and the Caps, and hence the interest of the Shareholders would be safeguarded.

RECOMMENDATION

Having considered the above principal factors and reasons discussed above, we consider that (i) the terms of the Renewal Engagement Agreement (together with the Caps) are on normal commercial terms, in the ordinary and usual course of business of the Group and are

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

fair and reasonable so far as the Independent Shareholders are concerned, (ii) the entering into of the Renewal Engagement Agreement (together with the 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 Renewal Engagement Agreement (together with the 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 shares and underlying shares of the Company

Name of Directors	Capacity	Nature of interests	Number of Shares held	Approximate percentage of the Shares in issue ⁽¹⁾	
				Aggregate Number of Shares held	
Mr. Zhuang Yong	Beneficial owner	Personal	800,825	800,825	0.02%
Mr. Yang Lin	Beneficial owner	Personal	2,550,000	2,550,000	0.07%
Mr. Zhou Hancheng	Beneficial owner	Personal	810,000	810,000	0.02%
Mr. Yung Kwok Kee, Billy	Beneficial owner	Personal	19,194,749	464,390,730	13.05%
	Beneficial of a trust ⁽²⁾	Other	372,617,689		
	Interest of controlled corporation ⁽³⁾	Interest in controlled corporation	62,578,292		
	Interest of spouse ⁽⁴⁾	Family	10,000,000		
Ms. Liu Ping	Interest of spouse	Family	200,000	200,000	0.01%

Name of Directors	Capacity	Nature of interests	Number of Shares held	Approximate percentage of the Shares in issue ⁽¹⁾	
				Aggregate Number of Shares held	
Dr. Chung Shui Ming, Timpson	Beneficial owner	Personal	544,875	544,875	0.02%

Note:

- (1) The percentage is based on the total number of Shares in issue as at the Latest Practicable Date (i.e. 3,559,374,732 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 80.55% by Red Dynasty Investments Limited, a company wholly-owned by Mr. Yung Kwok Kee, Billy.
- (4) Mr. Yung Kwok Kee, Billy is deemed to be interested in 10,000,000 Shares through the interest of his spouse, Ms. Vivian Hsu.

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 (if any) was a director or employee of a company which had an interest or short position in the Shares and underlying Shares 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 Directors	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
Ms. Liu Ping	COLI	General Manager of the Finance and Treasury Department

DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors or proposed Directors (if any) had any direct or indirect interest in any assets which had been, since 31 December 2024 (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 2024, 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, and Ms. Liu Ping, a Non-executive Director of the Company, is also the general manager of the finance and treasury department of COLI. COHL and COLI are principally engaged in investment holding, property development, commercial property operations, and other 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 (if any) or their respective close associates (as if each of them was 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 followings are the qualifications of the expert who had given its opinions and advices which are contained in this circular:

Name	Qualification
Maxa Capital Limited	A licensed corporation 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 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 2024 (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.

DOCUMENT ON DISPLAY

Copy of the Renewal Engagement Agreement will be published on the websites of the Company (<https://www.cogogl.com.hk/en>) and HKEXnews (<https://www.hkexnews.hk>), respectively, for a period of 14 days from the publication date of this circular.

NOTICE OF GENERAL MEETING



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 OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting (the “**GM**”) of China Overseas Grand Oceans Group Limited (the “**Company**”) will be held at 7/F., Three Pacific Place, 1 Queen’s Road East, Hong Kong on Monday, 23 June 2025 at 10:15 a.m. (or immediately after the conclusion of the annual general meeting of the Company to be held at the same venue and on the same day at 10:00 a.m.) 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 30 May 2025 of which this notice forms part.

ORDINARY RESOLUTION

“THAT:

- (A) (i) the Renewal Engagement Agreement (as defined in the circular of the Company dated 30 May 2025 of which this notice forms part (the “**Circular**”)) (a copy of which is tabled at the meeting and marked “A” and initialled by the chairman of the meeting for identification purpose) and the transactions contemplated thereunder, and the implementation thereof be and are hereby approved, confirmed and ratified;
- (ii) the Caps (as defined in the Circular) for the period between 1 July 2025 and 30 June 2028 be and are hereby approved; and
- (B) any one Director (or any two Directors or any two persons appointed by the Board, 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/her to be incidental to, ancillary to or in connection with the matters contemplated in the Renewal Engagement 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, 30 May 2025

NOTICE OF GENERAL MEETING

Registered Office:

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

Notes:

1. Any 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 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 and are also available on the websites of the Company (<https://www.cogogl.com.hk/en>) and HKEXnews (<https://www.hkexnews.hk>).
2. Whether or not you are able to attend the GM in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and deposit it, 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, at the Company's share registrar, Tricor Investor Services Limited ("**Tricor**") at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable and in any event not less than 48 hours (exclusive of any part of a day that is a public holiday) before the time appointed for the GM (i.e. not later than 10:15 a.m. on Friday, 20 June 2025) or any adjournment thereof.
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 its legal representative, director(s) 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 adjournment thereof 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, 18 June 2025 to Monday, 23 June 2025 (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 at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Tuesday, 17 June 2025.
7. Pursuant to Rule 13.39(4) of 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 websites of the Company (<https://www.cogogl.com.hk>) and HKEXnews (<https://www.hkexnews.hk>), respectively.
9. References to dates and time in this notice are to Hong Kong dates and time.
10. If a tropical cyclone warning signal no. 8 or above, a black rainstorm warning signal and/or extreme conditions are in force in Hong Kong at anytime from 7:15 a.m. to 10:15 a.m. on the date of the GM, the GM will not be held on that day but will be automatically postponed. The Company will publish an announcement on the respective websites of the Company and HKEXnews to notify members of the Company of the date, time and location of the rescheduled meeting.
11. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

NOTICE OF GENERAL MEETING

12. **No distribution of gifts or cake coupons and no refreshments will be served at the GM.**
13. As at the date of this notice, 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.