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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 CONTINUING CONNECTED TRANSACTIONS WITH CHINA OVERSEAS PROPERTY HOLDINGS LIMITED IN RELATION TO THE DISPOSALS OF CAR PARKING SPACES

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 5 September 2022 in relation to, among other things, the Existing Framework Agreement entered into between the Company and COPL, pursuant to which the Group might dispose of the rights-of-use of car parking spaces (including the right to occupy, assign or rent out, until the land use right(s) of the relevant project(s) at which the car parking spaces are located expire) to the COPL Group as its inventory (i.e. the Transactions), such car parking spaces being car parking spaces of developments or properties built, developed or owned by the Group and managed by the COPL Group as property manager, from time to time for a term of three years from 1 January 2023 to 31 December 2025 (both dates inclusive).

The Existing Framework Agreement will expire on 31 December 2025 and the Group expects to continue to enter into the Transactions with the COPL Group. As such, on 28 November 2025, the Company and COPL entered into the Renewal Framework Agreement for a term of three years from 1 January 2026 to 31 December 2028 (both dates inclusive).

LISTING RULES IMPLICATIONS

As at the date of this announcement, COHL is a holding company of each of COPL and COLI which in turn holds 39.63% of the issued share capital of the Company. Therefore, COPL is an associate of COHL and a connected person of the Company and the Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios calculated for the Company in respect of the Cap is more than 0.1% but all are less than 5%, the Transactions are only subject to the reporting, announcement and annual review requirements but are exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

Reference is made to the announcement of the Company dated 5 September 2022 in relation to, among other things, the Existing Framework Agreement entered into between the Company and COPL, pursuant to which the Group might dispose of the rights-of-use of car parking spaces (including the right to occupy, assign or rent out, until the land use right(s) of the relevant project(s) at which the car parking spaces are located expire) to the COPL Group as its inventory (i.e. the Transactions), such car parking spaces being car parking spaces of developments or properties built, developed or owned by the Group and managed by the COPL Group as property manager, from time to time for a term of three years from 1 January 2023 to 31 December 2025 (both dates inclusive).

The Existing Framework Agreement will expire on 31 December 2025 and the Group expects to continue to enter into the Transactions with the COPL Group. As such, on 28 November 2025, the Company and COPL entered into the Renewal Framework Agreement for a term of three years from 1 January 2026 to 31 December 2028 (both dates inclusive).

RENEWAL FRAMEWORK AGREEMENT

Set out below are the principal terms of the Renewal Framework Agreement.

Date

28 November 2025

Parties

1. The Company; and

2. COPL.

Term

From 1 January 2026 to 31 December 2028 (both dates inclusive).

Subject matter

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

1. the respective members of the Group and the COPL Group may enter into the Transactions from time to time during the term of the Renewal Framework Agreement provided that (i) the terms of the Transactions shall be consistent with the terms of the Renewal Framework Agreement, which terms shall prevail to the extent of any inconsistency between the Transactions and the Renewal Framework Agreement; and (ii) the aggregate amount of all agreement sums of the Transactions that may be entered into between the Group and the COPL Group for each of the following years shall not exceed the corresponding Caps as set out below:

For the year ending 31 December 2026	**For the year ending 31 December 2027**	**For the year ending 31 December 2028**
RMB100 million	RMB100 million	RMB100 million

2. the amounts payable for the Transactions by the COPL Group to the Group will be settled pursuant to the payment terms set out in the individual agreements;

3. during the term of the Renewal Framework Agreement, the respective members of the Group and the COPL Group may from time to time enter into separate definitive agreement(s) in relation to any Transactions, which shall set out the particular terms of the Transaction(s) (including the payment terms) and be in compliance with the terms of the Renewal Framework Agreement, in particular:

   (i) for the Group as seller, its terms shall be on normal commercial terms (or on an arm's length basis or on terms no less favourable to the Group than terms available to independent third parties for similar transactions (as the case may be)) and are fair and reasonable;

   (ii) for the COPL Group as purchaser, its terms shall be on normal commercial terms (or on an arm's length basis or on terms no less favourable to the COPL Group than terms available from independent third parties for similar transactions (as the case may be)) and are fair and reasonable;

   (iii) the price for the Transaction(s) shall be based on the pricing basis under the Renewal Framework Agreement, which is set out in the section headed "RENEWAL FRAMEWORK AGREEMENT – Pricing Basis" of this announcement;

   (iv) all the Transactions are in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole; and

   (v) all the Transactions are in the ordinary and usual course of business of the COPL Group and in the interest of COPL and its shareholders as a whole.

4. for the avoidance of doubt, the Transactions are entered into by the parties on a non-exclusive basis, and neither members of the Group nor members of the COPL Group shall be obliged to enter into any Transactions unless agreed by the parties.

In the PRC, trading in car parking spaces can be carried out by assignment of the rights-of-use in the car parking spaces. The car parking spaces may include non-air raid shelter car parking spaces and air raid shelter car parking spaces, as in the case with the transactions under the Existing Framework Agreement. In respect of the non-air raid shelter car parking spaces, if the procedures to transfer property rights can be completed in the future (for example, due to any relaxation of existing PRC policies which currently only allow assignment of the rights-of-use of some non-air raid shelter car parking spaces instead of transfer of property rights), the Group shall actively cooperate with the COPL Group to handle the transfer of property rights. Following such transfer of property rights, the ownership of such non-air raid shelter car parking spaces will altogether be transferred to the COPL Group.

Pricing Basis

As seller, the Company (or the relevant subsidiary) will verify the valuation to be obtained by the Company (or the relevant subsidiary) from an independent third party property appraiser and will take into account the factors such as development cost, historical maintenance cost, ongoing management cost savings, terms of the Transactions and the qualifications of the purchaser to determine the sale price (i.e. the consideration) for each relevant Transaction. In any event, the sale price (i.e. the consideration) shall be no less favourable to the Group than that available to independent third party purchasers for similar transactions.

Basis of Calculation of the Caps

No transactions were conducted under the Existing Framework Agreement for the years ended 31 December 2023 and 2024, and the nine months period ended 30 September 2025. During the said years/period, due to the economic downward adjustment in the PRC's property market, the COPL Group adopted a much more cautious approach in its acquisition of the rights-of-use of car parking spaces. The Caps are calculated with reference to, among other things, the estimated value of the portfolios of car parking spaces to be made available by the Group for the COPL Group to purchase selectively and the projected aggregate amount of Transactions to be entered into between the Group and the COPL Group during the term of the Renewal Framework Agreement.

Shareholders should note that the Caps represent the best estimates by the Directors of the maximum amount of the Transactions 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 enter into the Transaction(s) with the COPL Group up to the level of the Caps, if at all.

REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE RENEWAL FRAMEWORK AGREEMENT

The Renewal Framework Agreement enables the Group to dispose of the rights-of-use of car parking spaces of developments or properties built, developed or owned by the Group to its property manager, the COPL Group. Compared to selling to the individual property owners, the disposal to the COPL Group in batches by the Group can accelerate the capital turnover and save selling expenses for the Group. The Directors also consider that the entering into of the Transactions is in line with the Group's overall development strategy.

The Directors (including the independent non-executive Directors) are of the view that the Transactions are expected to be entered into in the ordinary and usual course of business of the Group, and the Renewal Framework 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 Framework Agreement (together with the Caps) and the Transactions are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL MEASURES

The Group has adopted the following internal control procedures in relation to the Renewal Framework 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 ensure that the consideration for the Transactions will be no less favourable than those offered to other independent third parties for similar transactions; and (ii) the internal system of the Company will, on an on-going basis regardless of the amount, monitor the amount of the relevant transactions to ensure that the caps will not be exceeded before entering into any transactions with the connected persons under the corresponding framework agreement;

2. the Group will monitor the implementation of the Renewal Framework Agreement on a regular basis and ensure that the Transactions will be conducted under the terms of the Renewal Framework 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;

4. the Company will continue to review on a regular basis the implementation and the effectiveness of the internal control system 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) 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 after arm's length negotiations, and have been carried out pursuant to the terms of Transactions, and that such terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Board considers that the above internal control procedures adopted by the Group in connection with the Transactions are appropriate and adequate, and will give sufficient assurance that the Transactions will be appropriately monitored by the Company.

INFORMATION ON THE PARTIES

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

The COPL Group is principally engaged in the provision of property management services, value-added services to non-residents and residents and car parking space trading business.

CSCEC (a state-owned corporation in the PRC) is the ultimate holding company of CSCECL, COHL, COLI and COPL. 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 date of this announcement, COHL is a holding company of each of COPL and COLI which in turn holds 39.63% of the issued share capital of the Company. Therefore, COPL is an associate of COHL and a connected person of the Company and the Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios calculated for the Company in respect of the Cap is more than 0.1% but all are less than 5%, the Transactions are only subject to the reporting, announcement and annual review requirements but are exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors is regarded as having a material interest in the Renewal Framework Agreement (together with the Caps) and the Transactions. However, Mr. Zhuang Yong, being the Chairman and Executive Director of the Company, vice chairman and non-executive director of COLI and a director of COHL, has voluntarily abstained from voting on the Board resolutions of the Company approving the Renewal Framework Agreement (together with the Caps) and the Transactions. Save for Mr. Zhuang Yong, none of the other Directors have abstained from voting on the Board resolutions approving the Renewal Framework Agreement (together with the Caps) and the Transactions.

DEFINITIONS

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

"associate(s)", "connected person(s)", "continuing connected transaction(s)", "holding company", "percentage ratios" and "subsidiary(ies)"	each has the meaning ascribed to it under the Listing Rules;
"Board"	the board of Directors;
"Caps"	the maximum total agreement sums for the Transactions for each year under the Renewal Framework Agreement;
"COHL"	China Overseas Holdings Limited, a company incorporated in Hong Kong with limited liability and the holding company of each of COLI and COPL;
"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 date of this announcement;

"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);
"COPL"	China Overseas Property Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 2669);
"COPL Group"	COPL and its subsidiaries from time to time;
"CSCEC"	中國建築集團有限公司 (China State Construction Engineering Corporation), a state-owned corporation organised and existing under the laws of the PRC, and the ultimate holding company of CSCECL, COHL, COLI and COPL;
"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), and an intermediate holding company of COHL, COLI and COPL;
"CSCECL Group"	CSCECL and its subsidiaries (for the purpose of this announcement, excluding COHL, COLI, China State Construction International Holdings Limited, COPL, and their respective subsidiaries) from time to time;
"Director(s)"	the director(s) of the Company;
"Existing Framework Agreement"	the existing framework agreement entered into between the Company and COPL on 5 September 2022 in respect of the Transactions during the period from 1 January 2023 to 31 December 2025;
"Group"	the Company and its subsidiaries from time to time;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange;
"PRC"	People's Republic of China, but for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region and Taiwan of the People's Republic of China;
"Renewal Framework Agreement"	the framework agreement entered into between the Company and COPL on 28 November 2025 in respect of the Transactions during the period from 1 January 2026 to 31 December 2028;
"RMB"	Renminbi, the lawful currency of the PRC;

"Shareholder(s)"	the shareholder(s) of the Company from time to time;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Transactions"	the transactions between the Group and the COPL Group for the disposal of the rights-of-use of car parking spaces (including the right to occupy, assign or rent out, until the land use right(s) of the relevant project(s) at which the car parking spaces are located expire) by the Group to the COPL Group as its inventory, such car parking spaces being car parking spaces of developments or properties built, developed or owned by the Group and managed by the COPL Group as property manager; and
"%"	per cent.

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

Hong Kong, 28 November 2025

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.