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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 PROPERTY MANAGEMENT SERVICES

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 28 April 2023 in relation to, among other things, the Existing Framework Agreement entered into between the Company and COPL in relation to the engagement of the COPL Group by the Group to provide the Services for the Projects through the tender process conducted by the Group from time to time for a term of three years from 1 July 2023 to 30 June 2026 (both dates inclusive).

As the Existing Framework Agreement will expire on 30 June 2026, and the Group expects to continue to engage the COPL Group to provide Services for the Projects through the tender process conducted by the Group. As such, on 29 April 2026, the Company and COPL entered into the Renewal Framework Agreement for a term of three years from 1 July 2026 to 30 June 2029 (both dates inclusive).

LISTING RULES IMPLICATIONS

As at the date of this announcement, COHL is the holding company of each of COPL and COLI. COLI 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 contemplated under the Renewal Framework Agreement 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 Caps is more than 0.1% but all are less than 5%, the transactions contemplated under the Renewal Framework Agreement are only subject to reporting, announcement and annual review requirements but are exempt from the circular and independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

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RENEWAL FRAMEWORK AGREEMENT

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

Date

29 April 2026

Parties

1. The Company; and

2. COPL.

Duration

From 1 July 2026 to 30 June 2029 (both dates inclusive), subject to the fulfillment of the conditions precedent to the Renewal Framework Agreement.

Terms

Pursuant to the Renewal Framework Agreement, any member of the COPL Group may provide Services to the Group for the Projects, subject to the Caps.

The Group will go through a standard and systematic tender procedure (details of which are set out in the paragraph headed "Pricing Basis" below) to select and appoint service providers (which may include the COPL Group) for the provision of Services to the Group.

Conditions Precedent

The transactions contemplated under the Renewal Framework Agreement (together with the Caps) are conditional upon (i) the passing of the resolution by COPL's independent shareholders at COPL's extraordinary general meeting approving the Renewal Framework Agreement (together with the Caps) and the transactions contemplated thereunder, and (ii) the Company and COPL having complied with all requirements under the Listing Rules with respect to the transactions contemplated under the Renewal Framework Agreement.

Caps

The Caps for the term of the Renewal Framework Agreement are as follows:

For the period from 1 July to 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028	For the period from 1 January to 30 June 2029
RMB220 million (approximately HK$253 million)	RMB360 million (approximately HK$414 million)	RMB360 million (approximately HK$414 million)	RMB250 million (approximately HK$288 million)

Note: The amounts of HK$ are based on the exchange rate of RMB1 to HK$1.15.

Basis of Determination of the Caps

The Caps are calculated with reference to the following factors:

1. the historical caps and historical amounts paid or payable by the Group to the COPL Group for the Services provided for the Projects for each period/year under the Existing Framework Agreement:

	For the period from 1 July to 31 December 2023	For the year ended 31 December 2024	For the year ended 31 December 2025	For the period from 1 January to 30 June 2026
Historical caps	HK$230 million	HK$460 million	HK$470 million	HK$250 million
Historical amounts paid or payable by the Group to the COPL Group for the Services provided for the Projects	HK$221,128,000	HK$351,965,000	HK$382,207,000	HK$39,291,000 *(Note)*

Note: The amount of HK$39,291,000 represents the historical amounts paid or payable by the Group to the COPL Group for the Services provided for the Projects for the three months ended 31 March 2026.

2. the expected demand for Services with reference to the estimated GFA of the Projects which the Group expects to invite the COPL Group to tender for the Services for the term under the Renewal Framework Agreement; and

3. the estimated fees for the Services for the term under the Renewal Framework Agreement and the prevailing market fees.

Shareholders should note that the Caps represent the best estimates by the Directors of the amount of the relevant 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 amount of transaction(s) to be entered into between the COPL Group and the Group in respect of the Services will be subject to the outcome of the tender(s) and the Caps, and hence the Group may or may not enter into the relevant transaction(s) with the COPL Group.

Payment Terms

In respect of the transactions under the Renewal Framework Agreement, the fees payable by the Group to the COPL Group will be settled pursuant to the payment terms prescribed under the terms of the specific tender or contract.

Pricing Basis

Under the Renewal Framework Agreement, as a general principle, the prices and terms of the contracts for the provision of Services shall be determined in the ordinary course of business on normal commercial terms or better, negotiated on arm's length basis, at prevailing market prices of similar services and on terms no more favourable than those granted to other service providers who are independent third parties.

Property Management Services - Tender Process

The Group is responsible for drawing up specification and requirements for a tender, based on a typical invitation to tender template and the specific requirements for a property development project.

In order to make an invitation to tender (the "**Invitation To Tender**"), all relevant documents (including the Application Form for Making Invitation to Tender (《招標備案申請表》), governmental approvals obtained for the property development, and documents comprising the Invitation To Tender) are required to be submitted and filed with the Relevant Local Authority in advance in respect of the PRC Projects.

The Relevant Local Authority can, according to the size of the property development and the expected contract amount involved, decide that the tender procedure set out below does not apply to a particular property management contract because it is insignificant. Different Relevant Local Authorities have adopted different criteria in deciding whether a contract is insignificant for the tender process.

In the case of an open tender, the Invitation To Tender is required to be published by way of a public notice in the press or media. In the case of a restricted tender, the Invitation To Tender is required to be sent to no less than three selected property management service providers. Whether an open tender or a restricted tender is required will depend on the respective requirements stipulated by the Relevant Local Authority.

Property Management Services - Tender Evaluation and Grant of Awards

Bidders will be required to provide pre-qualification documents for vetting before the formal tender documents are submitted.

According to the applicable PRC laws and regulations, the tender evaluation process and the composition of the tender evaluation committee must comply with the requirements set out in Temporary Measures on the Tendering and Bidding for Initial Property Management Services (《前期物業管理招標投標管理暫行辦法》) (Jian Zhu Fang (2003) No. 130) promulgated by the Ministry of Housing and Urban-Rural Development of PRC (中華人民共和國住房和城鄉建設部) on 26 June 2003. The tender evaluation committee shall comprise an odd number of five or more members and at least two-thirds of the members must be property management experts selected on a random basis from a list compiled by the Relevant Local Authority.

If there are less than three bidders, upon the approval of the Relevant Local Authority, the Group may engage a property management company directly through a contract.

The tender evaluation committee shall evaluate the tender based on the specification and requirements of the Invitation To Tender with the view to rank the top three recommended bidders. The Group will confirm the winner and proceed to arrange for necessary notification.

Where selection of service provider through tender process is not required by the applicable laws and regulations from time to time, the Group will obtain at least three quotations from independent service providers and the member of the COPL Group. If the price and terms offered by the member of the COPL Group are equal to or better than those offered by independent service providers on the condition that the service provider also satisfies all other essential requirements (including but not limited to relevant experience, quality of services and track records), the Group may consider to accept the quotation from such member of the COPL Group.

The above tender process and steps involved may be simplified and streamlined depending on the size of the project and the expected contract amount involved.

Value-Added Services - Tender Process

The Group will normally invite service providers to participate in competitive tenders for the provision of value-added services to the Projects in accordance with its tendering procedures.

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

The price and terms of the tenders awarded by the Group to the COPL Group are subject to the standard and systematic tender 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 the Group to the COPL 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 service providers (which is subject to periodic review and update by its management). All service providers invited to submit tenders for the Projects are selected from such list. Service providers in the list include those service providers with or without prior working history with the Group. Service providers with working history with the Group will be subject to suitability assessment following their provision of services for the Projects. A service provider can be retained in the list if the result of such assessment is satisfactory to the Group. The Group will remove a service provider from the list if it fails to meet the minimum criteria for retention. If a service provider has no prior working history with the Group, the service provider will be subject to qualification evaluation and review to ascertain if it is suitable for including the service provider in the list.

(ii) The number of tenders to be invited: for every tender for provision of Services for the Projects, not less than three tenders will be invited.

(iii) Selection of service providers to be invited to tender: the suitability of a service provider is assessed with reference to selection criteria including but not limited to the service provider's qualification grade, technical capability, working history, project management ability, quality of services and business management capability. Depending on the estimated value of the relevant contract and the compatibility of the project and the service provider, the person in charge and line managers of the district company shall conduct the vetting process to ascertain certain service providers to be invited to tender, following which the letter of invitation to tender will be issued.

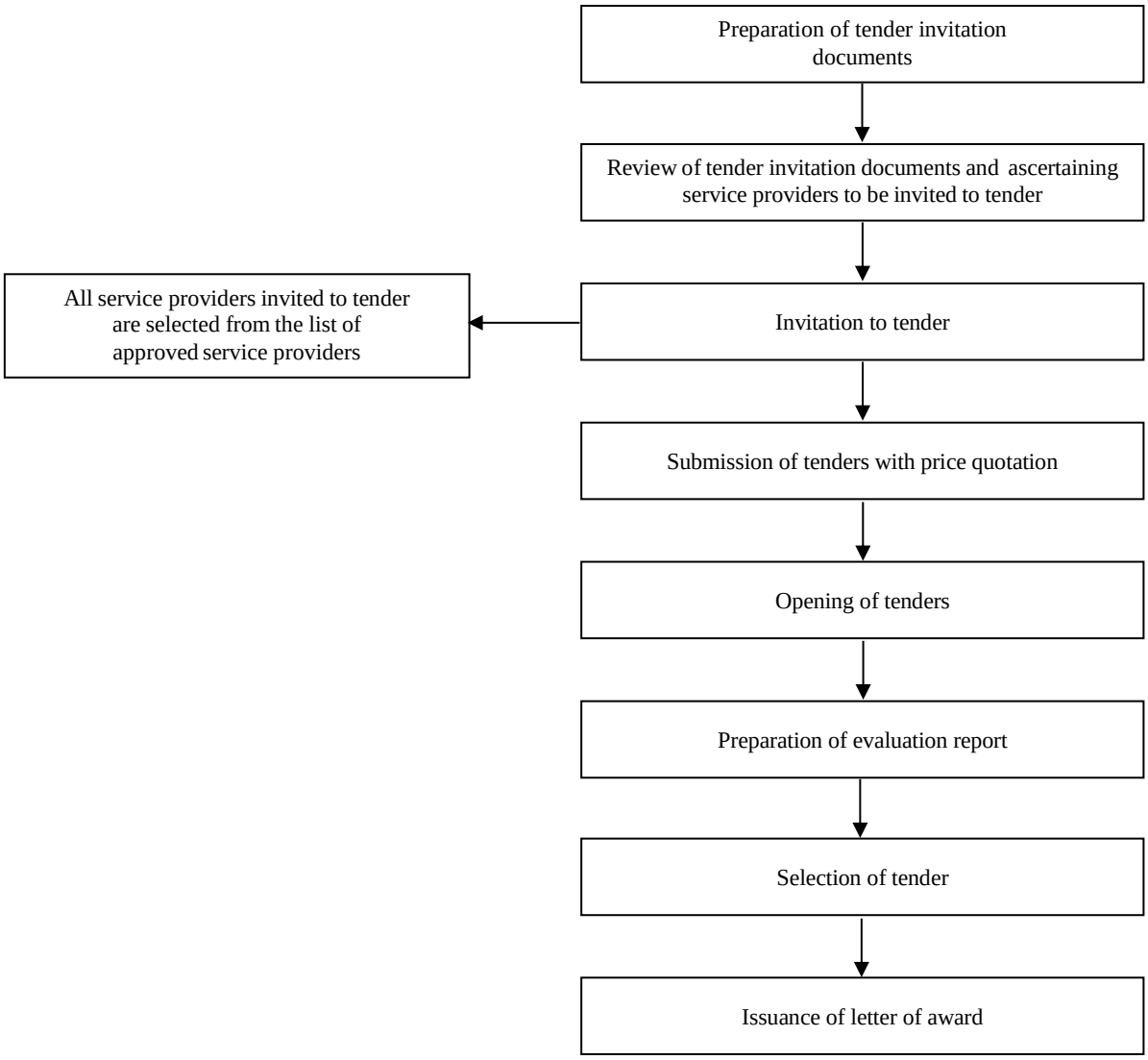
2. Tendering and Selection of Bids

(i) Tendering: the Group has adopted an online tendering system which enables every tenderer to submit its tender by accessing the system with its account login name and password.

(ii) Opening of tenders: the opening of tenders is conducted by the Group through the online tendering system. Upon the deadline for tender submission, the tenders submitted will be opened through the online tendering system which will be operated by the officer in charge of the tendering process, and will be circulated to the person in charge of each of the responsible department and the Finance and Treasury Department, as well as the line manager of the responsible department. After the tenders are opened, the tender-opening records and the information submitted by the tenderers will be saved in the tendering system and will be unalterable.

(iii) Selection of tenders: based on the Group's established system of tendering, the winning bid will usually be the one conforming to the technical requirements with a reasonable and minimum price offered. For any tender of at least RMB500,000, the selection of tender is determined collectively by the decision-making body in a meeting where contents of the proposed tender, the service provider's capability and risk of default are given full consideration. 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. For any tender of less than RMB500,000, the person in charge of each of the responsible department, countersigning department and the Finance and Treasury Department, and the line manager of the responsible department will approve the selection online, and the system will issue the letter of award.

Value-Added Services - Tendering Procedure



For Services with a smaller estimated contract value, a simplified tender process can be applied, whereby bidders can be selected outside the list of qualified bidders, and the evaluation report requirement can be exempted, but the remaining procedures and requirements are the same as the above tender process. For Services with an estimated contract value of less than RMB50,000, the service provider can be selected after the comparison of quotations from not less than three service providers (shall include independent third party(ies)). The condition for the selection of the service provider shall be subject to the same selection criteria as set out in the above tender procedure.

Based on the above, the Directors are of the view that the procedures for determining the prices and terms of the contracts for the provision of Services are sufficient for the purpose of ensuring that the Services will be conducted on normal commercial terms, negotiated on arm's length basis, and at prices and on terms no more favourable than those granted to other service providers who are independent third parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE RENEWAL FRAMEWORK AGREEMENT

The COPL Group was the Service provider of the Group's various property developments. To avoid disruptions to the property management arrangements of the Group's property developments, the Company intends to continue its existing engagement of the COPL Group as the provider of the Services for the Projects.

The Directors believe that it is in the best interests of the Company to continue its existing engagement of the COPL Group as the provider of the Services for the Projects to reinforce its marketing and sales strategies by using the COPL Group's property management experience and its famous brand name "China Overseas Property" (中海物業). This will promote sales volume and facilitate more competitive pricing so as to enhance the value of its real estate developments.

The Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the Renewal Framework Agreement are expected to be entered into in the ordinary and usual course of the 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 contemplated thereunder are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL MEASURES FOR CONTINUING CONNECTED TRANSACTIONS

The Group has adopted the following internal control procedures in relation to the Renewal Framework Agreement to ensure that the transactions thereunder are on normal commercial terms or better and 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 Group's Intendance and Audit Department will ensure that the prices and terms of the contracts for the provision of Services shall be on normal commercial terms and no more favourable to COPL than those offered by independent third-party service providers to the Group; and (ii) the internal monitoring system of the Company will, on an on-going basis regardless of transaction amounts, review and track the aggregate transaction amount under the Renewal Framework Agreement to ensure that the Caps will not be exceeded before entering into any further transactions with COPL under the Renewal Framework Agreement;

2. the Group's Finance and Treasury Department will monitor the implementation of the Renewal Framework Agreement on a regular basis and ensure that the transactions contemplated thereunder will be conducted under the terms of the relevant underlying agreements, and that the Caps will not be exceeded;

3. the Company will appoint an external auditor pursuant to the Listing Rules to conduct an annual review on the pricing of the relevant transactions to ensure that the aggregate transaction amount of the relevant transactions is within the Caps and that the relevant transactions are conducted on the terms of their respective agreements;

4. the Group's Intendance and Audit Department 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 relevant 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 relevant 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 relevant transactions are appropriate and adequate, and will give sufficient assurance that the relevant transactions will be appropriately monitored by the Company.

LISTING RULES IMPLICATIONS

As at the date of this announcement, COHL is the holding company of each of COPL and COLI, and COLI holds approximately 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 contemplated under the Renewal Framework Agreement 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 Caps is more than 0.1% but all are less than 5%, the transactions contemplated under the Renewal Framework Agreement are only subject to reporting, announcement and annual review requirements but are exempt from the circular and independent Shareholders' approval requirement 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 contemplated thereunder. 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 resolution(s) of the Company approving the Renewal Framework Agreement (together with the Caps) and the transactions contemplated thereunder. Save for Mr. Zhuang Yong, none of the other Directors has abstained from voting on the Board resolutions approving the Renewal Framework Agreement (together with the Caps) and the transactions contemplated thereunder.

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

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 transactions", "holding company", "percentage ratios" and "subsidiary(ies)"	each has the meaning ascribed to it in the Listing Rules;
"Board"	the board of Directors;
"Cap(s)"	the maximum total amount payable for the Services by the Group to the COPL Group for the Projects for each year/period 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 PRC, and the ultimate holding company of CSCECL, COHL, COLI and COPL;

"CSCEC Group"	CSCEC 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;
"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;
"Director(s)"	the director(s) of the Company;
"Existing Framework Agreement"	the existing framework agreement dated 28 April 2023 entered into between the Company and COPL in respect of the provision of Services by the COPL Group to the Group for the Projects during the period from 1 July 2023 to 30 June 2026;
"GFA"	gross floor area;
"Group"	the Company and its subsidiaries from time to time;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of PRC;
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange;
"Macao"	the Macao Special Administrative Region of PRC;
"PRC"	People's Republic of China, but for the purpose of this announcement, excluding Hong Kong, Macao and Taiwan;
"Projects"	property development projects or properties (including residential communities, commercial properties and other properties) owned or held and/or operated by the Group in the PRC, Hong Kong, Macao and other locations;
"Relevant Local Authority(ies)"	the competent real estate administration department of the PRC government;

"Renewal Framework Agreement"	the framework agreement dated 29 April 2026 entered into between the Company and COPL in respect of the provision of Services to non-residents and residents by the COPL Group to the Group for the Projects during the period from 1 July 2026 to 30 June 2029;
"RMB"	Renminbi, the lawful currency of PRC;
"Services"	property management services and value-added services (including engineering, pre-delivery, move-in assistance, delivery inspection, engineering services quality monitoring and consulting services, as well as gardening, interior fine finishing and vetting of building plans, etc.);
"Shareholder(s)"	the shareholder(s) of the Company from time to time;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited; and
"%"	per cent.

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

Hong Kong, 29 April 2026

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.