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中海物業

CHINA OVERSEAS PROPERTY

CHINA OVERSEAS PROPERTY HOLDINGS LIMITED

中海物業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2669)

**CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO
THE NEW FRAMEWORK AGREEMENTS
FOR CAR PARKING SPACES**

THE NEW COLI FRAMEWORK AGREEMENT

Reference is made to the joint announcement issued by the Company and COLI dated 23 October 2019 and the circular of the Company dated 14 November 2019 in respect of, inter alia, the Existing COLI Framework Agreement entered into between the Company and COLI on 23 October 2019, pursuant to which the parties agreed that the Group may from time to time enter into transactions with COLI Group for the acquisition of 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 as its inventory (i.e. the COLI Transactions), such car parking spaces being car parking spaces of developments or properties built, developed or owned by the COLI Group and managed by the Group as property manager, for a term of 3 years commencing from 1 December 2019 and ending on 30 November 2022 (both dates inclusive).

As the Existing COLI Framework Agreement is due to expire, on 5 September 2022, the Company and COLI entered into the New COLI Framework Agreement to renew the COLI Transactions for a term of 3 years commencing from 1 January 2023 and ending on 31 December 2025 (both dates inclusive). For the avoidance of doubt, it is expected that no such transactions will be entered into by the Group and COLI Group and its associates for the period from 1 December 2022 to 31 December 2022.

THE NEW COGO FRAMEWORK AGREEMENT

Reference is also made to the joint announcement issued by the Company and COGO dated 23 October 2019 and the circular of the Company dated 14 November 2019 in respect of, inter alia, the Existing COGO Framework Agreement entered into between the Company and COGO on 23 October 2019, pursuant to which the parties agreed that the Group may from time to time enter into transactions with COGO Group for the acquisition of 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 as its inventory (i.e. the COGO Transactions), such car parking spaces being car parking spaces of developments or properties built, developed or owned by COGO Group and managed by the Group as property manager, for a term of 3 years commencing from 1 December 2019 and ending on 30 November 2022 (both dates inclusive).

As the Existing COGO Framework Agreement is due to expire, on 5 September 2022, the Company and COGO entered into the New COGO Framework Agreement to renew the COGO Transactions for a term of 3 years commencing from 1 January 2023 and ending on 31 December 2025 (both dates inclusive). For the avoidance of doubt, it is expected that no such transactions will be entered into by the Group and COGO Group for the period from 1 December 2022 to 31 December 2022.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CSCEC is the ultimate holding company of the Company. COHL, a subsidiary of CSCEC, is the controlling shareholder of each of the Company, COLI and COGO by virtue of it being interested in approximately 61.18%, 56.09% and 39.63% of their respective issued share capital. Therefore, members of both COLI Group and COGO Group are connected persons of the Company. Accordingly, the entering into of (i) the New COLI Framework Agreement and the COLI Transactions and (ii) the New COGO Framework Agreement and the COGO Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the New Framework Agreements were entered into with parties who are connected with one another within a 12-month period, and were of similar nature, the New COLI Framework Agreement and the New COGO Framework Agreement are required to be aggregated pursuant to Rule 14A.81 of the Listing Rules. As the highest applicable percentage ratio in respect of the COLI Annual Caps and the COGO Annual Caps in aggregate exceeds 5%, the Transactions are subject to annual review, reporting, announcement and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

GENERAL

An EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve each of (i) the New COLI Framework Agreement, the COLI Transactions and the COLI Annual Caps and (ii) the New COGO Framework Agreement, the COGO Transactions and the COGO Annual Caps. A circular containing, among other things, (i) further details of the New Framework Agreements, the Transactions and the Annual Caps; (ii) the recommendation of the Independent Board Committee; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM will be despatched to the Shareholders on or before 12 October 2022 as the Company expects additional time will be required to prepare and finalise the relevant information in the circular.

THE NEW COLI FRAMEWORK AGREEMENT

Reference is made to the joint announcement issued by the Company and COLI dated 23 October 2019 and the circular of the Company dated 14 November 2019 in respect of, inter alia, the Existing COLI Framework Agreement entered into between the Company and COLI on 23 October 2019, pursuant to which the parties agreed that the Group may from time to time enter into transactions with COLI Group for the acquisition of 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 as its inventory (i.e. the COLI Transactions), such car parking spaces being car parking spaces of developments or properties built, developed or owned by COLI Group and managed by the Group as property manager, for a term of 3 years commencing from 1 December 2019 and ending on 30 November 2022 (both dates inclusive).

As the Existing COLI Framework Agreement is due to expire, on 5 September 2022, the Company and COLI entered into the New COLI Framework Agreement to renew the COLI Transactions for a term of 3 years commencing from 1 January 2023 and ending on 31 December 2025 (both dates inclusive). For the avoidance of doubt, it is expected that no such transactions will be entered into by the Group and COLI Group and its associates for the period from 1 December 2022 to 31 December 2022. The principal terms of the New COLI Framework Agreement are as follows:

Date

5 September 2022

Parties

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

Term

The New COLI Framework Agreement has a term of 3 years commencing from 1 January 2023 and ending on 31 December 2025 (both dates inclusive).

Subject matter

Pursuant to the New COLI Framework Agreement, the Company and COLI agreed that:

- (a) they may enter into, or procure members of the Group and COLI Group to enter into, the COLI Transactions in the ordinary and usual course of their respective businesses within the limit of the COLI Annual Caps; and
- (b) during the term of the New COLI Framework Agreement, the relevant members of the Group and COLI Group may from time to time enter into separate definitive agreement(s) in relation to any COLI Transactions, which shall set out the particular terms of the COLI Transaction(s) (including the payment terms) and be in compliance with the terms of the New COLI Framework Agreement, in particular:
 - (i) for the 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 Group than terms available from independent third parties for similar transactions (as the case may be)) and are fair and reasonable;
 - (ii) the price for the COLI Transaction(s) shall be based on the pricing basis under the New COLI Framework Agreement, which is set out in the section headed "*The New COLI Framework Agreement – Pricing basis in respect of the COLI Transactions*" in this announcement; and
 - (iii) all the COLI Transactions are in the ordinary and usual course of business of the Group and in the interest of the Company and its Shareholders as a whole.

In respect of the non-air raid shelter car parking spaces, if the procedures to transfer property rights can be completed in the future due to PRC policy changes, COLI Group shall actively cooperate with the 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 Group.

The Group shall also ensure that all acquisitions of rights-of-use of car parking spaces by the Group from associates of COLI Group (excluding associate(s) listed on any stock exchange) in the same nature as the COLI Transactions will be entered into in compliance with the principles of the New COLI Framework Agreement, and will be documented under separate agreement(s) and/or such other standard documentation.

Conditions Precedent

The New COLI Framework Agreement, the COLI Transactions and the COLI Annual Caps are conditional upon the satisfaction of the following conditions on or before 31 December 2022 (or such other date as the parties may agree in writing): (a) the passing of the resolution by the Independent Shareholders at the EGM approving the same; and (b) the parties' compliance with all other requirements under the Listing Rules and as may be imposed by the Stock Exchange.

Pricing basis in respect of the COLI Transactions

As purchaser, the Company (or the relevant subsidiary) shall commission a valuation report for each relevant COLI Transaction to be prepared by a qualified independent third party property valuer and the purchase price (i.e. the consideration) for each relevant COLI Transaction shall be no more than the relevant valuation so obtained. The Company (or the relevant subsidiary) shall also prepare an internal sale plan and projection for each relevant COLI Transaction with an estimated payback period of no more than 5 years. In any event, the purchase price (i.e. the consideration) shall be no less favourable to the Group than that available from independent third party sellers for similar transactions. The purchase price will be funded by internal resources of the Group.

The independent non-executive Directors shall review whether the aforementioned pricing basis has been complied with on an annual basis for the COLI Transactions taking place during a financial year and report the same in the relevant annual report.

Historical transaction amounts

The historical maximum total agreement sums payable by the Group to COLI Group and its associates for the acquisition of rights-of-use of car parking spaces by the Group from COLI Group and its associates for the relevant periods/years under the Existing COLI Framework Agreement are set out below:

For the period from 1 December 2019 to 31 December 2019	For the financial year ended 31 December 2020	For the financial year ended 31 December 2021	For the six months from 1 January 2022 to 30 June 2022
HK\$181.35 million	HK\$141.73 million	HK\$454.55 million	HK\$36.85 million

COLI Annual Caps

The maximum total agreement sums payable by the Group to COLI Group and its associates for the acquisition of rights-of-use of car parking spaces during the term of the New COLI Framework Agreement shall not exceed the following COLI Annual Caps:

For the year ending 31 December 2023	For the year ending 31 December 2024	For the year ending 31 December 2025
HK\$600 million	HK\$600 million	HK\$600 million

Basis of determining the COLI Annual Caps

The COLI Annual Caps are determined with reference to, among other things:

- (a) the historical transaction amounts as disclosed in the section headed “*The New COLI Framework Agreement – Historical transaction amounts*” in this announcement;
- (b) the estimated value of the portfolios of car parking spaces to be made available by COLI Group for the Group to purchase selectively during the term of the New COLI Framework Agreement;
- (c) the financial resources the Group plans to devote to developing the Group’s car parking spaces trading business for the period from 1 January 2023 to 31 December 2025, taking into account the estimated sale proceeds from the disposal of car parking spaces to be purchased under the New COLI Framework Agreement with an estimated payback period of no more than 5 years; and
- (d) the Group’s continuation of the car parking spaces trading business as more particularly discussed in the section headed “*REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE NEW FRAMEWORK AGREEMENTS*” in this announcement.

THE NEW COGO FRAMEWORK AGREEMENT

Reference is also made to the joint announcement issued by the Company and COGO dated 23 October 2019 and the circular of the Company dated 14 November 2019 in respect of, inter alia, the Existing COGO Framework Agreement entered into between the Company and COGO on 23 October 2019, pursuant to which the parties agreed that the Group may from time to time enter into transactions with COGO Group for the acquisition of 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 as its inventory (i.e. the COGO Transactions), such car parking spaces being car parking spaces of developments or properties built, developed or owned by COGO Group and managed by the Group as property manager, for a term of 3 years commencing from 1 December 2019 and ending on 30 November 2022 (both dates inclusive).

As the Existing COGO Framework Agreement is due to expire, on 5 September 2022, the Company and COGO entered into the New COGO Framework Agreement to renew the COGO Transactions for a term of 3 years commencing from 1 January 2023 and ending on 31 December 2025 (both dates inclusive). For the avoidance of doubt, it is expected that no such transactions will be entered into by the Group and COGO Group for the period from 1 December 2022 to 31 December 2022. The principal terms of the New COGO Framework Agreement are as follows:

Date

5 September 2022

Parties

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

Term

The New COGO Framework Agreement has a term of 3 years commencing from 1 January 2023 and ending on 31 December 2025 (both dates inclusive).

Subject matter

Pursuant to the New COGO Framework Agreement, the Company and COGO agreed that:

- (a) they may enter into, or procure members of the Group and COGO Group to enter into, the COGO Transactions in the ordinary and usual course of their respective businesses within the limit of the COGO Annual Caps; and
- (b) during the term of the New COGO Framework Agreement, the relevant members of the Group and COGO Group may from time to time enter into separate definitive agreement(s) in relation to any COGO Transactions, which shall set out the particular terms of the COGO Transaction(s) (including the payment terms) and be in compliance with the terms of the New COGO Framework Agreement, in particular:
 - (i) for the 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 Group than terms available from independent third parties for similar transactions (as the case may be)) and are fair and reasonable;

- (ii) the price for the COGO Transaction(s) shall be based on the pricing basis under the New COGO Framework Agreement, which is set out in the section headed “*The New COGO Framework Agreement – Pricing basis in respect of the COGO Transactions*” in this announcement; and
- (iii) all the COGO Transactions are in the ordinary and usual course of business of the Group and in the interest of the Company and its Shareholders as a whole.

In respect of the non-air raid shelter car parking spaces, if the procedures to transfer property rights can be completed in the future due to PRC policy changes, COGO Group shall actively cooperate with the 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 Group.

Conditions Precedent

The New COGO Framework Agreement, the COGO Transactions and the COGO Annual Caps are conditional upon the satisfaction of the following conditions on or before 31 December 2022 (or such other date as the parties may agree in writing): (a) the passing of the resolution by the Independent Shareholders at the EGM approving the same; and (b) the parties’ compliance with all other requirements under the Listing Rules and as may be imposed by the Stock Exchange.

Pricing basis in respect of the COGO Transactions

As purchaser, the Company (or the relevant subsidiary) shall commission a valuation report for each relevant COGO Transaction to be prepared by a qualified independent third party property valuer and the purchase price (i.e. the consideration) for each relevant COGO Transaction shall be no more than the relevant valuation so obtained. The Company (or the relevant subsidiary) shall also prepare an internal sale plan and projection for each relevant COGO Transaction with an estimated payback period of no more than 5 years. In any event, the purchase price (i.e. the consideration) shall be no less favourable to the Group than that available from independent third party sellers for similar transactions. The purchase price will be funded by internal resources of the Group.

The independent non-executive Directors shall review whether the aforementioned pricing basis has been complied with on an annual basis for COGO Transactions taking place during a financial year and report the same in the relevant annual report.

Historical transaction amounts

The historical maximum total agreement sums payable by the Group to COGO Group for the acquisition of rights-of-use of car parking spaces by the Group from COGO Group for the relevant periods/years under the Existing COGO Framework Agreement are set out below:

For the period from 1 December 2019 to 31 December 2019	For the financial year ended 31 December 2020	For the financial year ended 31 December 2021	For the six months from 1 January 2022 to 30 June 2022
–	HK\$101.26 million	HK\$101.46 million	HK\$60.72 million

COGO Annual Caps

The maximum total agreement sums payable by the Group to COGO Group for the acquisition of rights-of-use of car parking spaces during the term of the New COGO Framework Agreement shall not exceed the following COGO Annual Caps:

For the year ending 31 December 2023	For the year ending 31 December 2024	For the year ending 31 December 2025
HK\$300 million	HK\$300 million	HK\$300 million

Basis of determining the COGO Annual Caps

The COGO Annual Caps are determined with reference to, among other things:

- (a) the historical transaction amounts as disclosed in the section headed “*The New COGO Framework Agreement – Historical transaction amounts*” in this announcement;
- (b) the estimated value of the portfolios of car parking spaces made available by COGO Group for the Group to purchase selectively during the term of the New COGO Framework Agreement;
- (c) the financial resources the Group plans to devote to further developing the Group’s car parking spaces trading business for the period from 1 January 2023 to 31 December 2025, taking into account the estimated sale proceeds from the disposal of car parking spaces purchased under the New COGO Framework Agreement with an estimated payback period of no more than 5 years; and
- (d) the Group’s continuation of the car parking spaces trading business as more particularly discussed in the section headed “*REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE NEW FRAMEWORK AGREEMENTS*” in this announcement.

INTERNAL CONTROL PROCEDURES

In order to ensure that the acquisitions of rights-of-use of car parking spaces by the Group from COLI Group and its associates (excluding associate(s) listed on any stock exchange) and COGO Group will be entered into in accordance with the terms of the New COLI Framework Agreement and the New COGO Framework Agreement respectively, the Group has adopted the following measures:

- (a) the general managers of the relevant business units and operations divisions of the Company's local subsidiaries at where the car parking spaces are located will be responsible for negotiating the proposed acquisitions with COLI Group and its associates (excluding associate(s) listed on any stock exchange) and COGO Group respectively for the purpose of entering into separate definitive agreements;
- (b) such general managers will prepare feasibility studies to ensure the marketability of the underlying car parking spaces with an estimated payback period of no more than 5 years under normal economic conditions;
- (c) the Company's local subsidiaries will conduct due diligence exercises to ensure the validity of legal titles of the underlying car parking spaces, and submit the reports and the feasibility studies to the Finance and Treasury Department of the Group for review and make recommendations to the senior management on the merits of the proposed acquisitions;
- (d) the Finance and Treasury Department and senior management of the Group will each monitor the consideration for each of the proposed acquisitions to ensure that it will be no more than the relevant valuation obtained from a qualified independent third party property valuer;
- (e) the Finance and Treasury Department of the Group will monitor the accumulated consideration paid for the acquisitions and submit quarterly reports to the Executive Directors overseeing finance-related matters and the company secretary of the Company in order to ensure that the respective COLI Annual Caps and the respective COGO Annual Caps will not be exceeded; and
- (f) the independent non-executive Directors will review all the continuing connected transactions of the Company (including the acquisitions) 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, in particular, consideration paid for each relevant transaction shall be no more than the relevant valuation obtained from a qualified independent third party property valuer, and that such terms are fair and reasonable and in the interests of the Shareholders as a whole.

REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE NEW FRAMEWORK AGREEMENTS

The Group has started the car parking spaces trading business since the second half of 2018. The business segment did not only complement the Group's other principal businesses, it was also demonstrated to be economically viable and profitable in the past few years, with increasing contribution to the Group's revenue.

The Directors believe that the business model of acquiring a greater control over the timing of the sales of the car parking spaces at the properties under the Group's management will continue to maximize the Group's opportunity to gain revenues from these sales. This in turn will enable the Group to take advantage of its existing abundance of cash balance and increase the Shareholders' value.

More importantly, through acquiring unfettered rights and ability to control and coordinate the sales of the car parking spaces at the properties under the Group's management, the Group can create greater ease and value to the residents of such properties, and thereby enhance the Group's overall management of the amenities within such properties.

Therefore, by entering into the COLI Transactions and the COGO Transactions, the Group can maintain its business momentum in the car parking spaces trading business, which is in line with the Group's overall development.

The Directors (other than the independent non-executive Directors whose opinion will be provided after reviewing the advice of the Independent Financial Adviser) consider that the Transactions are expected to be entered into in the ordinary and usual course of business of the Group, and the New Framework Agreements (together with the Annual Caps) have been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the Transactions (together with the Annual Caps) are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CSCEC is the ultimate holding company of the Company. COHL, a subsidiary of CSCEC, is the controlling shareholder of each of the Company, COLI and COGO by virtue of it being interested in approximately 61.18%, 56.09% and 39.63% of their respective issued share capital. Therefore, members of both COLI Group and COGO Group are connected persons of the Company. Accordingly, the entering into of (i) the New COLI Framework Agreement and the COLI Transactions and (ii) the New COGO Framework Agreement and the COGO Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the New Framework Agreements were entered into with parties who are connected with one another within a 12-month period, and were of similar nature, the New COLI Framework Agreement and the New COGO Framework Agreement are required to be aggregated pursuant to Rule 14A.81 of the Listing Rules. As the highest applicable percentage ratio in respect of the COLI Annual Caps and the COGO Annual Caps in aggregate exceeds 5%, the Transactions are subject to annual review, reporting, announcement and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

Mr. Zhang Guiqing, being the chairman and executive Director of the Company and a director of COHL, and Mr. Ma Fujun, being a non-executive Director of the Company and a director of COHL, although not considered having any material interest in the New Framework Agreements and the transactions contemplated thereunder, have voluntarily abstained from voting on such board resolutions. None of the other Directors has any material interest in the New Framework Agreements and the transactions contemplated thereunder and none of them has abstained from voting on such board resolutions.

An EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve each of (i) the New COLI Framework Agreement, the COLI Transactions and the COLI Annual Caps and (ii) the New COGO Framework Agreement, the COGO Transactions and the COGO Annual Caps.

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the New Framework Agreements, the Transactions and the Annual Caps. Opus Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this connection. Voting at the EGM will be conducted by poll and CSCEC and its associates will abstain from voting at the EGM.

A circular containing, among other things, (i) further details of the New Framework Agreements, the Transactions and the Annual Caps; (ii) the recommendation of the Independent Board Committee; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM will be despatched to the Shareholders on or before 12 October 2022 as the Company expects additional time will be required to prepare and finalise the relevant information in the circular.

Shareholders should note that the Annual Caps represent the best estimates by the Directors of the amount of the relevant transactions based on the information currently available. The Annual Caps bear no direct relationships to, nor should be taken to have any direct bearings to the Group's financial or potential financial performance.

INFORMATION ON THE PARTIES

The Group is one of the leading property management companies in the PRC with operations also covering Hong Kong and Macau and is principally engaged in the provision of property management services, value-added services and car parking spaces trading business.

COLI Group is principally engaged in property development and investment, and other operations.

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

CSCEC (a state-owned corporation in the PRC) is the ultimate controlling shareholder of the Company, COLI and COGO respectively. CSCEC, together with its subsidiaries (excluding those listed on any stock exchange), is a conglomerate principally engaged in building construction, international contracting, real estate development and investment, infrastructure construction and investment and design and prospecting.

DEFINITIONS

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

“Annual Caps”	collectively, the COLI Annual Caps and the COGO Annual Caps
“associate(s)”, “connected person(s)”, “continuing connected transactions”, “controlling shareholder”, “holding company”, “percentage ratios” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“COGO”	China Overseas Grand Oceans Group Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 81)

“COGO Annual Caps”	the maximum total agreement sums payable by the Group to COGO Group for the acquisition of rights-of-use of car parking spaces by the Group from COGO Group for the relevant years under the New COGO Framework Agreement as set out under the section headed “ <i>The New COGO Framework Agreement – COGO Annual Caps</i> ” in this announcement
“COGO Group”	COGO and its subsidiaries from time to time
“COGO Transactions”	the transactions between the Group and COGO Group for the acquisition 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 as its inventory, such car parking spaces being car parking spaces of developments or properties built, developed or owned by COGO Group and managed by the Group as property manager
“COHL”	China Overseas Holdings Limited, a company incorporated in Hong Kong with limited liability, and the controlling shareholder of each of the Company, COLI and COGO
“COHL Group”	COHL and its subsidiaries (excluding subsidiary(ies) listed on any stock exchange) from time to time
“COLI”	China Overseas Land & Investment Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 688)
“COLI Annual Caps”	the maximum total agreement sums payable by the Group to COLI Group and its associates for the acquisition of rights-of-use of car parking spaces by the Group from COLI Group and its associates for the relevant years under the New COLI Framework Agreement as set out under the section headed “ <i>The New COLI Framework Agreement – COLI Annual Caps</i> ” in this announcement

“COLI Group”	COLI and its subsidiaries (excluding subsidiary(ies) listed on any stock exchange and their respective subsidiaries, if any) from time to time
“COLI Transactions”	the transactions between the Group and COLI Group for the acquisition 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 as its inventory, such car parking spaces being car parking spaces of developments or properties built, developed or owned by COLI Group and managed by the Group as property manager
“Company”	China Overseas Property Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 2669)
“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 each of COHL, the Company and COLI
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of the Independent Shareholders to consider and, if thought fit, approve, among other things, the New Framework Agreements, the Transactions and the Annual Caps
“Existing COGO Framework Agreement”	the framework agreement entered into between the Company and COGO on 23 October 2019 in respect of the COGO Transactions
“Existing COLI Framework Agreement”	the framework agreement entered into between the Company and COLI on 23 October 2019 in respect of the COLI Transactions
“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 the PRC
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, which has been established to make recommendations to the Independent Shareholders in respect of the terms of the New Framework Agreements, the Transactions and the Annual Caps
“Independent Financial Adviser”	Opus Capital Limited, a licensed corporation permitted to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the New Framework Agreements, the Transactions and the Annual Caps
“Independent Shareholders”	the Shareholders other than CSCEC and its associates
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“New COGO Framework Agreement”	the framework agreement entered into between the Company and COGO on 5 September 2022 in respect of the COGO Transactions
“New COLI Framework Agreement”	the framework agreement entered into between the Company and COLI on 5 September 2022 in respect of the COLI Transactions
“New Framework Agreements”	collectively, the New COLI Framework Agreement and the New COGO Framework Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	collectively, the COLI Transactions and the COGO Transactions
“%”	per cent.

By order of the Board
China Overseas Property Holdings Limited
Zhang Guiqing
Chairman and Executive Director

Hong Kong, 5 September 2022

As at the date of this announcement, the Board comprises nine Directors, of which four are Executive Directors, namely Mr. Zhang Guiqing (Chairman), Dr. Yang Ou (Chief Executive Officer), Mr. Pang Jinying (Vice President) and Mr. Kam Yuk Fai (Chief Financial Officer); two are Non-executive Directors, namely Mr. Ma Fujun and Mr. Guo Lei; and three are Independent Non-executive Directors, namely Mr. Yung, Wing Ki Samuel, Mr. So, Gregory Kam Leung and Mr. Lim, Wan Fung Bernard Vincent.