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 you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Central China Real Estate Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

建業地產股份有限公司 *
Central China Real Estate Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0832)

CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION ACQUISITION OF 100% EQUITY INTEREST IN THE TARGET COMPANY; RE-ELECTION OF DIRECTOR; AND NOTICE OF EXTRAORDINARY GENERAL MEETING

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

MESSIS 大有融資

A notice convening the EGM to be held at 7701B-7702A, Level 77, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Wednesday, 30 January 2019 at 10:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk).

Whether or not you intend to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Hong Kong, 15 January 2019

* *For identification purpose only*

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

"2018 September Announcement"	the announcement of the Company dated 24 September 2018 in respect of the Jujia Acquisition
"Acquisition"	the acquisition of the Target Equity as contemplated under the Equity Transfer Agreement
"associate(s)"	has the meaning given to it under the Listing Rules
"Board"	the board of Directors of the Company
"Company"	Central China Real Estate Limited (建業地產股份有限公司*), an exempted company established under the laws of the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange
"Completion Date"	15 February 2019 (or such later date as the parties to the Equity Transfer Agreement may agree in writing)
"connected person(s)"	has the meaning given to it under the Listing Rules
"controlling shareholder(s)"	has the meaning given to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be held to consider the resolutions to approve the Equity Transfer Agreement and the Acquisition by the Independent Shareholders and the re-election of director by the Shareholders, the notice of which is set out on pages EGM-1 to EGM-2 of this circular
"Equity Transfer Agreement"	the agreement dated 14 December 2018 entered into between Joy Ascend Holdings and Joy Bright Investments in relation to acquisition of the Target Equity by Joy Ascend Holdings from Joy Bright Investments
"Group"	the Company and its subsidiaries
"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 Mr. Cheung Shek Lun, Mr. Xin Luo Lin and Dr. Sun Yuyang, formed to advise the Independent Shareholders as to the Equity Transfer Agreement and the transaction contemplated thereunder
"Independent Financial Adviser" or "Messis Capital Limited"	Messis Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activity as defined under the SFO, the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the Equity Transfer Agreement and the Acquisition
"Independent Shareholders"	Shareholders other than Mr. Wu and his associates
"Joy Ascend Holdings"	Joy Ascend Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of the Company and the purchaser under the Equity Transfer Agreement
"Joy Bright Investments"	Joy Bright Investments Limited, a company incorporated in the British Virgin Islands with limited liability and held as to 100% by Mr. Wu directly, and the vendor under the Equity Transfer Agreement
"Jujia Acquisition"	the acquisition of Jujia Investment Co., Ltd.*(巨佳投資有限公司), a company incorporated in the British Virgin Islands with limited liability from Joy Bright Investments by Joy Ascend Holdings pursuant to the Jujia Equity Transfer Agreement, which constituted a discloseable transaction under Chapter 14 of the Listing Rules and the detail of which are set out in the 2018 September Announcement
"Jujia Equity Transfer Agreement"	the equity transfer agreement entered into between Joy Bright Investments and Joy Ascend Holdings dated 24 September 2018 in respect of the Jujia Acquisition

"Latest Practicable Date"	15 January 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Wu"	Mr. Wu Po Sum, the Chairman, an executive Director and a controlling shareholder of the Company and as at the Latest Practicable Date owns 100% equity interest in Joy Bright Investments
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	holder(s) of the Shares
"Shares"	the shares of the Company
"sq.m."	square meter(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Pacific Prestige Holdings Limited (和威控股有限公司), a company incorporated in the British Virgin Islands with limited liability
"Target Equity"	the 100% equity interest in the Target Company
"Target Property"	the parcel of land situated at the west of Chaofeng Road and the south of Tiyuchang South Road in Economic and Technological Development Zone, Zhengzhou, Henan province, the PRC, which 90% of its effective interests are held indirectly by the Target Company
"United China Management"	United China Management Limited (華源管理有限公司), a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Target Company

"Zhengjing Land"	河南建業鄭經置業有限公司 (Henan Jianye Zhengjing Land Co., Ltd.*), a company incorporated in the PRC with limited liability and the holder of the Target Property, an indirect subsidiary of the Target Company which its equity interests is held as to 90% and 10% by United China Management and an independent third party respectively
"%"	per cent

建業地產股份有限公司 *
Central China Real Estate Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0832)

Executive Directors:
Mr. Wu Po Sum *(Chairman)*
Mr. Liu Weixing
Mr. Wang Jun

Non-Executive Director:
Mr. Lucas Ignatius Loh Jen Yuh *(Vice-Chairman)*
Mr. Puah Tze Shyang
Ms. Wu Wallis (alias Li Hua)

Independent Non-Executive Directors:
Mr. Cheung Shek Lun
Mr. Xin Luo Lin
Dr. Sun Yuyang

Registered Office:
Cricket Square Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Place of business in Hong Kong:
Room 7701B-7702A, 77th Floor
International Commerce Centre
1 Austin Road West Kowloon
Hong Kong

15 January 2019

To the Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION ACQUISITION OF 100% EQUITY INTEREST IN THE TARGET COMPANY; RE-ELECTION OF DIRECTORS; AND NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

References are made to the announcement of the Company dated 14 December 2018 in relation to the Acquisition and the Equity Transfer Agreement and the announcement of the company dated 21 August 2018 in relation to the appointment of Mr. Wang Jun as an executive Director.

* *For identification purpose only*

The purpose of this circular is to provide, among other things, (i) details of the Equity Transfer Agreement and the Acquisition; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to both the Independent Board Committee and the Independent Shareholders; (iv) the valuation report of the Target Property; (v) the re-election of the retiring Director; and (vi) the notice of the EGM.

2. THE ACQUISITION

Principal terms of the Equity Transfer Agreement are set out as follows:

Date	14 December 2018 (after trading hours)
Parties	Joy Ascend Holdings (as the purchaser); and Joy Bright Investments (as the vendor) Since Mr. Wu directly holds 100% equity interest in Joy Bright Investments and is a controlling shareholder and connected person of the Company, Joy Bright Investments is an associate of Mr. Wu and is thus a connected person of the Company under Rule 14A.07(4) of the Listing Rules.
Consideration	RMB765,000,000 (equivalent to approximately HK$867,433,500), which shall be paid on or prior to the Completion Date
Target Equity	the 100% equity interest in the Target Company
Completion	The Acquisition shall be completed on or prior to the Completion Date. Shall any of the conditions to the Equity Transfer Agreement as set out in the section headed “Conditions Precedent” below have not been fulfilled or (as the case may be) waived, both parties may enter into a written agreement to extend the Completion Date or to terminate the Equity Transfer Agreement.

Basis of Consideration

Since the major assets of the Target Company is the Target Property, the consideration for the Target Company is determined by Joy Ascend Holdings and Joy Bright Investments on arm's length negotiations with reference to 90% of the valuation of the Target Property (i.e. RMB765,000,000). The valuation of the Target Property as at 30 November 2018 was RMB850,000,000, as determined by Savills Valuation and Professional Services Limited, a professional valuer which is independent of the Company and its connected persons, based on the market value of the Target Property as arrived at using the direct comparison approach. The consideration for the Target Company is proposed to be financed with the Group's internal resources.

Conditions Precedent

The completion of the Acquisition is conditional on:

a. the warranties given by Joy Bright Investments in the Equity Transfer Agreement remaining true and accurate and not misleading in any material respect if they were repeated at any time prior to the completion of the Acquisition;

b. Joy Ascend Holdings having conducted the legal due diligence review of the Target Property to its satisfaction;

c. each party has received all other documents requested by the other party to be supplied and/or to be executed in respect of the Acquisition;

d. all necessary consents and approvals required on the part of Joy Ascend Holdings and/or Joy Bright Investments in respect of the Acquisition having been obtained (if any);

e. the Independent Shareholders having approved the ordinary resolution in respect of the terms and conditions of the Equity Transfer Agreement and the Acquisition at the EGM.

Joy Ascend Holdings may at its discretion waive any of the conditions set out in paragraphs (a) to (b) above. None of the party shall have the right to waive any of the conditions set out in paragraphs (c) to (e) above. As at the Latest Practicable Date, none of the above conditions precedent has been fulfilled.

3. INFORMATION OF TARGET COMPANY AND TARGET PROPERTY

The Target Company is a company incorporated in the British Virgin Islands with limited liability and indirectly holds 90% of the effective interest in the Target Property through its interests in its direct wholly-owned subsidiary United China Management and indirect 90% owned subsidiary Zhengjing Land. United China Management was acquired by the Target Company from Henan Central China Sports Real Estate Co., Ltd.*（河南建業體育不動產有限公司）, an independent third party, the completion of which was taken place in early November 2018 and the consideration, being RMB765,000,000 has been settled in full.

The Target Property is situated at the west of Chaofeng Road and the North of Jingnan 5th Side Road in Economic and Technological Development Zone, Zhengzhou, Henan Province, the PRC. The Target Property comprises of a parcel of land with a site area of approximately 32,572 sq.m. on which a mixed development, including office building developments, hotel and public facilities, are proposed to be built. It is currently expected that the Target Property will have a total gross floor area of approximately 228,774 sq.m. upon completion of its development. The Group has obtained approval for construction plan (the "Plan") from the Economic and Technological Development Zone Planning Branch of Zhengzhou Urban and Rural Planning Bureau*（鄭州市城鄉規劃局經濟技術開發區規劃分局）. Pursuant to the Plan, the Group will build an office building, a hotel, a multimedia centre and underground spaces (including car parking spaces and plant rooms in basement) of approximately 106,948 sq.m., 19,117 sq.m., 3,961 sq.m. and 98,748 sq.m. respectively.

As at the Latest Practicable Date, formation of the Target Property has been completed, and foundation works were in progress. Pursuant to the Plan, it is expected that the development of the Target Property will be completed by June 2022 and the estimated construction costs is approximately RMB2.4 billion.

4. FINANCIAL INFORMATION OF THE TARGET COMPANY

The unaudited financial information of the Target Company is set out as follows:

	For the year ended 31 December		For the six months ended
	2016	**2017**	**30 June 2018**
	(HK$)	*(HK$)*	*(HK$)*
Net (loss)/profit before taxation for the period	N/A	(11,592)	–
Net (loss)/profit after taxation for the period	N/A	(11,592)	–

As at 30 June 2018, the unaudited net liabilities and unaudited total assets of the Target Company amounted to approximately HK$(11,584) and HK$1, respectively. Both figures did not take into account the value of the Target Property since the same was acquired by the Target Company after the accounting date at the consideration of RMB765,000,000. Based on the valuation report prepared by Savills Valuation and Professional Services Limited, the valuation of the Target Property as at 30 November 2018 was RMB850,000,000.

Note: The financial information of the Target Company is not available for 2016 as it was established in August 2017.

5. JUJIA ACQUISITION

Reference is made to the 2018 September Announcement. Joy Ascend Holdings and Joy Bright Investments entered into the Jujia Equity Transfer Agreement on 24 September 2018 in respect of the Jujia Acquisition, pursuant to which Joy Ascend Holdings has in turn indirectly acquired a property situated in Zhengzhou Area of China (Henan) Pilot Free Trade Zone from Joy Bright Investments. The Jujia Acquisition has been completed as at the Latest Practicable Date.

Given that the parties of the Jujia Acquisition and the Acquisition are the same and the nature of the transactions are similar, the Jujia Acquisition and the Acquisition will be aggregated in accordance with the Listing Rules. Please refer to the paragraph headed "Listing Rules Implications" of this circular for further details.

6. FINANCIAL INFLUENCE OF THE ACQUISITION ON THE GROUP

Immediately upon completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company. Its financial results will be consolidated into the consolidated financial statements of the Company.

7. REASONS FOR AND BENEFITS OF ENTERING INTO OF THE EQUITY TRANSFER AGREEMENT

The Target Property is located in a prime location of Zhengzhou which is around 20 minutes' and 15 minutes' driving distance to Zhengzhou Xinzheng International Airport and the downtown of Zhengzhou respectively. In light of its location, the Group intended to the develop the Target Property to a mixed development which involves both landmark office buildings, hotel and public facilities and has obtained the relevant approval in respect of the said land uses from the relevant governmental authorities. It is the current plan that after the completion of the development of the Target Property, part of the office buildings will be used by the Group as its office while the rest will be made available for rent and on the other hand the hotel will be operated by the Group itself.

In light of the potential return of the commercial property market of Henan province, numerous real estate developers have entered the market. The Group is primarily focusing on development of residential properties, while development of commercial properties and hotels also form part of the Group's strategy. As of 31 December 2017, 72.9%, 8.0% and 0.8% of the Group's land reserves were allocated to residential, commercial and hotel development projects respectively. The Acquisition and the subsequent development of the Target Property into a mixed development will enhance the Group's portfolio and widen its participation in the commercial property market of Henan province. The future development of the Target Property as one of the local landmark will also enhance the Group's brand name and diversify its income. The Company is of the view that it would be in the interest of the Company and its Shareholders as a whole to utilize its long established position in Henan province and to increase its stake in commercial property developments. The entering into of the Equity Transfer Agreement and the Acquisition were in the ordinary and usual course of business of the Group.

As the consideration for the Acquisition mirrors the market value of the Target Property determined by an independent professional valuer, the Directors (including independent non-executive Directors) are of the view that the terms of the Equity Transfer Agreement and the Acquisition are on normal commercial terms or better to the Company and that the entering into of the Equity Transfer Agreement is in the interests of the Company and the Shareholders as a whole.

8. DIRECTOR'S INTEREST IN THE CONNECTED TRANSACTION

Joy Bright Investments is directly owned as to 100% by Mr. Wu. Mr. Wu is regarded as being interested in the Acquisition due to his interest in Joy Bright Investments and therefore has abstained from voting on the Board resolution approving the Equity Transfer Agreement and the Acquisition. Save and except for the aforesaid, none of the Directors has any material interest in any of the Equity Transfer Agreement and the Acquisition and was required to abstain from voting on the Board resolution to approve the same.

9. INFORMATION OF THE PARTIES

The Group is principally engaged in real estate development and sales in Henan Province, the PRC.

Joy Bright Investments is directly wholly-owned by Mr. Wu and is principally engaged in investment holding.

Joy Ascend Holdings is a wholly-owned subsidiary of the Company and is principally engaged in investment holding.

10. LISTING RULES IMPLICATION

As at the Latest Practicable Date, Mr. Wu directly holds 100% equity interest in Joy Bright Investments and is a controlling shareholder and connected person of the Company. Therefore, Joy Bright Investments is an associate of Mr. Wu and is thus a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As stated in the 2018 September Announcement, Joy Ascend Holdings and Joy Bright Investments entered into the Jujia Equity Transfer Agreement on 24 September 2018. Pursuant to Rules 14.22 and 14A.81 of the Listing Rules, the transactions contemplated under the Jujia Equity Transfer Agreement and the Equity Transfer Agreement will be aggregated. As the applicable percentage ratios for the Jujia Equity Transfer Agreement and the Equity Transfer Agreement in aggregate are more than 5% but less than 25%, (i) the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements; and (ii) the Acquisition is subject to the reporting, announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

11. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the reasonableness and fairness in respect of the entering into the Equity Transfer Agreement and the Acquisition. Messis Capital Limited, the Independent Financial Adviser, has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the above issues. The text of the letter from the Independent Board Committee is set out on pages 15 to 16 of this circular and the text of the letter from the Independent Financial Adviser containing its advice is set out on pages 17 to 33 of this circular.

12. RE-ELECTION OF DIRECTOR

Pursuant to Article 86(3) of the Articles of Association of the Company, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his appointment and be subject to re-election at such meeting. Accordingly, Mr. Wang Jun ("Mr. Wang") who was appointed by the Board as an executive Director with effect from 21 August 2018 will retire at the EGM and being eligible, offer himself for re-election as an executive Director at the EGM.

Particulars of Mr. Wang, who will be re-elected at the EGM, are set out in as follow:-

Mr. Wang, aged 38, has over 15 years of experience in the real estate industry and capital market. He obtained his bachelor's degree in English from Guangdong University of Foreign Studies in 2002 and his master's degree in Business Administration from Hong Kong University of Science and Technology in 2011.

From 2003 to 2007, Mr. Wang served in PricewaterhouseCoopers Zhong Tian CPAs Limited Company with the latest position as a senior associate; from 2007 to 2011, he served as the head of investor relations and a senior manager of the finance department in Country Garden Holdings Company Limited; and from 2011 to June 2018, he served in Morgan Stanley Asia Limited with the latest position as an executive director. He joined the Company as an executive Director in August 2018.

The Company entered into a director service contract with Mr. Wang for a term of three years commencing from 21 August 2018, whom may be removed by the shareholders of the Company at a general meeting of the Company and shall be subject to the articles of association of the Company and/or the provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") in relation to retirement and re-election. The director service contract may be terminated by not less than three months' notice in writing served by either party on the other. In accordance with the terms of the director service contract, Mr. Wang is entitled to an annual director's fee of HK$5,000,000 which is determined with reference to his experience, duties and responsibilities, workload and time devoted to the Group, and will be reviewed by the remuneration committee of the Company from time to time. According to his remuneration package, Mr. Wang may be entitled to non-cash benefits. As at the date of this announcement, Mr. Wang is interested in 27,000,000 underlying shares of the Company pursuant to share options granted to him under the share option scheme of the Company.

Save as the aforementioned, Mr. Wang does not have any interests in any shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed aforesaid, (i) Mr. Wang does not hold any other positions with the Company or any of its subsidiaries; (ii) he does not hold, and has not held in the last three years, any directorship in any other listed companies; (iii) he has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iv) no other information in relation to the appointment of Mr. Wang is needed to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules; and (v) no other matters in relation to his appointment need to be brought to the attention of the shareholders of the Company.

13. THE EGM

The EGM will be held at 7701B-7702A, Level 77, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Wednesday, 30 January 2019 at 10:00 a.m. for the Independent Shareholders to consider and, if thought fit, approve the Equity Transfer Agreement and the Acquisition and for the Shareholders to consider and, if thought fit, approve the re-election of Mr. Wang Jun as an executive Director by way of poll.

Joy Bright Investments is directly owned as to 100% by Mr. Wu. Mr. Wu, who (together with his associate(s)) holds 1,386,315,639 Shares, representing approximately 50.76% share capital of the Company, is regarded as being interested in the Equity Transfer Agreement and the Acquisition due to his interest in Joy Bright Investments and therefore will abstain from voting on the resolution at the EGM approving the Equity Transfer Agreement and the Acquisition.

Save as the above, as at the Latest Practicable Date, to the best knowledge of the Directors, none of the Shareholders have a material interest in the Equity Transfer Agreement and the Acquisition.

A notice convening the EGM is set out on pages EGM-1 to EGM-2 of this circular.

You will find enclosed a form of proxy for use at the EGM. Whether or not you are able to attend the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to Branch Share Registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof, should you so wish.

14. RECOMMENDATION

The Directors consider that the Equity Transfer Agreement, the Acquisition and the re-election of the retiring Director are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the ordinary resolutions to be proposed at the EGM approving the Equity Transfer Agreement, the Acquisition and the re-election of the retiring Director.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for Mr. Wu and his associate(s), no Shareholder is required to abstain from voting on the ordinary resolution to be proposed at the EGM approving the Equity Transfer Agreement and the Acquisition.

Yours faithfully,
By order of the Board
Central China Real Estate Limited
Wu Po Sum
Chairman

建業地產股份有限公司 *

Central China Real Estate Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0832)

15 January 2019

To the Independent Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION – ACQUISITION OF 100% EQUITY INTEREST IN THE TARGET COMPANY

We refer to the circular of the Company dated 15 January 2019 (the "Circular"), of which this letter forms part. Unless the context requires otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to whether the terms of the Equity Transfer Agreement and the Acquisition are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and whether they are in the interest of the Company and the Shareholders as a whole and to recommend whether or not the Independent Shareholders should vote for the resolution to be proposed at the EGM to approve the Equity Transfer Agreement and the Acquisition. The appointment of Messis Capital Limited as the independent financial adviser to advise you and us in this regard has been approved by us. Details of its advice, together with the principal factors and reasons it has taken into consideration in arriving at such advice, are set out on pages 17 to 33 of the Circular.

Your attention is also drawn to the "Letter from the Board" in the Circular and other information set out in the appendices thereto.

* *for identification purposes only*

Having considered the terms of the Equity Transfer Agreement and the Acquisition and taking into account the independent advice from Messis Capital Limited, in particular the principal factors, reasons and recommendation as set out in its letter, we are of the opinion that the terms of the Equity Transfer Agreement and the Acquisition are on normal commercial terms, fair and reasonable, so far as the Independent Shareholders are concerned and, in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Equity Transfer Agreement and the Acquisition.

Yours faithfully,
For and on behalf of the Independent Board Committee
Mr. Cheung Shek Lun **Dr. Sun Yuyang** **Mr. Xin Luo Lin**
Independent non-executive Directors

The following is the full text of the letter from the Independent Financial Adviser which sets out its advice to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition for inclusion in this circular.

MESSIS 大有融資

15 January 2019

To: The Independent Board Committee and the Independent Shareholders of Central China Real Estate Limited

Dear Sir or Madam,

CONNECTED TRANSACTION AND DISCLOSEABLE TRANSACTION ACQUISITION OF 100% EQUITY INTEREST IN THE TARGET COMPANY

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders to advise the Independent Board Committee and the Independent Shareholders in relation to the Acquisition, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company to the Shareholders dated 15 January 2019 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

On 14 December 2018 (after trading hours), Joy Ascend Holdings (as the purchaser) and Joy Bright Investments (as the vendor) entered into the Equity Transfer Agreement, pursuant to which Joy Ascend Holdings has agreed to acquire the 100% equity interest in the Target Company at a consideration of RMB765,000,000 (equivalent to approximately HK$867,433,500), which shall be paid in cash. Upon completion of the Acquisition, the Group will hold 100% equity interest in the Target Company and the Target Company will become a wholly-owned subsidiary of the Company.

As at the Latest Practicable Date, Mr. Wu directly holds 100% equity interest in Joy Bright Investments and is a controlling shareholder and connected person of the Company. Therefore, Joy Bright Investments is an associate of Mr. Wu and is thus a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As stated in the 2018 September Announcement, Joy Ascend Holdings and Joy Bright Investments entered into the Jujia Equity Transfer Agreement on 24 September 2018, pursuant to which Joy Ascend Holdings has in turn indirectly acquired a property situated in Zhengzhou Area of China (Henan) Pilot Free Trade Zone from Joy Bright Investments. The Jujia Acquisition has been completed as at the Latest Practicable Date. Pursuant to Rules 14.22 and 14A.81 of the Listing Rules, given that the parties of the Jujia Acquisition and the Acquisition are the same and the nature of transactions are similar, the transactions contemplated under the Jujia Equity Transfer Agreement and the Equity Transfer Agreement will be aggregated. As the applicable percentage ratios for the Jujia Equity Transfer Agreement and the Equity Transfer Agreement in aggregate are more than 5% but less than 25%, (i) the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements; and (ii) the Acquisition is subject to the reporting, announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Joy Bright Investments is directly owned as to 100% by Mr. Wu. Mr. Wu is regarded as being interested in the Acquisition due to his interest in Joy Bright Investments and therefore has abstained from voting on the Board resolution approving the Equity Transfer Agreement. Save and except for the aforesaid, none of the Directors has any material interest in any of the Acquisition and was required to abstain from voting on the Board resolution to approve the same.

The Company will convene the EGM to seek, among other things, the approval from the Independent Shareholders for the Equity Transfer Agreement and the Acquisition. Joy Bright Investments is directly owned as to 100% by Mr. Wu. Mr. Wu is regarded as being interested in the Equity Transfer Agreement and the Acquisition due to his interest in Joy Bright Investments and therefore will abstain from voting on the EGM approving the Equity Transfer Agreement and the Acquisition. Save as disclosed above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, there is no other Shareholder who has a material interest in the Equity Transfer Agreement and the Acquisition contemplated thereunder who is required to abstain from voting at the EGM as at the Latest Practicable Date.

The Independent Board Committee (comprising all of the three independent non-executive Directors namely Mr. Cheung Shek Lun, Mr. Xin Luo Lin and Dr. Sun Yuyang) has been established to advise the Independent Shareholders in relation to the Acquisition. We, Messis Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

As at the Latest Practicable Date, we did not have any relationships with or interests in the Company and any other parties that could reasonably be regarded as relevant to our independence. During the past two years, we have not acted as the independent financial adviser on any other transactions for the Company. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence and we are independent from the Company pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION AND RECOMMENDATIONS

In arriving at our recommendations, we have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of the Company for which they are solely and wholly responsible, are true and accurate at the time they were made and will continue to be accurate as at the Latest Practicable Date. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company.

The 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 the 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 therein or the document misleading.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any material facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group and any parties in relation to the Acquisition.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Acquisition. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendations, we have taken into consideration the following principal factors and reasons:

1. Information of the Group and the purchaser

Information of the Group

The Group is principally engaged in property development and sales in Henan Province, the PRC. According to the interim report of the Company for the six months ended 30 June 2018 (the "**2018 Interim Report**"), the Company ranked 41st in the "2017 Top 500 Chinese Property Developers" according to the "2018 Assessment Report on Top 500 Chinese Property Developers" published on 21 March 2018 and topped the list of "Top 10 Chinese Property Developers in Regional Operations" for ten consecutive years in a row.

Set out below is the summary of the key consolidated financial information of the Group for the two years ended 31 December 2016 and 2017 and the six months ended 30 June 2018, which is extracted from the Company's annual report for the year ended 31 December 2017 (the "**2017 Annual Report**") and the 2018 Interim Report:

	For the year ended 31 December		**For the six months ended 30 June**	
	2016	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(audited)	(audited)	(unaudited)	(unaudited)
Revenue	9,495,022	13,879,207	5,057,721	4,770,643
Gross profit	2,292,867	3,280,777	1,331,881	1,719,666
Profit for the year attributable to equity shareholders of the Company	402,973	811,365	405,256	550,011

	As at 31 December		As at 30 June
	2016	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	(audited)	(unaudited)
Non-current assets	10,352,722	15,444,674	17,184,947
Current assets	33,973,078	47,082,511	59,627,979
Total assets	44,325,800	62,527,185	76,812,926
Non-current liabilities	12,937,828	11,384,584	14,180,714
Current liabilities	24,390,646	42,669,432	52,683,284
Total liabilities	37,328,474	54,054,016	66,863,998
Net assets	6,997,326	8,473,169	9,948,928

According to the 2017 Annual Report, revenue of the Group increased by approximately 46.2% from approximately RMB9,495.0 million for the year ended 31 December 2016 to approximately RMB13,879.2 million for the year ended 31 December 2017. The increase in revenue was mainly due to the increase in sales of properties with sold area increased from 1,738,628 sq.m. in 2016 to 2,329,226 sq.m. in 2017 and the increase in average selling price from RMB5,245 per sq.m. for the year ended 31 December 2016 to RMB5,672 per sq.m. for the year ended 31 December 2017.

Cost of sales increased by approximately 47.2% from approximately RMB7,202.2 million for the year ended 31 December 2016 to approximately RMB10,598.4 million for the year ended 31 December 2017, mainly attributable to the increase in sold area in property sales as mentioned above and the increase in land and construction costs. As a result of the aforesaid changes in revenue and cost of sales, gross profit increased by approximately 43.1% from approximately RMB2,292.9 million for the year ended 31 December 2016 to approximately RMB3,280.8 million for the year ended 31 December 2017. The gross profit margin decreased from approximately 24.1% for the year ended 31 December 2016 to approximately 23.6% for the year ended 31 December 2017 mainly as a result of (a) a decrease in the proportion of sales of parking spaces with higher gross profit margin; and (b) prior years' sales promotion resulted in revenue recognised at a lower price during the period.

As a result of the aforesaid factors, profit for the year attributable to the equity shareholders increased by approximately 101.3% from approximately RMB403.0 million for the year ended 31 December 2016 to approximately RMB811.4 million for the year ended 31 December 2017.

According to the 2018 Interim Report, revenue of the Group decreased by approximately 5.7% from approximately RMB5,057.7 million for the six months ended 30 June 2017 to approximately RMB4,770.6 million for the six months ended 30 June 2018, primarily due to the delay in the sales carried forward of some properties as a result of the application of new accounting standard (i.e. HKFRS15). The decrease in income from sale of properties was due to the decrease in sold area from 880,741 sq.m. for the six months ended 30 June 2017 to 679,243 sq.m. for the six months ended 30 June 2018, notwithstanding the increase in average selling price (excluding underground parking spaces) from RMB5,358 per sq.m. for the six months ended 30 June 2017 to RMB5,427 per sq.m. for the six months ended 30 June 2018.

Cost of sales decreased by approximately 18.1% from approximately RMB3,725.8 million for the six months ended 30 June 2017 to approximately RMB3,051.0 million for the six months ended 30 June 2018, mainly attributable to the decrease in sold area in property sales as mentioned above. The gross profit increased by approximately 29.1% from approximately 1,331.9 million for the six months ended 30 June 2017 to approximately RMB1,719.7 million for the six months ended 30 June 2018, while the gross profit margin increased from approximately 26.3% for the six months ended 30 June 2017 to approximately 36.0% for the six months ended 30 June 2018 mainly as a result of (a) an increase in the proportion of sales of parking spaces with higher gross profit margin; and (b) prior periods' sales promotion resulted in revenue recognised at a lower price corresponding period of last year.

As a result of the aforesaid factors, profit for the period attributable to the equity shareholders increased by approximately 35.7% from approximately RMB405.3 million for the six months ended 30 June 2017 to approximately RMB550.0 million for the six months ended 30 June 2018.

As at 30 June 2018, the Group's total assets amounted to approximately RMB76,812.9 million, which mainly consisted of (a) inventories and other contract costs of approximately RMB32,721.7 million; (b) cash and cash equivalents of approximately RMB12,566.8 million; (c) interests in joint ventures of approximately RMB8,700.4 million; and (d) deposits and prepayments of approximately RMB7,339.3 million. As at 30 June 2018, the Group's total liabilities amounted to approximately RMB66,864.0 million, which mainly consisted of (a) contract liabilities of approximately RMB26,882.6 million; (b) trade and other payables of approximately RMB18,936.4 million; (c) senior notes of approximately RMB11,089.9 million; and (d) bank loans and other loans of approximately RMB4,024.1 million. Net asset value of the Group was approximately RMB9,948.9 million as at 30 June 2018. The Group's net gearing ratio, being net borrowings (calculated by total borrowings less cash and cash equivalents divided by total equity), increased from approximately 50.8% as at 31 December 2017 to approximately 71.3% as at 30 June 2018.

Information of the purchaser

Joy Ascend Holdings is a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company and is principally engaged in investment holding.

2. Information of the vendors

Joy Bright Investments is a company incorporated in the British Virgin Islands with limited liability and is directly wholly-owned by Mr. Wu and is principally engaged in investment holding. Mr. Wu is a controlling shareholder and connected person of the Company.

3. Information of the Target Company and Target Properties

The Target Company is a company incorporated in the British Virgin Islands with limited liability and indirectly holds 90% of the effective interest in the Target Property through its interests in its direct wholly-owned subsidiary United China Management and indirectly 90% owned subsidiary Zhengjing Land. United China Management was acquired by the Target Company from Henan Central China Sports Real Estate Co., Ltd.*（河南建業體育不動產有限公司）. The completion of the said acquisition was taken place in early November 2018.

The Target Property is situated at the west of Chaofeng Road and the North of Jingnan 5th Side Road in Economic and Technological Development Zone, Zhengzhou, Henan Province, the PRC. The Target Property comprises of a parcel of land with a site area of approximately 32,572 sq.m. on which a mixed development, including office building developments, hotel and public facilities, are proposed to be built. It is currently expected that the Target Property will have a total gross floor area of approximately 228,774 sq.m. upon completion of its development. The Group has obtained approval for construction plan (the "**Plan**") from the Economic and Technological Development Zone Planning Branch of Zhengzhou Urban and Rural Planning Bureau* (鄭州市城鄉規劃局經濟技術開發區規劃分局). Pursuant to the Plan, the Target Property will be developed into an office building, a hotel, a multimedia centre and underground spaces (including car parking spaces and plant rooms in basement) of approximately 106,948 sq.m, 19,117 sq.m, 3,961 sq.m and 98,748 sq.m respectively.

As at the Latest Practicable Date, foundation works of the Target Property were in progress. In the next stage, the Target Company will conduct piling on the Target Property. Pursuant to the Plan, it is expected that the development of the Target Property will be completed by June 2022 and the construction costs is estimated to be approximately RMB2.4 billion.

Financial information of the Target Company

The unaudited financial information of the Target Company is set out as follows:

	For the year ended 31 December		**For the six months ended 30 June**
	2016	**2017**	**2018**
	(HK$)	*(HK$)*	*(HK$)*
Net loss before taxation for the year/period	N/A	(11,592)	–
Net loss after taxation for the year/period	N/A	(11,592)	–

Note: The financial information of the Target Company is not available for 2016 as it was established in August 2017.

As at 30 June 2018, the unaudited net liabilities and unaudited total assets of the Target Company amounted to approximately HK$11,584 and HK$1, respectively. Both figures did not take into account the value of the Target Property since the same was acquired by the Target Company after the accounting date at the consideration of RMB765,000,000. Based on the valuation report prepared by Savills Valuation and Professional Services Limited ("**Savills**"), the valuation of the Target Property as at 30 November 2018 was RMB850,000,000.

4. Reasons for and benefits of entering into of the Equity Transfer Agreement

As set out in the Letter from the Board, the Target Property is located in a prime location of Zhengzhou which is around 20 minutes' and 15 minutes' driving distance to Zhengzhou Xinzheng International Airport and the downtown of Zhengzhou respectively. In light of its location, the Group intended to the develop the Target Property to a mixed development which involves both landmark office buildings, hotel and public facilities and has obtained the relevant approval in respect of the said land uses from the relevant governmental authorities. It is the current plan that after the completion of the development of the Target Property, part of the office buildings will be used by the Group as its office while the rest will be made available for rent and on the other hand the hotel will be operated by the Group itself.

United China Management, which holds 90% of the equity interests of Zhegjing Land (the holder of the Target Property), was acquired by the Target Company from Henan Central China Sports Real Estate Co., Ltd.*（河南建業體育不動產有限公司）*, an independent third party, at a consideration of RMB765,000,000. The completion of the said acquisition was taken place in early November 2018 and such consideration had been settled in full. As advised by the management of the Group, the Group was primarily focusing on development of residential properties when the Target Property was acquired by the Target Company. The Group later saw the potential of the Target Property as well as the commercial property market in Zhengzhou and subsequently entered into the Equity Transfer Agreement with the Vendor at the Consideration, which is the same as the original acquisition cost of the vendor.

In considering whether the Acquisition is in the interests of the Company and the Shareholders as a whole, we have taken into consideration of the following factors:

(i) Economic overview of Zhengzhou

Zhengzhou is currently ranked fourth of the Best Performing Cities China 2018 by Milken Institute published in 2018 (being a non-profit, nonpartisan think institute determined to increase global prosperity by advancing collaborative solutions that widen access to capital, create jobs and improve health). According to the ranking of top 100 PRC cities in terms of competitiveness（中國城市綜合實力百強城市）complied by Warton Economic Institute[1] according to the statistics published by National Bureau of Statistics, Zhengzhou ranked 13 among the top 100 PRC cities in 2018. In addition, according to the statistics published by the government of Zhengzhou in March 2018, the gross domestic product in Zhengzhou increased to approximately RMB913.0 billion for the year 2017 as compare to the year 2016 of

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[1] *The Warton Economic Institute (WEI), formerly known as the Shanghai Institute of Economic Development, which was established in 1988, is the first in China to provide a comprehensive, integrated approach to macroeconomic, regional economy and enterprise development.*

approximately RMB799.4 billion. As set out in the Letter from the Board, in light of the potential growth of Zhengzhou's city economy and the potential return of the commercial property market of Henan province, numerous real estate developers have entered the market. With reference to the above, we concur with the view of the Directors that Zhengzhou's economy is expected to sustain its pace of growth in 2018 and will eventually lead to further development opportunities.

(ii) Expected steady income generated from the development plan of the Target Property upon its completion

As set out in the Letter from the Board, the Group is primarily focusing on development of residential properties, while development of commercial properties and hotels also form part of the Group's strategy. According to the 2017 Annual Report, income from sales of properties, rental income and revenue from hotel operations represented approximately 95%, 1% and 2% of the total revenue of the Group for the year ended 31 December 2017, respectively. Furthermore, as of 31 December 2017, 72.9%, 8.0% and 0.8% of the Group's land reserves were allocated to residential, commercial and hotel development projects respectively. As set out in the Letter from the Board and advised by the Directors, after the completion of the development of the Target Property, part of the office buildings will be used by the Group as its office while the rest will be made available for rent and on the other hand the hotel will be operated by the Group itself. We concur with the view of the Directors that the Acquisition and the subsequent development of the Target Property into a mixed development will enhance the Group's portfolio and widen its participation in the commercial property market of Henan province, as such the Acquisition is a good opportunity for the Group to secure a strong foothold in the commercial property market of Henan province.

We have obtained and reviewed the development plans of the Target Property, and we are given to understand that the Target Property is expected to be developed into an office building, a hotel, a multimedia centre and underground spaces (including car parking spaces and plant rooms in basement) of approximately 106,948 sq.m, 19,117 sq.m, 3,961 sq.m and 98,748 sq.m respectively. In March 2013, the State Council of the PRC (the "**State Council**") approved the construction of Zhengzhou Airport Economic Experimental Zone*(鄭州航空港經濟綜合實驗區), the first pilot airport economic zone under the national planning. The zone is expected to establish a key international air logistics centre and a key passenger transit hub in China, which will thereby boost the development of Zhengzhou's imports and exports industry and cross-border e-commerce. In April 2016, the State Council passed the approval to set up a state-level innovation demonstration area collaborating three established National High-Tech Industrial Development Zones located in Zhengzhou, Luoyang and Xinxiang ("**Zhengzhou-Luoyang-Xinyang National Independent Innovation Demonstration Zone***"(鄭洛新國家自主創新示範區)), thereby to stimulate innovations in selected industries, including high-end manufacturing industry, industry information industry, new materials industry, new energy industry and biomedicine industry. In August 2016, the State Council passed the approval for Henan Province to establish a new free trade zone which encompass Zhengzhou, Luoyang and Kaifeng ("**China (Henan) Pilot Free Trade Zone**"(中國(河南)自由貿易試驗區)). It is expected to implement a modern three-dimensional transportation and logistics system by expediting the construction of south, north, and east infrastructural links. The zone was officially established in April 2017. As advised by the Directors, upon the completion of the development of the Target Property, the Group is expected to be benefited from the above favourable government policies and initiatives and the potential business opportunities in connection with expected local economic growth of Zhengzhou. Based on the above, we concur with the views of the Directors that the Group could expect steady rental income and revenue from hotel operations generated from the development of the Target Property upon its completion, which will contribute in favour of the Group in coming years. We also concur with the view of the Directors that the future development of the Target Property as one of the local landmark will enhance the Group's brand name and its financial performance.

Having considered (i) the recent growing trend of Zhengzhou's economy; (ii) the development plan of the Target Property and the expected steady income to be generated upon its completion; and (iii) the Consideration is the same as the original acquisition cost of the Vendor, we concur with the view of the Directors that the entering into of the Equity Transfer Agreement is in the ordinary and usual course of the business of the Group and the Acquisition is the interests of the Company and the Shareholders as a whole.

5. Principal terms of the Equity Transfer Agreement

Set out below are the principal terms of the Equity Transfer Agreement, details of which are set out in the Letter from the Board.

Date	14 December 2018 (after trading hours)
Parties	Joy Ascend Holdings (as the purchaser); and Joy Bright Investments (as the vendor)
Consideration	RMB765,000,000 (equivalent to approximately HK$867,433,500), which shall be paid on or prior to the Completion Date
Target Equity	the 100% equity interest in the Target Company
Completion	The Acquisition shall be completed on or prior to the Completion Date. Shall any of the conditions to the Equity Transfer Agreement as set out in the section headed "Conditions Precedent" in the Letter from the Board have not been fulfilled or (as the case may be) waived, both parties may enter into a written agreement to extend the Completion Date or to terminate the Equity Transfer Agreement.

Evaluation of the consideration of the Acquisition

As discussed in the Letter from the Board, the consideration for the Target Company is determined by Joy Ascend Holdings and Joy Bright Investments on arm's length negotiations with reference to 90% of the valuation of the Target Property (the "**Valuation**") as at 30 November 2018 (the "**Valuation Date**"), being RMB850,000,000 as valuated by Savills, a professional valuer which is independent of the Company and its connected persons, based on the market value of the Target Property as arrived at using the direct comparison approach. Details of the Valuation is set out in the valuation report enclosed in Appendix I to the Circular (the "**Valuation Report**"). The Valuation has been undertaken in accordance with the HKIS Valuation Standards 2017 of the Hong Kong Institute of Surveyors ("**HKIS**"), which incorporates the International Valuation Standards ("**IVS**"), and (where applicable) the relevant HKIS or jurisdictional supplement.

We understand that in the course of the Valuation, unless otherwise stated, Savills has assumed that transferable land use rights in respect of the Target Property for its specific term at nominal annual land use fee have been granted and that any premium payable has been fully paid. Savills also assumed that the owner of the Target Property has a good legal title to the Target Property and has free and uninterrupted rights to occupy, use, transfer, lease or mortgage the Target Property for the whole of the unexpired term as granted. No allowance has been made in Savills's valuation for any charges, mortgages or amounts owing on the Target Property nor for any expenses or taxation which can be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Target Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

According to our discussion with Savills, the Target Property is to be held by the Target Company under development. In undertaking the valuation, Savills has valued the Target Property on the basis that it will be developed and completed in accordance with the latest development proposal provided by the Company to Savills. Savills has also assumed that all consents, approvals and licenses from relevant government authorities for the development proposal have been obtained without onerous conditions or delays. We also noted that Savills has carried out site inspection from 30 October 2018 to 1 November 2018, and no serious defects was noted. In arriving their opinion of value, Savills has adopted the direct comparison approach by making reference to sales of comparable properties as available in the market and have also taken into account the expended construction cost and the cost that will be expended to complete the development to reflect the quality of the completed development. Given the current status of the Target Property, the methodology is, in our opinion, a reasonable approach in establishing the market value of the Target Property, which is under development in progress.

In arriving the valuation of the Target Property on an "as if completed" basis, Savills has made reference to various market comparables of similar developments which have characteristics comparable to the Target Property. Due adjustments to the unit rates of these comparables have been made to reflect factors including but not limited to time, location, size, building age and building quality in arriving at the key assumptions. We have reviewed and discussed Savills's selection on the market comparables and the relevant adjustments made. We noted that the unit rates of these market comparables are in a range between RMB26,200 to RMB36,200 per sq.m for office, RMB1,630,000 to RMB1,860,000 per room for hotel and approximately RMB214,000 to RMB238,000 per car parking space, while the average unit rates adopted in the Valuation are RMB34,900 per sq.m for office, RMB1,730,000 per room for hotel and RMB180,000 per car parking space, which are comparable to the relevant market comparables. Having considered above, we are of the view that the basis of selection of market comparables and the adjustments, including various factors taken into account, made for reflecting the difference between the selected comparables and the Target Property are reasonable and relevant for the purpose of establishing the appraised value of the Target Property.

We are given to understand that Savills was able to identify sufficient comparable market comparables of similar developments, hence the market approach is considered to be the most appropriate methodology for the valuation of the Target Property.

After taken into account the above, we consider that the valuation methodology, together with its bases and assumptions, adopted by Savills as discussed above are reasonable and in line with market practice.

Furthermore, we have been furnished with the qualifications and experience of Savills in relation to the conduct of valuation of the Target Property. We note that it possesses experience in property valuations. The responsible person in charge of the Valuation Report is the director of Savills and is a member of the HKIS with over 25 years' experience in valuation of properties in the PRC who has sufficient knowledge of the relevant market, the skills and understanding to handle the subject valuation exercise competently. Based on our review of the Valuation Report and our discussion with Savills on areas, including but not limited to the valuation methodologies and assumptions being adopted in preparing the Valuation Report and the qualification and experience of Savills and the key person involved, nothing has come to our attention that causes us to doubt the fairness and reasonableness of the preparation of the Valuation Report. We have also reviewed Savills's terms of engagement with the Company (including its scope of work) and we are not aware of any irregularities based on our discussion with Savills and our review of their work. In view of the above, we consider that the procedures of the valuation carried out by Savills as well as the bases, assumptions and methodologies adopted for the Valuation Report are appropriate. Savills has also confirmed that it is independent from the Company and its connected persons. The value of the Target Property as set out in the Valuation Report is therefore considered indicative in determining the consideration of the Target Property. As such, we consider the Valuation is a fair reference for our assessment of the consideration.

Accordingly, we are of the view that the consideration for the Acquisition, which has been determined based on the valuation of the Target Property as set out in the Valuation Report, is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole.

6. Possible financial effects of the Acquisition

Immediately upon completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company. Its financial results will be consolidated into the consolidated financial statements of the Group. It should be noted that the analysis below is for illustrative purpose only and does not purport to represent how the financial position of the Group would be upon Completion.

Effect on net assets value

According to the 2018 Interim Report, the unaudited net asset value of the Group was approximately RMB9,948.9 million as at 30 June 2018. Upon completion of the Acquisition, it is expected that the total assets would increase as a result of the Acquisition. While the consideration shall be fully satisfied by internal financial resources of the Group, the cash and cash equivalent of the Group would be reduced as a result of the payment of the consideration. The Directors do not expect that the net assets value position of the Group will be materially affected.

Effect on earnings

As advised by the Directors, the Target Property is under development and the foundation work of the Target Property was in progress. The development of the Target Property is scheduled for completion in June 2022. As a result, it is expected that no material adverse impact on the earnings of the Group upon Completion.

Effect on working capital

As advised by the Directors, the cash position and the working capital is expected to be reduced mainly due to the payment of consideration of the Acquisition. As at 30 June 2018, the Group's cash and cash equivalents amounted to approximately RMB12,567 million, the Directors expect that the cash position and the working capital position will not be materially affected.

Based on the above financial effects of the Acquisition, we are of the view that the Acquisition will not have a material impact on the Group's financial position and we consider that the Acquisition are in the interests of the Company and the Shareholders as a whole.

RECOMMENDATION

Having taken into account the principal factors discussed above, we are of the view that (i) the Acquisition is in the ordinary and usual course of the business of the Group; (ii) the Acquisition is in the interests of the Company and the Shareholders as a whole; and (iii) the terms of the Equity Transfer Agreement and the Acquisition are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the resolutions to be proposed at the EGM to approve the Equity Transfer Agreement and the Acquisition.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Vincent Cheung
Managing Director

Note: Mr. Vincent Cheung is a licensed person registered with the Securities and Futures Commission and regarded as a responsible officer of Messis 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 10 years of experience in corporate finance industry.

The following is the text of a letter and valuation report prepared for the purpose of incorporation in this circular received from Savills Valuation and Professional Services Limited, an independent property valuer, in connection with their opinion of value of the Property held by the Target Company as at 30 November 2018.

Savills Valuation and
Professional Services Limited
1208, Cityplaza One
1111 King's Road, Taikoo Shing
Hong Kong

T : (852) 2801 6100
F : (852) 2530 0756

EA Licence: C-023750
savills.com

The Directors
Central China Real Estate Limited
Rooms 7701B-7702A, 77th Floor
International Commerce Centre
No. 1 Austin Road West
Kowloon
Hong Kong

15 January 2019

Dear Sirs,

Re: Jianye Centre（建業•中心）(Land No. JJ1-100-655), West of Chaofeng Road, North of Jingnan 5th Side Road, Economic and Technological Development Zone, Zhengzhou, Henan Province, The People's Republic of China (the "Property")

INSTRUCTIONS

In accordance with the instructions from Central China Real Estate Limited (the "Company") for us to value the Property situated in the People's Republic of China (the "PRC"), we confirm that we have carried out an inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing the Company with our opinion of the market value of the Property as at 30 November 2018 (the "Valuation Date") for acquisition purpose.

BASIS OF VALUATION

Our valuation of the Property is our opinion of its market value on a 100% interest basis which we would define as intended to mean "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion".

Moreover, market value is understood as the value of an asset or liability estimated without regarding to the costs of sale and purchase (or transaction) and without offset for any associated taxes or potential taxes.

Our valuation has been undertaken in accordance with the HKIS Valuation Standards 2017 of the Hong Kong Institute of Surveyors ("HKIS"), which incorporates the International Valuation Standards ("IVS"), and (where applicable) the relevant HKIS or jurisdictional supplement.

IDENTIFICATION AND STATUS OF THE VALUER

The subject valuation exercise is handled by Mr. Anthony C.K. Lau, who is the Director of Savills Valuation and Professional Services Limited ("SVPSL") and a Member of the HKIS with over 25 years' experience in valuation of properties in the PRC and have sufficient knowledge of the relevant market, the skills and understanding to handle the subject valuation exercise competently.

Prior to your instructions for us to provide this valuation exercise in respect of the Property, SVPSL had not been involved in valuation of the Property in the last 12 months.

We are independent of the Company and its subsidiaries. We are not aware of any instances which would give rise to potential conflict of interest from SVPSL or Mr. Anthony C.K. Lau in the subject exercise. We confirm SVPSL and Mr. Anthony C.K. Lau are in the position to provide objective and unbiased valuation for the Property.

VALUATION METHODOLOGY

The Property is to be held by the Company under development. In undertaking our valuation, we have valued the Property on the basis that it will be developed and completed in accordance with the latest development proposal provided to us. We have also assumed that all consents, approvals and licenses from relevant government authorities for the development proposal have been obtained without onerous conditions or delays. In arriving at our opinion of value, we have adopted the direct comparison approach by making reference to sales of comparable properties as available in the market and have also taken into account the expended construction cost and the cost that will be expended to complete the development to reflect the quality of the completed development. The "market value as if completed" represents our opinion of the aggregate selling the price of the Property assuming that it would be completed as at the Valuation Date.

TITLE INVESTIGATION

We have been provided with copies of extracts of title documents relating to the Property. However, we have not searched the original documents to verify ownership or to ascertain the existence of any amendments which may not appear on the copies provided to us. In the course of our valuation, we have relied to a very considerable extent on information given by the Group and the legal opinion issued by the PRC's legal adviser to the Group, Commerce & Finance Law Offices, regarding the title to the Property in the PRC.

SOURCE OF INFORMATION

In the course of our valuation, we have relied to a considerable extent on information provided by the Company and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, particulars of occupancy, development proposal, construction costs expended and to be expended, estimated completion date, site and floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation report are based on information contained in the documents provided to us and are therefore only approximations. No on-site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided to us by the Company, which is material to our valuation. We have also advised by the Company that no material facts have been omitted from the information supplied.

VALUATION ASSUMPTIONS

In the course of our valuation, unless otherwise stated, we have assumed that transferable land use rights in respect of the Property for its specific term at nominal annual land use fee have been granted and that any premium payable has been fully paid. We have also assumed that the owner of the Property has a good legal title to the Property and has free and uninterrupted rights to occupy, use, transfer, lease or mortgage the Property for the whole of the unexpired term as granted.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which can be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

SITE INSPECTION

We have inspected the Property. During the course of our inspection, we did not note any serious defects. Moreover, no structural survey has been made and we are therefore unable to report that the Property is free from rot, infestation or any other structural defects. No tests were carried out on any of the services. We have also not carried out investigations on site to determine the suitability of the ground conditions and services for future development. Our valuation is prepared on the assumption that these aspects are satisfactory and no extraordinary expenses or delay will be incurred during the development period.

Site inspection was carried out from 30 October 2018 to 1 November 2018 by the following professional valuers:

Mr. Ken Liu	China Registered Real Estate Appraiser and China Registered Land Valuer
Ms. Vienna Peng	China Registered Real Estate Appraiser and China Registered Land Valuer

CURRENCY

Unless otherwise stated, all money amounts stated are in Renminbi (“RMB”).

We enclose herewith our valuation report.

Yours faithfully,
For and on behalf of
Savills Valuation and Professional Services Limited
Anthony C.K. Lau
MRICS MHKIS RPS(GP)
Director

Note: Mr. Anthony C.K. Lau is a professional surveyor who has over 25 years’ experience in valuation of properties in the PRC.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 November 2018
Jianye Centre (建業•中心) (Land No. JJ1-100-655), West of Chaofeng Road, North of Jingnan 5th side Road, Economic and Technological Development Zone, Zhengzhou, Henan Province, PRC	The Property comprises a parcel of land with a site area of approximately 32,572.19 sq m on which a mixed development is being built. The Property is located at the west of Chaofeng Road and the south of Tiyuchang South Road in Economic and Technological Development Zone. Developments in the vicinity are dominated by various residential developments and public facilities. It takes about a 20-minute drive from the Property to Zhengzhou Xinzheng International Airport and a 15-minute drive to the downtown of Zhengzhou. According to the Construction Works Planning Permit No. Zheng Gui Jian (Jian Zhu) Zi Di 410100201829031, the Property will have a total gross floor area of approximately 228,774.42 sq m upon completion. The usage and breakdown of the gross floor areas are as follows:	As at the Valuation Date, foundation works of the Property was in progress.	RMB850,000,000 (Renminbi Eight Hundred and Fifty Million)

Use	Approximate Gross Floor Area *(sq m)*
Office	106,947.62
Hotel	19,117.39
Multimedia Centre	3,961.08
Car parking space (1,194 bays)	90,248.33
Basement (plant room)	8,500.00
Total:	**228,774.42**

According to the information provided by the Company, refuge floors with a total gross floor area of approximately 8,920.95 sq.m. are included in the office area as mentioned above. As advised by the Company, the Property is scheduled for completion in June 2022.

The land use rights of the Property have been granted for a term expiring on 23 November 2053 for business service and finance uses.

Notes:

1. Pursuant to the State-owned Land Use Rights Grant Contract No. 410100-CR-2013-0472-6412 dated 26 August 2013 and two Supplementary Contracts dated between 27 September 2013 and 20 March 2017, the land use rights of the Property with a site area of approximately 32,572.19 sq m have been granted to Henan Jianye Zhengjing Land Co., Ltd.（河南建業鄭經置業有限公司）(“Zhengjing Land”) for a term of 40 years for business service and finance uses, at a land grant fee of RMB183,780,000.

   The said Supplementary Contract dated 20 March 2017 stipulates that the construction works are required to be completed by 2 September 2020.

2. Pursuant to the State-owned Land Use Rights Certificate No. Zheng Guo Yong (2015) Di XQ1024 dated 8 May 2015, the land use rights of the Property with a site area of approximately 32,572.19 sq m have been granted to Zhengjing Land for a term expiring on 23 November 2053 for business service and finance uses.

3. Pursuant to the Construction Land Planning Permit No. Zheng Gui Di Zi Di 410100201529011 issued by the Economic and Technological Development Zone Planning Branch of Zhengzhou Urban and Rural Planning Bureau dated 2 March 2015, Zhengjing Land was permitted to use a parcel of land with a site area of approximately 32,572.19 sq m for development.

4. Pursuant to the Construction Works Planning Permit No. Zheng Gui Jian (Jian Zhu) Zi Di 410100201829031 issued by the Economic and Technological Development Zone Planning Branch of Zhengzhou Urban and Rural Planning Bureau dated 13 June 2018, the approved usage of a development project was for office, hotel, multimedia centre and underground spaces (including car parking spaces and plant rooms in basement), and the approved construction scale was approximately 228,774.42 sq m. According to the information provided by the Company, refuge floors are provided in the office area. As confirmed by the Company, they will construct the Property in accordance with the usages as mentioned in the said Construction Works Planning Permit.

5. Pursuant to the Construction Works Commencement Permit No. 410171201810310101 issued by Construction Bureau of Zhengzhou Economic and Technological Development Zone dated 31 October 2018, the construction works with a construction scale of approximately 228,774.42 sq m were permitted for commencement and the construction period was 1,460 days.

6. As advised by the Company, the total construction cost expended as at the Valuation Date was approximately RMB143,000,000 and the estimated outstanding construction cost to be expended for completion of the Property as at the Valuation Date would be approximately RMB2,085,000,000. We have taken into account the aforesaid amounts in our valuation.

7. The market value of the Property as if completed as at the Valuation Date is estimated to be approximately RMB4,108,000,000.

8. We have been provided with a legal opinion on the title to the Property issued by the Company's PRC legal adviser, which contains, inta-alia, the following information:

   i. Zhengjing Land has legally obtained the land use rights of the Property and is entitled to occupy, use, transfer, lease, mortgage or by other legal means to dispose of the Property within the residual term of its land use rights;

   ii. Zhengjing Land has obtained the necessary permits, approvals and certificates for the construction of the Property;

   iii. the construction of the Property is in compliance with the relevant environmental laws and regulations;

   iv. the Property is free from any seizures, mortgages or other third party rights; and

   v. Zhengjing Land is not subject to any pending or anticipated litigation, arbitration or administrative penalty.

9. In undertaking our valuation of the Property as if completed, we have made reference to various market comparables of similar developments which have characteristics comparable to the Property. The unit prices of these comparables are in a range between RMB26,200 to RMB36,200 per sq m for office, RMB1,630,000 to RMB1,860,000 per room for hotel and RMB214,000 to RMB238,000 per car parking space. Due adjustments to the unit rates of these comparables have been made to reflect factors including but not limited to time, location, size, building age and building quality in arriving at the key assumptions.

   In our valuation, we have adopted average unit rates of about RMB34,900 per sq m for office, RMB37,400 per sq m for multimedia centre, RMB1,730,000 per room for hotel and RMB180,000 per car parking space, which are consistent with the relevant comparables.

1. 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 and its Subsidiaries. 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.

2. DISCLOSURE OF INTERESTS

I. Directors' and chief executive's interests and short positions in the shares, underlying shares or debentures of the Company or its associated corporations

Save as disclosed, as at the Latest Practicable Date, none of the Directors or chief executive of the Company has any interest or short position in the Shares, convertible securities, warrants, options or derivatives, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to be 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); (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Listing Rules, or in accordance with information received by the Company.

Name of Director or chief executive	Capacity and nature of interest	Number of share options held	Number of Shares held	Approximate percentage of the interest in the Company's issued share capital[4]
Mr. Wu Po Sum	Interest in a controlled corporation	–	1,386,315,639[1]	50.76%
	Beneficial owner	2,050,400[2]	–	0.08%
Mr. Wang Jun	Beneficial owner	27,000,000[2]	–	0.99%
Mr. Liu Weixing	Beneficial owner	20,000,000[2]	1,000,000	0.73%
Ms. Wu Wallis[3] (alias Li Hua)	Interest of spouse	8,500,000[2]	–	0.31%
Mr. Yuan Xujun	Beneficial owner	20,000,000[2]	–	0.73%

Notes:

1. The 1,386,315,639 Shares were registered in the name and were beneficially owned by Joy Bright Investments Limited ("Joy Bright"), a company wholly owned by Mr. Wu Po Sum. Accordingly, he is deemed to be interested in the 1,386,315,639 Shares by virtue of the SFO.

2. Such interest in the Shares is held pursuant to the share options granted under the share option scheme of the Company.

3. The 8,500,000 share options are beneficially owned by the spouse of Ms. Wu Wallis (alias Li Hua), therefore Ms. Wu Wallis (alias Li Hua) is deemed to be interested in her spouse's share options for the purposes of the SFO.

4. The approximate percentage of the interest in the Company's issued share capital is based on a total of 2,731,262,560 Shares of the Company in issue as at the Latest Practicable Date.

II. Substantial Shareholders who have an interest and/or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO

So far as in known to the Directors and chief executive of the Company, as at the Latest Practicable Date, the following persons (other than Directors and chief executives of the Company) had, or were deemed or taken to have an interest or short position in the Shares and underlying shares of the Company, which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Capacity and nature of interest	Number of Shares held	Approximate percentage of the interest in the Company's issued share capital[1]
Joy Bright	Beneficial owner	1,386,315,639[2]	50.76%
CapitaLand LF (Cayman) Holdings Co., Ltd. ("CapitaLand (Cayman)")	Beneficial owner	658,116,228[3]	24.10%
CapitaLand China Holdings Pte Ltd. ("CapitaLand China")	Interest of controlled corporation	658,116,228[3]	24.10%

Name of Shareholder	Capacity and nature of interest	Number of Shares held	Approximate percentage of the interest in the Company's issued share capital[1]
CapitaLand China Investments Limited ("CapitaLand China Investments")	Interest of controlled corporation	658,116,228[3]	24.10%
CapitaLand Limited ("CapitaLand")	Interest of controlled corporation	658,116,228[3]	24.10%
Temasek Holdings (Private) Limited ("Temasek Holdings")	Interest of controlled corporation	658,116,228[3]	24.10%

Notes:

(1) The approximate percentage of the interest in the Company's issued share capital is based on a total of 2,731,262,560 Shares of the Company in issue as at the Latest Practicable Date.

(2) Mr. Wu Po Sum holds 100% of the issued share capital of Joy Bright and is deemed to be interested in the 1,386,315,639 Shares held by Joy Bright for the purposes of the SFO.

(3) CapitaLand (Cayman) is directly wholly owned by CapitaLand China. CapitaLand China is directly wholly owned by CapitaLand China Investments and CapitaLand China Investments is directly wholly owned by CapitaLand. Temasek Holdings has an interest in approximately 40.011% of the issued share capital of CapitaLand. Therefore, each of CapitaLand China, CapitaLand China Investments, CapitaLand and Temasek Holdings is deemed or taken to be interested in the 658,116,228 Shares which are owned by CapitaLand (Cayman) for the purposes of the SFO.

3. DIRECTORS' INTERESTS

I. Interests in contract or arrangement

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is signification in relation to the business of the Group.

II. Interests in assets

As at the Latest Practicable Date, save for the transactions contemplated under (i) the Jilia Equity Transfer Agreement; and (ii) the Equity Transfer Agreement as disclosed in the 2018 September Announcement and this circular respectively, none of the Directors had any direct or indirect interests in any assets which had been, since 31 December 2017, the date of which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

III. Interests in competing business

As at the Latest Practicable Date, none of the Directors or their respective close associates (as defined in the Listing Rules) had an interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling Shareholder).

4. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration or claim of material importance and, so far as the Directors were aware, no litigation or claims of material importance are pending or threatened by or against any member of the Group.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group expiring or determinable by the Group within one year without payment of compensation, (other than statutory compensation).

6. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice which is contained in this circular:

Name	Qualification
Messis Capital Limited	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Savills Valuation and Professional Services Limited	an independent professional valuer

Each of the above experts has given and confirmed that it has not withdrawn its written consent to the issue of this circular with the inclusion herein of its statements and/or references to its name in the form and context in which it appears. Each of the above experts has further confirmed that as at the Latest Practicable Date, it was not interested in the share capital of any member of the Group, nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group. It is not interested in any assets which have been, since 31 December 2017 (being the date to which the Company's latest audited financial statements were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

7. NO MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2017, being the date to which the latest published audited financial statements of the Group were made up.

8. GENERAL

I. The registered office of the Company is at Cricket Square Hutchins Drive P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

II. The principal place of business of the Company in Hong Kong is at Room 7701B–7702A, 77th Floor, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays and public holidays excepted) at the head office and principal place of business of the Company in Hong Kong from the date of this circular up to and including the date of the EGM:

I. the Equity Transfer Agreement and the Jilia Equity Transfer Agreement;

II. this circular.

建業地產股份有限公司 *

Central China Real Estate Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0832)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "**EGM**") of the shareholders of Central China Real Estate Limited (the "**Company**") will be held at 7701B-7702A, Level 77, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Wednesday, 30 January 2019 at 10:00 a.m. for the following purposes. Unless the context requires otherwise, terms used herein shall have the same meanings as those defined in the circular of the Company dated 15 January 2019 (the "**Circular**").

ORDINARY RESOLUTIONS

1. To approve the entering into of the Equity Transfer Agreement, the Acquisition and all transactions contemplated thereunder as set out in the Circular and to authorize any one Director to do all such acts and things and execute all such documents in connection with the Equity Transfer Agreement, the Acquisition and all transactions contemplated thereunder.

2. To re-elect Mr. Wang Jun as an executive Director, and to authorize the Board to fix his remuneration.

By order of the Board
Central China Real Estate Limited
Wu Po Sum
Executive Director

Hong Kong, 15 January 2019

* *For identification purpose only*

As at the date of this notice, the Board comprises nine Directors, of which Mr. Wu Po Sum, Mr. Liu Weixing and Mr. Wang Jun are executive Directors, Mr. Lucas Ignatius Loh Jen Yuh, Mr. Puah Tze Shyang and Ms. Wu Wallis (alias Li Hua) are non-executive Directors, Mr. Cheung Shek Lun, Mr. Xin Luo Lin and Dr. Sun Yuyang are independent non-executive Directors.

Notes:

(a) The register of members of the Company will be closed from 29 January 2019 to 30 January 2019 (both days inclusive), during which period no transfer of shares in the Company can be registered. In order to qualify for attending the Meeting, all properly completed share transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 28 January 2019.

(b) Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his or her behalf. A proxy need not be a shareholder of the Company. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the EGM or any adjourned meeting.

(c) Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the EGM or any adjournment thereof if he/she so desires and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.

(d) In the case of joint registered holders of any Shares, any one of such persons may vote at the EGM (or at any adjournment thereof), either personally or by proxy, in respect of such Share(s) as if he or she were solely entitled thereto; but if more than one joint registered holder is present at the EGM, whether in person or by proxy, that one of the joint registered holders whose name stands first on the register of members in respect of the relevant joint holding shall, to the exclusion of other joint holders, be entitled to vote in respect thereof.

(e) If Typhoon Signal No. 8 or above is expected to be hoisted or a Black Rainstorm Warning Signal is expected to be in force any time after 6:00 a.m. on the date of the EGM, then the EGM will be postponed and the shareholders will be informed of the date, time and venue of the rescheduled Meeting by a supplementary notice posted on the websites of the Company and the Stock Exchange.

The EGM will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the EGM under bad weather condition bearing in mind their own situations and if they do so, they are advised to exercise care and caution.