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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)

**CONTINUING CONNECTED TRANSACTION
GREEN HOUSE MANAGEMENT SERVICES
FRAMEWORK AGREEMENT**

On 29 March 2019, the Company entered into the Green House Management Services Framework Agreement with Central China New Life, pursuant to which the Company agreed to procure, and Central China New Life agreed to provide the Green House Management Services.

As at the date of this announcement, Central China New Life is indirectly owned as to more than 30% by Mr. Wu. Mr. Wu is the controlling Shareholder and a connected person of the Company. Accordingly, Central China New Life is an associate of Mr. Wu and thus a connected person of the Company under Rule 14A.07(4) of the Listing Rules. The transactions contemplated under the Green House Management Services Framework Agreement therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios (other than the profit ratio) in respect of the transactions contemplated under the Green House Management Services Framework Agreement are more than 0.1% but less than 5%, the transactions contemplated under the Green House Management Services Framework Agreement are subject to the reporting, announcement and annual review requirements but exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

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GREEN HOUSE MANAGEMENT SERVICES FRAMEWORK AGREEMENT

The principal terms of the Green House Management Services Framework Agreement are as follows:

Date	29 March 2019
Parties	the Company (as service user); and Central China New Life (as service provider)
Term	1 January 2019 to 31 December 2021
Nature of transaction	Central China New Life and its group members shall provide the Green House Management Services to the Group.

The parties shall enter into separate agreements in respect of the detailed service scope of the Green House Management Services as and when necessary.

Fees of the Green House Management Services	Services	Service scope and pricing basis
	Project promotion, brand promotion and operation management services	Provision of operation services such as business solicitation, brand promotion, event planning, for the Group's agricultural projects, with fees determined based on the project management scale and service items, taking into consideration of operation and management costs
	Technical support services to agricultural facility projects	Provision of technical management services throughout the whole process of research and development, introduction and promotion of agricultural facility projects (such as intelligent linkage greenhouses, plant factories) under the agricultural projects, with fees determined based on the project management scale and service items
	Agricultural product sales management	Management and sales of agricultural products, with commission charged at a fixed percentage (10%-15%) of the total sales amount
	Agricultural product planting service	Daily operation and planting of agricultural products and the relevant consultation services, with fees based on the area of the agricultural project and agricultural product planting area as well as the type of planting services

The fee is determined after arm's length negotiations with China New Life and with reference to the relevant comparable market prices of other providers in the market or the cost-effectiveness of the Company's self-operated projects and the professional requirements.

ANNUAL CAPS AND BASIS FOR DETERMINING THE ANNUAL CAPS

The annual caps for the Green House Management Services Framework Agreement for the years ending 31 December 2019, 31 December 2020 and 31 December 2021 are RMB32,000,000, RMB44,000,000 and RMB64,000,000, respectively.

In considering the annual caps for the Green House Management Services Framework Agreement, the Directors have considered a number of factors including the number of agricultural projects currently owned and to be owned by the Group, their areas, facilities as well as the scale and location, the sales volume, prices and sales amount of the agricultural products and the service items required. In view of the fact that the Company will establish more agricultural projects, it is currently expected that the Group will procure more Green House Management Services from Central China New Life for the three years ending 31 December 2021.

REASONS FOR AND BENEFITS OF THE GREEN HOUSE MANAGEMENT SERVICES FRAMEWORK AGREEMENT

In order to focus on the principal business of real estate development, the Group decided to partially outsource the management of the Group's green house projects to help integrate resources to develop the principal business. The Green House Management Services Framework Agreement was entered into in the ordinary and usual course of business of the Group. During the two months ended 28 February 2019, China New Life did not provide the Green House Management Services to the Group.

The Directors (including independent non-executive Directors) are of the view that the terms of the Green House Management Services Framework Agreement and the annual caps are fair and reasonable and the transaction contemplated thereunder are on normal commercial terms or better to the Company and that the entering into of the Green House Management Services Framework Agreement is in the interests of the Company and the Shareholders as a whole.

DIRECTOR'S INTEREST IN THE CONTINUING CONNECTED TRANSACTION

Central China New Life is indirectly owned as to more than 30% by Mr. Wu. Mr. Wu is regarded as being interested in the transactions contemplated under the Green House Management Services Framework Agreement due to his interest in Central China New Life and therefore has abstained from voting on the Board resolution approving the said agreement and the annual caps. Save and except for the aforesaid, none of the Directors has any material interest in any of the transactions contemplated under the Green House Management Services Framework Agreement and was required to abstain from voting on the Board resolutions to approve the same.

INFORMATION OF THE PARTIES

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

Central China New Life is principally engaged in providing all-rounded property management services, including but not limited to agricultural project management, for buildings and communities nearby in Henan Province, the PRC.

LISTING RULES IMPLICATION

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DEFINITIONS

In this announcement, the following terms shall have the following meanings unless the context otherwise requires:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Central China New Life”	Central China New Life Service Company Limited* (河南建業新生活服務有限公司), a company incorporated in the PRC with limited liability and a connected person 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, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Green House”	main body of the establishment and operation of the Group’s modern agricultural projects
“Green House Management Services”	As set out in the Green House Management Services Framework Agreement, the services provided or to be provided by Central China New Life to the Group in respect of agricultural project promotion, brand promotion and operation management, technical support services to the facility of the agricultural projects, agricultural product sales management and agricultural product planting service
“Green House Management Services Framework Agreement”	the framework agreement entered into between the Company and Central China New Life on 29 March 2019 for the provision of the Green House Management Services by Central China New Life to the Group
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Wu”	Mr. Wu Po Sum, the chairman of Company, an executive Director and a controlling Shareholder and owns 100% equity interest in Central China New Life as at the date of this announcement
“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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 29 March 2019

As at the date of this announcement, 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.

* *For identification purposes only*