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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  
REAL ESTATE AGENCY SERVICES  
FRAMEWORK AGREEMENT**

Reference is made to the announcement of the Company dated 31 December 2018 in relation to the entering into of the 2018 Real Estate Agency Services Framework Agreement. With the primary aim to adjust the annual caps under the 2018 Real Estate Agency Services Framework Agreement, the Company entered into the 2019 Real Estate Agency Services Framework Agreement with Central China New Life on 24 June 2019 to supersede and terminate the 2018 Real Estate Agency Services Framework Agreement, the service scope of which will also cover the Real Estate Agency Services contemplated and to be contemplated under the 2018 Real Estate Agency Services Framework Agreement. Pursuant to the 2019 Real Estate Agency Services Framework Agreement, the Company has agreed to procure, and Central China New Life has agreed to provide, the Real Estate Agency Services.

**LISTING RULES IMPLICATION**

As at the date of this announcement, Central China New Life is directly 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 2019 Real Estate Agency 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 2019 Real Estate Agency Services Framework Agreement are over 0.1% but less than 5%, the transactions contemplated under the 2019 Real Estate Agency 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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## **2019 REAL ESTATE AGENCY SERVICES FRAMEWORK AGREEMENT**

The principal terms of the 2019 Real Estate Agency Services Framework Agreement are as follows:

Date	24 June 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	<p>Central China New Life shall provide Real Estate Agency Services in respect of the first-hand property sales to the Group as well as preparation services (including but not limited to consulting services, marketing services, promotion services, exhibition showroom, material preparation, event organization and other services) provided to achieve agency services target.</p> <p>The parties shall enter into separate agreements for detailed service scope in respect of various Real Estate Agency Services as and when necessary.</p>
Fees charged for the Real Estate Agency Services and its pricing basis	<p>The services fees were determined by the parties on an arm's length basis and on normal commercial terms or better to the Company having regard to (i) the agency fees charged as commission and incentives based on contracted sales amount of the Group's properties, depending on the overall property market environment, project location, difficulties of marketing, service content, services provided in the form of agency or underwriting and other factors; (ii) the rate generally offered by Central China New Life to independent third parties in respect of comparable agency services; and (iii) comparable market prices of the respective regions quoted from at least two independent service providers.</p>

## **ANNUAL CAP AND BASIS FOR DETERMINING THE ANNUAL CAP**

The transaction amount of the Real Estate Agency Services provided by Central China New Life to the Company for the five months ended 31 May 2019 was approximately RMB37,000,000 (unaudited). The annual caps for the 2018 Real Estate Agency Services Framework Agreement for the year ending 31 October 2019, 2020 and 2021 are RMB312,000,000, RMB320,000,000 and RMB330,000,000, respectively.

The annual caps for the 2019 Real Estate Agency Services Framework Agreement for the year ending 31 December 2019, 2020 and 2021 are RMB250,000,000, RMB285,000,000 and RMB330,000,000, respectively.

In considering the annual caps for the 2019 Real Estate Agency Services Framework Agreement, the Directors have considered a number of factors including the number of existing and upcoming real estate projects of the Group and their scale, location and the tentative schedule of property sales.

## **REASONS FOR AND BENEFITS OF THE 2019 REAL ESTATE AGENCY SERVICES FRAMEWORK AGREEMENT**

In order to focus on the main business of real estate development, the Group decided to outsource the real estate marketing segment to assist in integrating resources to develop its main business. The entering into of the 2019 Real Estate Agency Services Framework Agreement was in the ordinary and usual course of business of the Group.

The Directors (including independent non-executive Directors) are of the view that the terms of the 2019 Real Estate Agency Services Framework Agreement and the annual caps are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms or better to the Company and that the entering into of the 2019 Real Estate Agency 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 2019 Real Estate Agency 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 2019 Real Estate Agency Services Framework Agreement and was required to abstain from voting on the Board resolution to approve the same.

## **INFORMATION ON 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 service for buildings and communities nearby in Henan Province, the PRC.

## **LISTING RULES IMPLICATION**

As at the date of this announcement, Central China New Life is directly 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 2019 Real Estate Agency 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 2019 Real Estate Agency Services Framework Agreement are over 0.1% but less than 5%, the transactions contemplated under the 2019 Real Estate Agency 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.

## **DEFINITIONS**

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

“2018 Real Estate Agency Services Framework Agreement”	the framework agreement entered into between the Company and Central China New Life on 31 December 2018, details of which are set out in the announcement of the Company dated 31 December 2018
“2019 Real Estate Agency Services Framework Agreement”	the framework agreement entered into between the Company and Central China New Life on 24 June 2019 for the provision of the Real Estate Agency Services by Central China New Life to the Group
“associate(s)”	has the meaning given 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, whose shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning given to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“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 the Company, an executive Director and a controlling shareholder of the Company and as at the date of this announcement owns 94.16% equity interest in Central China New Life
“PRC”	the People’s Republic of China
“Real Estate Agency Services”	the real estate agency services in respect of the first-hand property sales as well as the related preparation services (such as consulting services, marketing services, promotion services, etc.) provided or to be provided by Central China New Life to the Group, as set out under the 2018 Real Estate Agency Services Framework Agreement and the 2019 Real Estate Agency Services Framework Agreement

“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, 24 June 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*