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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)

**SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE TRANSACTION –
PROVISION OF GUARANTEE**

Reference is made to the announcement (the “**Announcement**”) of the Company dated 5 June 2020 in relation to the provision of the Guarantee by CCRE China in favour of CGB as security for the repayment obligations of the Project Company in respect of the Loan, which constituted a discloseable transaction of the Company. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

The Company would like to provide further information on the Project Company and the Guarantee.

The maximum exposure of the Group under the Guarantee is estimated to be approximately RMB819.7 million, which covered the repayment obligations of the Project Company under the Fixed Assets Loan Agreement, including the principal amount of the Loan together with, among other things, the relevant interest, default penalties and liquidated damage.

The equity interests of the Project Company was held as to 65% and 35% by CCRE China and Bridge Trust Co., Ltd.* (百瑞信託有限責任公司) (“**Bridge Trust**”), respectively. Bridge Trust is a non-bank financial institute incorporated in the PRC, and has obtained a license issued by China Banking Regulatory Commission (中國銀行業監督管理委員會) and is principally engaged in providing trust related products and services to customers.

To the best knowledge, information and belief of the Directors and after making all reasonable enquiries, Bridge Trust and its ultimate beneficial owner are Independent Third Parties.

To the best knowledge of the Directors, Bridge Trust did not provide guarantee in favour of CGB in respect of the Loan, as CGB has not requested for the same in light of Bridge Trust’s business nature of being a provider of trust related products and services, and Bridge Trust’s role in the Project Company of being a strategic investor while the development of the Project Company’s real estate projects will be mainly responsible by the Group.

Bridge Trust was introduced by the Group as a strategic investor of the Project Company, with the aim of attracting future additional streams of financing through Bridge Trust, its funds and its connection where necessary, which will eventually provide flexibility to the future development of the Project Company’s real estate projects and to ease the Group’s capital commitment. As such, taking into account the role of Bridge Trust of being a strategic investor, the Directors maintain its view as set out in in the Announcement that the terms of the Maximum Guarantee Agreement are on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Save for the information above, the contents of the Announcement remain unchanged.

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

Hong Kong, 12 June 2020

As at the date of this announcement, the Board comprises nine Directors, of which Mr. Wu Po Sum, Mr. Liu Weixing, Mr. Wang Jun and Mr. Yuan Xujun are executive Directors, Mr. Lim Ming Yan 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