

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein have not been and will not be registered under the U.S. Securities Act. No securities may be offered or sold in the United States absent registration except pursuant to an exemption from, or a transaction not subject to, the registration requirements. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer or the selling security holder. Such prospectus will contain detailed information about the company involved and its management and financial statements. The Company does not intend to make any public offering of securities in the United States.

The communication of this announcement and any other documents or materials relating to the issue of the Senior Notes offered hereby is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "FSMA"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom who have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order")), or who fall within Article 49(2)(a) to (d) of the Financial Promotion Order, or who are any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, the Senior Notes offered hereby are only available to, and any investment or investment activity to which this announcement relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this announcement or any of its contents.



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)

PROPOSED ISSUE OF SENIOR NOTES

The Company proposes to conduct an international offering of United States dollar denominated senior notes to persons outside the United States in reliance on Regulation S under the U.S. Securities Act.

* For identification purposes only

Completion of the Proposed Notes Issue is subject to, among others, market conditions and investors' interests. The Notes are proposed to be guaranteed by the Subsidiary Guarantors. AMTD, BofA Securities, China Everbright Bank Hong Kong Branch, CMB International, DBS Bank Ltd., Deutsche Bank, Guotai Junan International, Standard Chartered Bank and UBS are the joint bookrunners and the joint lead managers for the Proposed Notes Issue.

The Company intends to use the net proceeds, after deducting commission and other expenses, to refinance the existing medium to long term offshore indebtedness which will become due within one year. The Company may adjust the Proposed Notes Issue in response to the changing market conditions, and thus reallocate the use of net proceeds.

Application will be made to the SGX-ST for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or any other subsidiary or associated company of the Company, the Notes or the Subsidiary Guarantees.

MiFID II professionals/ECPs-only/No PRIIPs KID – Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as the Notes are not available to retail investors in EEA and UK.

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

Further announcement in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

THE PROPOSED NOTES ISSUE

Introduction

The Company proposes to conduct an international offering of United States dollar denominated senior notes to persons outside the United States in reliance on Regulation S under the U.S. Securities Act.

Completion of the Proposed Notes Issue is subject to, among others, market conditions and investors' interests. The Notes are proposed to be guaranteed by the Subsidiary Guarantors. AMTD, BofA Securities, China Everbright Bank Hong Kong Branch, CMB International, DBS Bank Ltd., Deutsche Bank, Guotai Junan International, Standard Chartered Bank and UBS are the joint bookrunners and the joint lead managers for the Proposed Notes Issue. As at the date of this announcement, the principal amount, the interest rates, the payment dates and certain other terms and conditions of the Proposed Notes Issue are yet to be finalised. Upon finalising the terms of the Notes, it is expected that the Company, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors, AMTD, BofA Securities, China Everbright Bank Hong Kong Branch, CMB International, DBS Bank Ltd., Deutsche Bank, Guotai Junan International, Standard Chartered Bank and UBS will enter into the Purchase Agreement and other ancillary agreements in relation to the Proposed Notes Issue.

The Notes and the Subsidiary Guarantees have not been, and will not be, registered under the Securities Act. The Notes will only be offered or sold in offshore transactions in accordance with Regulation S under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. None of the Notes will be offered to the public in Hong Kong.

MiFID II professionals/ECPs-only/No PRIIPs KID – Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as the Notes are not available to retail investors in EEA and UK.

Information of the Group and Reasons for the Proposed Notes Issue

The Group is one of the leading Henan-based property developers which focuses on developing high-quality residential properties. Known for its outstanding product quality, strong brand and experienced management team, the Company ranked 40th in the “2019 Top 500 Chinese Property Developers” in the “2019 Assessment Report on Top 500 Chinese Property Developers” published on 20 March 2019 and topped the list of “Top 10 Chinese Property Developers in Regional Operations” for eleven consecutive years. According to the “Evaluation and Research Report on the Listed Real Estate Companies in the PRC in 2019” published on 23 May 2019, the Company ranked 32nd on the “2019 Best 100 China Real Estate Listed Companies with Strongest Comprehensive Strengths” and ranked 4th among the listed property companies in China in terms of operations performance. The Company was awarded “the Most Socially Responsible Hong Kong Listed Company” (港 股 上 市 公 司 最 具 社 會 責 任 獎) in the “Gelonghui 1st Greater China Best Listed Companies Awarding Ceremony” (格 隆 匯 • 首 屆 大 中 華 區 最 佳 上 市 公 司) held on 31 May. Meanwhile, “2019 Top 100 China Real Estate Brand Value” (2019中國房地產企業品牌價值TOP100) was issued on 27 June, in which the Company ranked 30th.

The Company intends to use the net proceeds, after deducting commission and other expenses, to refinance the existing medium to long term offshore indebtedness which will become due within one year. The Company may adjust its plans in response to the changing market conditions, and thus reallocate the use of net proceeds. The Board believes that the Proposed Notes Issue represents a timely opportunity for the Company to further extend the profile of the Group and improve its ability to access the international debt capital markets to support the growth of the Group in future.

Listing

Application will be made to the SGX-ST for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or any other subsidiary or associated company of the Company, the Notes or the Subsidiary Guarantees.

GENERAL

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

Further announcement in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

DEFINITIONS

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

“AMTD”	AMTD Global Markets Limited, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“BofA Securities”	Merrill Lynch (Asia Pacific) Limited, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“Board”	the board of Directors;
“China Everbright Bank Hong Kong Branch”	China Everbright Bank Co., Ltd., Hong Kong Branch, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“CMB International”	CMB International Capital Limited, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“Company”	Central China Real Estate Limited (建業地產股份有限公司*), an exempted company incorporated under the laws of the Cayman Islands with limited liability, whose Shares are listed on the main board of the Stock Exchange;

“DBS Bank Ltd.”	DBS Bank Ltd., one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Notes”	the US\$ denominated guaranteed senior notes proposed to be issued by the Company;
“PRC”	the People’s Republic of China;
“Proposed Notes Issue”	the proposed issue of the Notes by the Company;
“Purchase Agreement”	the agreement to be entered into among the Company, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors, AMTD, BofA Securities, China Everbright Bank Hong Kong Branch, CMB International, DBS Bank Ltd., Deutsche Bank, Guotai Junan International, Standard Chartered Bank and UBS;

“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.10 each in the share capital of the Company;
“Standard Chartered Bank”	Standard Chartered Bank, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary Guarantor Pledgors”	certain subsidiaries of the Company organised outside the PRC that provide pledges over the shares of the Subsidiary Guarantors held by these subsidiaries;
“Subsidiary Guarantors”	certain subsidiaries of the Company organised outside the PRC which guarantee the Notes;
“UBS”	UBS AG Hong Kong Branch, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“US\$”	United States dollar, the lawful currency of the United States of America;
“U.S. Securities Act”	the United States Securities Act of 1933, as amended; and
“%”	per cent.

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

Hong Kong, 5 August 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.