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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)

**PROPOSED SPIN-OFF AND SEPARATE LISTING
OF CENTRAL CHINA MANAGEMENT COMPANY LIMITED
ON THE MAIN BOARD OF THE STOCK EXCHANGE
OF HONG KONG LIMITED**

DECLARATION OF THE DISTRIBUTION

- (1) BASIS OF ASSURED ENTITLEMENT OF QUALIFYING
SHAREHOLDERS IN THE PREFERENTIAL OFFERING**
- (2) BASIS OF ASSURED ENTITLEMENT OF QUALIFYING
SHAREHOLDERS IN THE DISTRIBUTION**
- (3) ADDITIONAL INFORMATION FOR PRC STOCK
CONNECT INVESTORS**

Sole Financial Advisor to the Company and CCMGT



BNP PARIBAS

On 12 May 2021, the Board approved the Proposed Spin-off and declared the special interim dividend to be satisfied by way of the Distribution. The Distribution is conditional upon (among others) approval of the Proposed Spin-off by the Listing Committee and such approval not having been revoked prior to completion of the Proposed Spin-off.

The basis of the assured entitlement of Qualifying Shareholders to the Reserved Shares in the Preferential Offering, and the basis of the assured entitlement of Qualifying Shareholders to the CCMGT Shares in the Distribution, if and when made, have been determined.

The basis of the assured Entitlement in the Preferential Offering is one (1) Reserved Share for every integral multiple of 90 Shares held by the Qualifying Shareholders on the Record Date.

The basis of the Distribution is one (1) CCMGT Share for every one (1) Share held by the Qualifying Shareholders on the Record Date.

Shareholders and potential investors of the Company should note that the Proposed Spin-off is subject to, among other things, the approval by the Listing Committee, the final decisions of the respective boards of directors of the Company and CCMGT, market conditions and other considerations. Accordingly, Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it may take place. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the shares of the Company. Any person who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

INTRODUCTION

Reference is made to the announcements of the Company dated 10 November 2020, 7 April 2021, 30 April 2021, 3 May 2021 and 4 May 2021 in relation to the proposed spin-off of CCMGT and separate listing of the CCMGT Shares on the Main Board of the Stock Exchange. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in such announcements.

DECLARATION OF THE DISTRIBUTION

1. Basis of the assured entitlement of Qualifying Shareholders in the Preferential Offering

The basis of the assured entitlement of Qualifying Shareholders to the CCMGT Shares (the “**Reserved Shares**”) in the Preferential Offering, if and when made, has been determined, which is one (1) Reserved Share for every integral multiple of 90 shares of the Company (“**Shares**”) held by the Qualifying Shareholders at the Record Date, being 4:30 p.m. on Friday, 14 May 2021.

The assured entitlement of Qualifying Shareholders to the Reserved Shares are not transferable and there will be no trading in nil-paid entitlements on the Stock Exchange.

Qualifying Shareholders may apply for a number of the Reserved Shares which is greater than, equal to or less than their assured entitlements or may apply only for excess Reserved Shares under the Preferential Offering.

A valid application for a number of the Reserved Shares which is less than or equal to a Qualifying Shareholder’s assured entitlement under the Preferential Offering will be accepted in full, subject to the terms and conditions of the Preferential Offering.

Where a Qualifying Shareholder applies for a number of the Reserved Shares which is greater than the Qualifying Shareholder’s assured entitlement under the Preferential Offering, the relevant assured entitlement will be satisfied in full (subject to the terms and conditions as mentioned above), but the excess portion of such application will only be satisfied to the extent that there are sufficient available Reserved Shares not taken up by the Qualifying Shareholders as their assured entitlements under the Preferential Offering. Details of how such excess portion will be satisfied will be further described in the prospectus of CCMGT (the “**Prospectus**”).

Qualifying Shareholders who hold less than 90 Shares on the Record Date and therefore will not have an assured entitlement to the Reserved Shares will still be entitled to participate in the Preferential Offering by applying for excess Reserved Shares only. Such application will only be satisfied to the extent that there are sufficient available Reserved Shares not taken up by Qualifying Shareholders as their assured entitlement under the Preferential Offering.

If the Preferential Offering proceeds, details of the Preferential Offering, including the terms and conditions for applications (including excess applications) for the Reserved Shares under the Preferential Offering, will be set out in the Prospectus and the accompanying blue application form.

As the size and structure of the Global Offering have not yet been finalised, the basis of the assured entitlement of Qualifying Shareholders to the Reserved Shares in the Preferential Offering as set out in this announcement is subject to change. In the event that there is a change in the basis of the assured entitlement of Qualifying Shareholders to the Reserved Shares in the Preferential Offering, a further announcement will be made by the Company.

2. Basis of the assured entitlement of Qualifying Shareholders in the Distribution

On 12 May 2021, the Board declared the Distribution. The basis of the assured entitlement of Qualifying Shareholders to CCMGT Shares in the Distribution, if and when made, has been determined.

The Distribution, as declared by the Board, is conditional upon the Listing Committee granting the approval for the listing of, and permission to deal in, the CCMGT Shares and such approval not having been revoked prior to 8:00 a.m. (Hong Kong time) on the date on which dealings in the CCMGT Shares on the Main Board of the Stock Exchange commence. If this condition is not satisfied, the Distribution will not be made and the Proposed Spin-off will not take place.

If the Distribution becomes unconditional, it will be satisfied wholly by way of a distribution in specie of the CCMGT Shares to the Qualifying Shareholders whose names appeared on the register of members of the Company on the Record Date on basis of one (1) CCMGT Share for every one (1) Share held by the Qualifying Shareholders on the Record Date.

Fractional entitlements of Qualifying Shareholders to the CCMGT Shares under the Distribution will be retained by the Company for sale in the market and the Company will keep the proceeds of sale, after deduction of related expenses therefrom, for the benefit of the Company.

As the details of the Distribution have not yet been finalised, the basis of the entitlement of Qualifying Shareholders to the CCMGT Shares in the Distribution as set out in this announcement is subject to change. In the event that there is a change in the basis of the entitlement of Qualifying Shareholders to the CCMGT Shares in the Distribution, a further announcement will be made by the Company.

3. PRC Stock Connect Investors

According to the “Stock Connect Shareholding Search” available on the Stock Exchange’s website (www.hkexnews.hk), as at 11 May 2021, China Securities Depository and Clearing Corporation Limited (“**ChinaClear**”) held 153,554,000 Shares, representing approximately 5.18% of the total issued Shares (i.e. 2,967,116,120 Shares). ChinaClear is a CCASS Participant with HKSCC Nominees Limited.

Under Article 23 of the Implementation Rules for Registration, Depository and Clearing Services under the Mainland China-Hong Kong Stock Markets Connect Program (《內地與香港股票市場交易互聯互通機制登記、存管、結算業務實施細則》), ChinaClear does not provide services relating to the subscription of newly issued shares. Accordingly, the PRC southbound trading investor(s) through Shenzhen-Hong Kong Stock Connect (the “**Shenzhen Connect**”) who hold the Shares through ChinaClear as nominee (the “**PRC Stock Connect Investors**”) are Non-Qualifying Shareholders and cannot participate in the Preferential Offering through the trading mechanism of the Shenzhen Connect.

The PRC Stock Connect Investors may hold the CCMGT Shares pursuant to the Distribution through ChinaClear. Pursuant to the Shenzhen Stock Exchange Measures for the Implementation of Shenzhen-Hong Kong Stock Connect Program (《深圳證券交易所深港通業務實施辦法》), the PRC Stock Connect Investors (or the relevant ChinaClear participants, as the case may be) whose stock accounts in ChinaClear are credited with CCMGT Shares may only sell the CCMGT Shares on the Stock Exchange under the Shenzhen Connect.

PRC Stock Connect Investors should seek advice from their intermediary (including broker, custodian, nominee or ChinaClear participant) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear.

GENERAL

In connection with the Global Offering, the price of the CCMGT Shares may be stabilised in accordance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). Details of any intended stabilisation and how it will be regulated under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) will be contained in the Prospectus.

Details in respect of the Proposed Spin-off, including the size, structure of the Global Offering and the expected timetable, have not yet been finalised. Further announcement(s) will be made by the Company in relation to the Proposed Spin-off as and when appropriate.

Shareholders and potential investors of the Company should note that the Proposed Spin-off is subject to, among other things, the approval by the Listing Committee, the final decisions of the respective boards of directors of the Company and CCMGT, market conditions and other considerations. Accordingly, Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it may take place. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the shares of the Company. Any person who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

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

Hong Kong, 12 May 2021

As at the date of this announcement, the Board comprises nine Directors, of which Mr. Wu Po Sum, Mr. Wang Jun and Mr. Yuan Xujun are executive Directors, Mr. Lim Ming Yan, Ms. Wu Wallis (alias Li Hua) and Ms. Chen Ying 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