

*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.*



**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)

## **INSIDE INFORMATION**

### **SALE OF SHARES BY THE CONTROLLING SHAREHOLDER; AND ANNOUNCEMENT ON PROGRESS OF PROPOSED ISSUE OF 5% GUARANTEED CONVERTIBLE BONDS DUE 2024**

This announcement is made by the Company pursuant to the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance and Rule 13.09(2)(a) of the Listing Rules.

Reference is made to the announcement of Central China Real Estate Limited (the “**Company**”) dated 1 June 2022 (the “**1 June Announcement**”) and 30 June 2022 (together with the 1 June Announcement, the “**Announcements**”), in relation to the entering into of the Framework Agreement under which, (i) subject to the execution of the Definitive SPA, Joy Bright would sell to the Investor 860,000,000 Shares; and (ii) subject to the execution of the Definitive Subscription Agreement between the Company and the Investor, the Investor will subscribe for the Convertible Bonds. Unless otherwise stated in this announcement, terms used in this announcement shall have the same meanings as those defined in the Announcements.

## SALE OF SHARES BY THE CONTROLLING SHAREHOLDER

The Company has been informed by Joy Bright that on 21 July 2022 (outside trading hours), Joy Bright and the Investor entered into a share sale and purchase agreement (the “**Sale and Purchase Agreement**”) pursuant to which Joy Bright had conditionally agreed to sell, and the Investor had conditionally agreed to buy, 885,000,000 Shares, representing approximately 29.01% of the existing total issued Shares as at the date of this announcement for HK\$0.7325 per Share (the “**Share Sale**”). As disclosed in the 1 June Announcement, it was expected that the number of Shares sold would be 860,000,000 Shares (representing approximately 29.01% of the total issued Shares as of the date of the 1 June Announcement), the number of Shares sold has increased to 885,000,000 as a result of the increase in the Company’s Share capital pursuant to the scrip dividend scheme (the “**Scrip Dividend Scheme**”) on 15 July 2022. Details of the Scrip Dividend Scheme are set out in the circular of our Company dated 20 June 2022.

To the best of the Director’s knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Investor does not own any Shares and it and its ultimate beneficial owners are third parties independent of the Company and its connected persons. Immediately following completion of the Share Sale, (i) the Investor will hold 885,000,000 Shares (representing approximately 29.01% of the total issued shares of the Company) and will become a substantial shareholder of the Company; and (ii) Joy Bright will hold 1,272,734,299 Shares (representing approximately 41.72% of the total issued shares of the Company) and will remain as a controlling shareholder of the Company.

### Further obligations

Pursuant to the Sale and Purchase Agreement, Joy Bright and the Investor have agreed to, among other things, the following matters:

- (a) Public float restriction: the Vendor shall not procure any actions in respect of the Company which causes, and shall use its best effort to prevent, the public float of the Company to fall below that required under the Listing Rules.
- (b) Director nomination right: following completion of the Share Sale, the Investor may nominate two candidates for election as Directors to the Board of a total of seven Directors of the Board.
- (c) Use of proceeds by Joy Bright: Joy Bright has agreed that proceeds of the Share Sale will be provided to the Company in the form of a shareholder loan. The shareholder loan will be provided in accordance with Rule 14A.90 of the Listing Rules, and will be fully exempted from reporting, annual review, announcement and independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

## THE PROPOSED ISSUANCE OF CONVERTIBLE BONDS

The Company hereby announces that, since the issuance of the Announcements, the Company has continued to negotiate with the Investor in relation to the proposed issuance of the Convertible Bonds. Upon completion of the Share Sale, the Investor will become a substantial shareholder and connected person of the Company, it is therefore expected that the conversion Shares issuable under any Convertible Bonds will be issued under a specific mandate to be sought from independent shareholders at a general meeting of the Company.

**The completion of the Share Sale is subject to the fulfilment of certain conditions set out in the Sale and Purchase Agreement. The proposed subscription of the Convertible Bonds described in this announcement are subject to the Company and the Investor entering into and fulfilment of certain conditions to be set out in the Definitive Subscription Agreement. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

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

Hong Kong, 21 July 2022

*As at the date of this announcement, the Board comprises eight Directors, of which Mr. Wu Po Sum and Mr. Wang Jun 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*