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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)

**CONNECTED TRANSACTION
OVERALL PLANNING CONSULTANCY SERVICES
AGREEMENTS**

On 31 December 2018, each of the Green House Companies entered into the Overall Planning Consultancy Services Agreements with Henan Songyan, pursuant to which, each of the Green House Companies agreed to procure and Henan Songyan agreed to provide the Overall Planning Consultancy Services to the project of each of the Green House Companies on an one-off basis.

LISTING RULES IMPLICATION

As at the date of this announcement, as Henan Songyan is a non-wholly owned subsidiary of Central China New Life and Central China New Life is indirectly owned as to more than 30% by Mr. Wu, who is the controlling Shareholder and a connected person of the Company, Henan Songyan 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 Overall Planning Consultancy Services Agreements therefore constitute 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 Overall Planning Consultancy Services Agreements are over 0.1% but less than 5%, the transactions contemplated under the Overall Planning Consultancy Services Agreements 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.

On 31 December 2018, each of the Green House Companies entered into the Overall Planning Consultancy Services Agreements with Henan Songyan, pursuant to which, each of the Green House Companies agreed to procure and Henan Songyan agreed to provide the Overall Planning Consultancy Services to the project of each of the Green House Companies on an one-off basis.

The Green House Companies are established for the operation of the Group's modern agricultural projects, which are committed to develop a leading domestic and international first-class modern agricultural full industry chain and build up an integrated modern agricultural complex integrated with "R&D, production, demonstration and experience" to provide "safe, green, high-quality, exclusive" agricultural products and ecology leisure service.

OVERALL PLANNING CONSULTANCY SERVICES AGREEMENTS

The principal terms of each of the Overall Planning Consultancy Services Agreements are as follows:

Date 31 December 2018

Parties **(1) Yanling Jianye Service Agreement**

Yanling Jianye (as the service user) and Henan Songyan (as the service provider) entered into the Yanling Jianye Service Agreement;

(2) Yichuan Jianye Service Agreement

Yichuan Jianye (as the service user) and Henan Songyan (as the service provider) entered into the Yichuan Jianye Service Agreement;

(3) Zhoukou Jianye Service Agreement

Zhoukou Jianye (as the service user) and Henan Songyan (as the service provider) entered into the Zhoukou Jianye Service Agreement; and

(4) Hebi Jianye Service Agreement

Hebi Jianye (as the service user) and Henan Songyan (as the service provider) entered into the Hebi Jianye Service Agreement.

The Overall Planning Consultancy Services

The Overall Planning Consultancy Services under each of the Overall Planning Consultancy Services Agreements includes, but not limited to the following:

- A) The overall planning consultancy services: comprises four aspects for project of each of the Green House Companies, i.e. planning and positioning, industrial research, development planning and strategy implementing, which include the planning adjustments, design service implementation and post-operation.
- B) To formulate plans of the overall planning consultancy services: conduct an in-depth investigation and research on existing constructions, municipal facilities, landscapes, transportation and utilization of the land parcels where the Green House Companies are located, and put forward guidelines for such land parcels according to the current conditions and making reference to typical cases, so as to specify project construction objectives and clarify working contents and required resources in each stage during the course of development; and elaborate the final results of each stage and propose a holistic framework for subsequent construction and operation.

C) To design development concept for the whole project based on the aforesaid holistic framework and taking account of the existing locational conditions, transportation conditions, landscape characteristics, market situation and industry characteristics. To explore and determine solutions for projects' spatial system, function layout, landscape system, ecological structure, transportation organization, development intensity and sequence. To implement the development ideas of the overall solution, establish the general planning principles, define the major frameworks on planning structure, functional layout and transportation organization, and carry out the spatial form of the construction and development model as well as provide guidance for follow-up work.

Term of service

Both parties shall work together to prepare working schedules with more details for each stage, and such details shall be incorporated into each of the Overall Planning Consultancy Services Agreements as supplementary provisions.

Depending on the progress of project of each of the Green House Companies, the date of completion of the Overall Planning Consultancy Services is expected to be around the beginning of 2019. After the Overall Planning Consultancy Services have been completed in the form and time agreed upon in each of the Overall Planning Consultancy Services Agreement, both parties shall issue a written confirmation letter confirming the completion of the Overall Planning Consultancy Services.

Charging basis and fees 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 land circulation contracts signed between each of the Green House Companies and peasant households for each project; and (ii) the rate generally offered by Henan Songyan to independent third parties in respect of comparable services. The fees of the Overall Planning Consultancy Services will be RMB1,500 per mu.

(1) Yanling Jianye Service Agreement

Project size: 4,047.676 mu

Contract fees: RMB6,070,000

(2) Yichuan Jianye Service Agreement

Project size: 6,725 mu

Contract fees: RMB10,087,500

(3) Zhoukou Jianye Service Agreement

Project size: 6,450 mu

Contract fees: RMB9,675,000

(4) Hebi Jianye Service Agreement

Project size: 4,403 mu

Contract fees: RMB6,604,500

The Overall Planning Consultancy Services Agreements

Total project size: 21,625.676 mu in total

Total contract fees: RMB32,437,000 in total

Payment schedule

(1) Yanling Jianye Service Agreement

Milestone payment/ payment date	Payment ratio	Amount paid to Henan Songyan (RMB)
The first payment (within three days upon signing the agreement)	30%	1,821,000
The second payment (completion of service and both parties issuing a confirmation letter)	70%	4,249,000

(2) Yichuan Jianye Service Agreement

Milestone payment/ payment date	Payment ratio	Amount paid to Henan Songyan (RMB)
The first payment (within three days upon signing the agreement)	30%	3,026,250
The second payment (completion of service and both parties issuing a confirmation letter)	70%	7,061,250

(3) Zhoukou Jianye Service Agreement

Milestone payment/ payment date	Payment ratio	Amount paid to Henan Songyan (RMB)
The first payment (within three days upon signing the agreement)	30%	2,902,500
The second payment (completion of service and both parties issuing a confirmation letter)	70%	6,772,500

(4) Hebi Jianye Service Agreement

Milestone payment/ payment date	Payment ratio	Amount paid to Henan Songyan (RMB)
The first payment (within three days upon signing the agreement)	30%	1,981,350
The second payment (completion of service and both parties issuing a confirmation letter)	70%	4,623,150

REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE OVERALL PLANNING CONSULTANCY SERVICES AGREEMENTS

Henan Songyan is primarily engaged in consultancy and services such as planning and positioning, industrial planning, and operation management for agricultural industry of modern agricultural countryside complex projects in Henan, the PRC, while the Green House Companies, as green house developers of the Group based in Henan, need such overall planning consultancy services from time to time. The Overall Planning Consultancy Services Agreements were entered into in the ordinary and usual course of business of the Green House Companies.

The green house project of Yanling Jianye is located in Yanling County, Xuchang City. It is a countryside complex project covering modern facility farming, traditional farming, agri-tourism and unique cuisine.

The green house project of Yichuan Jianye is located in North of Zhangyao Village, Jiangzuo Town, Yichuan County, Luoyang City, which is committed to building up a countryside complex concerning six highlights of “modern agriculture, ecological leisure, cultural creativity, experience center, science popularization and healthcare”. It has become an education base for agricultural science popularization in southwestern Henan, an incubator base for agricultural products with Luoyang regional characteristics and a demonstration zone for countryside complex in central China.

The green house project of Zhoukou Jianye is located in Chuanhui District, Zhoukou City, covering modern ecology farming, old canal reconstruction and urban wetland restoration, leisure experience, cultural tourism, healthcare and well-being improvement, etc., and is committed to developing a leading international and domestic first-class urban countryside complex integrated with the “R&D, production, demonstration and experience” of the whole industry chain of modern agriculture.

The green house project of Hebi Jianye is located at the urban-rural integration demonstration zone in Hebi City. It is a modern agricultural countryside complex zone concerning six highlights of “efficient agriculture, experience center agriculture, science popularization agriculture, agri-tourism, cultural creativity agriculture, and healthcare and well-being improvement agriculture”.

The Directors (including independent non-executive Directors) are of the view that the terms of the Overall Planning Consultancy Services Agreements 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 Overall Planning Consultancy Services Agreements is in the interests of the Company and the Shareholders as a whole.

DIRECTOR'S INTEREST IN THE CONNECTED TRANSACTION

Central China New Life is indirectly owned as to more than 30% by Mr. Wu, while Henan Songyan is a non-wholly owned subsidiary of Central China New Life. Mr. Wu is regarded as being interested in the transactions contemplated under the Overall Planning Consultancy Services Agreements due to his interest in Henan Songyan and therefore has abstained from voting on the Board resolution approving the said agreement. Save and except for the aforesaid, none of the Directors has any material interest in any of the transactions contemplated under the Overall Planning Consultancy Services Agreements and was required to abstain from voting on the Board resolutions to approve the same.

INFORMATION OF THE PARTIES

The Group is principally engaged in the real estate development and sales in Henan Province, the PRC.

Yanling Jianye is principally engaged in the development and operation of modern agricultural complex in Xuchang City, Henan Province, the PRC.

Yichuan Jianye is principally engaged in the development and operation of modern agricultural complex in Luoyang City, Henan Province, the PRC.

Zhoukou Jianye is principally engaged in the development and operation of modern agricultural complex in Zhoukou City, Henan Province, the PRC.

Hebi Jianye is principally engaged in the development and operation of modern agricultural complex in Hebi City, 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.

Henan Songyan is primarily engaged in consultancy and services such as planning and positioning, industrial planning, and operation management for agricultural industry of modern agricultural countryside complex projects in Henan, the PRC.

LISTING RULES IMPLICATION

As at the date of this announcement, as Henan Songyan is a non-wholly owned subsidiary of Central China New Life and Central China New Life is indirectly owned as to more than 30% by Mr. Wu, who is the controlling Shareholder and a connected person of the Company, Henan Songyan 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 Overall Planning Consultancy Services Agreements therefore constitute 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 Overall Planning Consultancy Services Agreements are over 0.1% but less than 5%, the transactions contemplated under the Overall Planning Consultancy Services Agreements 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:

“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
“Green House Companies”	Yanling Jianye, Yichuan Jianye, Zhoukou Jianye and Hebi Jianye
“Group”	the Company and its subsidiaries
“Hebi Jianye”	Hebi Jianye Green House Construction Company Limited* (鶴壁建業綠色基地建設有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

“Hebi Jianye Service Agreement”	the agreement entered into between Hebi Jianye and Henan Songyan on 31 December 2018 for the provision of the Overall Planning Consultancy Services to Hebi Jianye by Henan Songyan
“Henan Songyan”	Henan Songyan Agricultural Development Company Limited* (河南嵩炎農業發展有限公司), a company incorporated in the PRC with limited liability, a non-wholly owned subsidiary of Central China New Life and a connected person of the Company
“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 100% equity interest of Central China New Life
“Overall Planning Consultancy Services”	professional services in relation to planning and positioning, industrial research, development planning and strategy implementing provided or to be provided by Henan Songyan to the Green House Companies, as set out in the respective Overall Planning Consultancy Services Agreements
“Overall Planning Consultancy Services Agreements”	the Yanling Jianye Service Agreement, the Yichuan Jianye Service Agreement, the Zhoukou Jianye Service Agreement and the Hebi Jianye Service Agreement
“PRC”	the People’s Republic of China
“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
“Yanling Jianye”	Yanling Jianye Green House Construction Company Limited* (鄢陵建業綠色基地建設有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Yanling Jianye Service Agreement”	the agreement entered into between Yanling Jianye and Henan Songyan on 31 December 2018 for the provision of the Overall Planning Consultancy Services to Yanling Jianye by Henan Songyan
“Yichuan Jianye”	Yichuan Jianye Green House Development Company Limited* (伊川建業綠色基地發展有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Yichuan Jianye Service Agreement”	the agreement entered into between Yichuan Jianye and Henan Songyan on 31 December 2018 for the provision of the Overall Planning Consultancy Services to Yichuan Jianye by Henan Songyan
“Zhoukou Jianye”	Zhoukou Jianye Green House Development Company Limited* (周口建業綠色基地發展有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Zhoukou Jianye Service Agreement”	the agreement entered into between Zhoukou Jianye and Henan Songyan on 31 December 2018 for the provision of the Overall Planning Consultancy Services to Zhoukou Jianye by Henan Songyan

“%” per cent

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

Hong Kong, 31 December 2018

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