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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)

**CONTINUING CONNECTED TRANSACTION
VACANT PROPERTIES PATROLLING SERVICES
FRAMEWORK AGREEMENT**

On 30 November 2018, the Company entered into the Vacant Properties Patrolling Services Framework Agreement with Central China New Life, pursuant to which the Company has agreed to procure, and Central China New Life agreed to provide, the Vacant Properties Patrolling Services in respect of the Group's Vacant Properties.

As at the date of this announcement, Central China New Life is directly owned as to more than 30% by Mr. Wu. Mr. Wu is the controlling Shareholder and a connected person of the Company. Accordingly, Central China New Life 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 Vacant Properties Patrolling Services Framework Agreement therefore constitute continuing 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 Vacant Properties Patrolling Services Framework Agreement are over 0.1% but less than 5%, the transactions contemplated under the Vacant Properties Patrolling Services Framework Agreement 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.

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Vacant Properties Patrolling Services Framework Agreement

The principal terms of the Vacant Properties Patrolling Services Framework Agreement are as follows:

Date	30 November 2018
Parties	the Company (as service user); and Central China New Life (as service provider)
Term	1 January 2018 to 31 December 2018
Nature of transaction	Central China New Life shall provide the Vacant Properties Patrolling Services to the Group for the Group's Vacant Properties. The parties shall enter into separate agreements for detailed service scope in respect of various Vacant Properties Patrolling Services as and when necessary.

Vacant Properties The fees payable by the Group to Central China New Life in respect of the Vacant Properties Patrolling Services is based on as follows:

Patrolling Service Fee

Central China New Life shall charge the Group for the service fee of the Vacant Properties Patrolling Services in respect of the Vacant Properties according to the fee schedules of their respective regions.

Pricing basis The services fees were determined by the rate offered by Central China New Life to independent property owners in respect of comparable services within the same estate.

Depends on the nature of the properties (residential/parking lot), the monthly fees in respect of Vacant Properties Patrolling Services are around RMB1.75 per sq.m. and are around RMB40 per car park respectively.

Annual cap and basis for determining the annual cap

The annual cap for the Vacant Properties Patrolling Services Framework Agreement for the year ending 31 December 2018 is RMB11,000,000.

In considering the annual cap for Vacant Properties Patrolling Services Framework Agreement, the Directors have considered a number of factors including the number and total area of the vacant properties of the Group available for sale, their location, the tentative schedule of property sale and accordingly the expected demand for the Vacant Properties Patrolling Services.

The transaction amount of the Vacant Properties Patrolling Services provided by Central China New Life to the Company for the ten months ended 31 October 2018 was approximately RMB6,900,000 (unaudited). For the ten months ended 31 October 2018, Central China New Life provided Vacant Properties Patrolling Services to the Group on ongoing basis. It is currently expected that the Group will procure more Vacant Properties Patrolling Services from Central China New Life with an estimated amount of RMB4,100,000 in the last two months of 2018.

As disclosed in the Company's announcement of interim results for the six months ended 30 June 2018 dated 22 August 2018, during the first half of 2018, the Vacant Properties Patrolling Services provided by Central China New Life to the Company was approximately RMB4,796,000.

Reasons for and benefits of the Vacant Properties Patrolling Services Framework Agreement

Central China New Life is one of the leading property management service providers in Henan, the PRC and specialized in providing all-rounded property management services while the Group, as a real estate developer based in Henan, also from time to time requires property management services for its Vacant Properties. The entering into of the Vacant Properties Patrolling Services Framework Agreement was in the ordinary and usual course of business of the Group.

For the ten months ended 31 October 2018, fees in respect of the Vacant Properties Patrolling Services provided by Central China New Life to the Company of approximately RMB6,900,000 (unaudited) has been incurred. In the anticipation that one or more applicable percentage ratios (other than the profit ratio) in respect of the aggregate fees of the Vacant Properties Patrolling Services to be paid by the Company will be over 0.1% on an annual basis, the Company and Central China New Life has entered into the Vacant Properties Patrolling Services Framework Agreement to set the annual cap for 2018.

The Directors (including independent non-executive Directors) are of the view that the terms of the Vacant Properties Patrolling Services Framework Agreement and the annual cap are fair and reasonable and the transaction contemplated thereunder are on normal commercial terms or better to the Company and that the entering into of the Vacant Properties Patrolling Services Framework Agreement is in the interests of the Company and the Shareholders as a whole.

DIRECTOR'S INTEREST IN THE CONTINUING CONNECTED TRANSACTION

Central China New Life is directly owned as to more than 30% by Mr. Wu. Mr. Wu is regarded as being interested in the transactions contemplated under the Vacant Properties Patrolling Services Framework Agreement due to his interest in Central China New Life and therefore has abstained from voting on the Board resolution approving the said agreement and the annual cap. Save and except for the aforesaid, none of the Directors has any material interest in any of the transactions contemplated under the Vacant Properties Patrolling Services Framework Agreement 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 real estate development and sales in 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.

LISTING RULES IMPLICATION

As at the date of this announcement, Central China New Life is directly owned as to more than 30% by Mr. Wu. Mr. Wu is the controlling Shareholder and a connected person of the Company. Accordingly, Central China New Life 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 Vacant Properties Patrolling Services Framework Agreement therefore constitute continuing 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 Vacant Properties Patrolling Services Framework Agreement are over 0.1% but less than 5%, the transactions contemplated under the Vacant Properties Patrolling Services Framework Agreement 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
“Group”	the Company and its subsidiaries
“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
“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
“Vacant Properties”	vacant properties of the Group which are available for sale, include residential units and parking lots
“Vacant Properties Patrolling Services”	the patrolling services of Vacant Properties designated by the Company provided or to be provided by Central China New Life to the Group, as set out under the Vacant Properties Patrolling Services Framework Agreement
“Vacant Properties Patrolling Services Framework Agreement”	the framework agreement entered into between the Company and Central China New Life on 30 November 2018 for the provision of the Vacant Properties Patrolling Services by Central China New Life to the Group
“%”	per cent

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

Hong Kong, 30 November 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