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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)

DISCLOSEABLE TRANSACTION

PROVISION OF GUARANTEE AND CHARGE OVER LAND PARCELS

On 8 June 2015 (after trading hours), CCRE China and CCRE Tihome entered into the Guarantee Agreement and the Charge Agreement with Bridge Trust, respectively, whereby CCRE China agreed to provide the Guarantee while CCRE Tihome agreed to provide the Charge over the Land Parcels in favour of Bridge Trust as security for the repayment obligations of CCRE Tihome in respect of the Loan in the amount of RMB300,000,000 (equivalent to HK\$375,000,000) granted by Bridge Trust.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the secured amount under the Guarantee and the Charge are more than 5% but not less than 25%, the provision of the Guarantee by CCRE China and the Charge by CCRE Tihome constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board announces that on 8 June 2015 (after trading hours), (i) CCRE China (an indirect wholly-owned subsidiary of the Company) entered into the Guarantee Agreement with Bridge Trust; and (ii) CCRE Tihome (a jointly-controlled entity owned as to 51% and 49% by CCRE China and Henan Tihome respectively) entered into the Charge Agreement with

* *For identification purposes only*

Bridge Trust. Pursuant to the Guarantee Agreement and the Charge Agreement, CCRE China agreed to provide the Guarantee and CCRE Tihome agreed to provide the Charge over the Land Parcels in favour of Bridge Trust as security for the repayment obligations of CCRE Tihome in respect of the Loan in the amount of RMB300,000,000 (equivalent to HK\$375,000,000) granted by Bridge Trust. On 8 June 2015, Henan Tihome, the holder of 49% equity interest in CCRE Tihome, also entered into a guarantee agreement containing substantially the same terms as those in the Guarantee Agreement with Bridge Trust.

The Loan shall be made available to CCRE Tihome by two instalments. The first instalment of the Loan shall be in the amount of RMB50,000,000 (equivalent to HK\$62,500,000) with a term of 21 months while the second instalment of the Loan shall be in the amount of RMB250,000,000 (equivalent to HK\$312,500,000) with a term of 2 years. Interest of 8.5% per annum is payable on a quarterly basis.

The Loan will be derived from the trust fund of Bridge-Hengyi 236 Single Fund Trust (CCRE Tihome) (百瑞恒益236號單一資金信託(建業泰宏)) established by Bridge Trust.

THE GUARANTEE AGREEMENT

Date: 8 June 2015 (after trading hours)

Parties: (1) CCRE China as the guarantor for the Guarantee
(2) Bridge Trust as the lender of the Loan

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Bridge Trust and its ultimate beneficial owners are Independent Third Parties except for the interests it holds in several joint-controlled entities of the Group.

Salient terms of the Guarantee Agreement

The principal terms of the Guarantee Agreement are as follows:

Term: The Guarantee shall become effective from the date of the Guarantee Agreement and expire two years from the payment due date of the last installment of the Loan under the Loan Agreement.

Consideration: CCRE China shall not receive any fee or commission for providing the Guarantee.

Scope of guarantee: The Guarantee shall cover the repayment obligations of CCRE Tihome under the Loan Agreement, including but not limited to the principal amount of the Loan together with any interest, penalties, liquidated damages, other relevant expenses for realisation of Bridge Trust's rights incurred.

On 8 June 2015, Henan Tihome, the holder of 49% equity interest in CCRE Tihome, also entered into a guarantee agreement with Bridge Trust whereby Henan Tihome agreed to provide a guarantee in favour of Bridge Trust with the same scope as the Guarantee provided by CCRE China as detailed above.

THE CHARGE AGREEMENT

As additional security for the repayment obligations of CCRE Tihome under the Loan Agreement, on 8 June 2015 (after trading hours), CCRE Tihome (as chargor) entered into the Charge Agreement with Bridge Trust (as chargee) whereby CCRE Tihome agreed to charge the Land Parcels (comprising three land parcels owned by CCRE Tihome in Zhengzhou with aggregate site area of approximately 87,800 square metres) in favour of Bridge Trust.

The security under the Charge shall cover the repayment obligations of CCRE Tihome under the Loan Agreement, including but not limited to the principal amount of the Loan together with any interest, penalties, liquidated damages, other relevant expenses for realisation of Bridge Trust's rights incurred.

Pursuant to the Charge Agreement, the parties agreed that the Charge shall not be released until all repayment obligations of CCRE Tihome under the Loan Agreement have been fulfilled.

INFORMATION ABOUT THE GROUP, CCRE CHINA, CCRE TIHOME AND BRIDGE TRUST

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

CCRE China is a limited liability company established in the PRC. It is an indirect wholly-owned subsidiary of the Company and is mainly engaged in real estate development and sales and real estate investment in Henan Province, the PRC.

CCRE Tihome is a limited liability company established in the PRC. It is held as to 51% and 49% by CCRE China and Henan Tihome respectively and is accounted for as a jointly-controlled entity of the Company as none of CCRE China and Henan Tihome has unilateral control over the economic activity of CCRE Tihome based on the decision-making process of the board of directors of CCRE Tihome.

Bridge Trust is a non-bank financial institute which is owned by Independent Third Parties. It has obtained a license issued by China Banking Regulatory Commission (中國銀行業監督管理委員會) and it is principally engaged in providing trust related products and services to customers. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Bridge Trust and its ultimate beneficial owners are Independent Third Parties of the Company and connected persons of the Company save for its interests in a number of jointly-controlled entities of the Group.

REASONS FOR AND BENEFIT OF ENTERING INTO THE GUARANTEE AGREEMENT AND THE CHARGE AGREEMENT

CCRE Tihome is the legal and beneficial owner of the Land Parcels which are currently under construction and is being developed into an integrated complex project — Tihome Jianye International City* (泰宏建業國際城) (the "TJIC Project") comprising residential and retail units, office buildings, hotels, shopping malls and recreational facilities. It is anticipated that the TJIC Project upon completion will make a substantial contribution to the Group's profit.

Since CCRE Tihome obtained additional loan from Bridge Trust for the purpose of development of the TJIC Project, the Directors consider that the provision of the Guarantee by CCRE China and the Charge by CCRE Tihome will facilitate funding of the TJIC Project and which in turn is to the benefit of the Company. The Directors, after due consideration, are of the view that the entering into of the Guarantee Agreement and the Charge Agreement will not undermine the interest of the Company.

The Directors are of the view that the terms of the Guarantee Agreement and the Charge Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the secured amount under the Guarantee and the Charge are more than 5% but not less than 25%, the provision of the Guarantee by CCRE China and the Charge by CCRE Tihome constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“Bridge Trust”	Bridge Trust Co., Ltd.* (百瑞信託有限責任公司), a limited liability company established in the PRC;
“CCRE China”	Central China Real Estate Group (China) Company Limited* (建業住宅集團(中國)有限公司), a wholly foreign-owned enterprise established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“CCRE Tihome”	Central China Tihome (Henan) Real Estate Company Limited* (河南建業泰宏置業有限公司), a jointly-controlled entity held as to 51% and 49% by CCRE China and Henan Tihome respectively, being the borrower under the Loan Agreement and the chargor under the Charge Agreement;
“Charge”	the charge over the Land Parcels provided by CCRE Tihome in favour of Bridge Trust under the Charge Agreement;

“Charge Agreement”	the charge agreement dated 8 June 2015 between CCRE Tihome and Bridge Trust whereby CCRE Tihome agreed to provide the Charge over the Land Parcels in favour of Bridge Trust as security for CCRE Tihome’s repayment obligations under the Loan Agreement;
“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;
“connected persons”	having the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Guarantee”	the guarantee provided by CCRE China to Bridge Trust pursuant to the Guarantee Agreement;
“Guarantee Agreement”	the guarantee agreement dated 8 June 2015 between CCRE China and Bridge Trust whereby CCRE China agreed to provide the Guarantee to Bridge Trust as security for CCRE Tihome’s repayment obligations under the Loan Agreement;
“Henan Tihome”	Henan Tihome Real Estate Company Limited* (河南省泰宏房地產有限公司), a limited liability company established in the PRC and the holder of 49% equity interest in CCRE Tihome;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party”	a third party independent of the Company and its connected persons and are not connected persons of the Company;
“Land Parcels”	three land parcels owned by CCRE Tihome in Zhengzhou with aggregate site area of approximately 87,800 square metres;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan”	the loan in the amount of RMB300,000,000 (equivalent to approximately HK\$375,000,000) made available by Bridge Trust to CCRE Tihome on the terms and subject to the conditions set out in the Loan Agreement;

“Loan Agreement”	the loan agreement dated 8 June 2015 between CCRE Tihome and Bridge Trust whereby Bridge Trust as lender agreed to make available the Loan to CCRE Tihome;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.10 each in the share capital of the Company;
“Shareholders”	holders of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

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

Hong Kong, 8 June 2015

For the purpose of this announcement, translations of Renminbi into Hong Kong dollar or vice versa have been calculated by using an exchange rate of RMB1.00 equal to HK\$1.25. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.

As at the date of this announcement, the Board comprises eight Directors, of which Mr. Wu Po Sum and Ms. Yan Yingchun 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. Muk Kin Yau and Mr. Xin Luo Lin are independent non-executive Directors.