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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
ENTERING INTO A LIQUIDITY SUPPORT AGREEMENT**

PROVISION OF LIQUIDITY SUPPORT

On 13 April 2016 (after trading hours), CCRE China as the liquidity support organization, entered into the Liquidity Support Agreement with Jianye Property Management, whereby CCRE China agreed to provide the Liquidity Support in favour of Jianye Property Management for an amount not exceeding RMB650,000,000.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios in respect of the Maximum Payment under the Liquidity Support Agreement are more than 5% but less than 25%, the provision of Liquidity Support constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but is exempt from the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board announces that on 13 April 2016 (after trading hours), CCRE China as the liquidity support organization, entered into the Liquidity Support Agreement with Jianye Property Management, whereby CCRE China agreed to provide the Liquidity Support in favour of Jianye Property Management for an amount not exceeding RMB650,000,000.

BACKGROUND

Assets-backed Scheme

Pursuant to the Assets-backed Scheme, the Project Manager, being appointed by certain subscribers (who shall then become the holders of Assets-backed Securities) (“**Assets-backed Securities Holders**”), shall, in accordance with the terms of the Assets-backed Scheme Documents:

- (i) apply the funds received from the subscription to purchase certain assets owned by Jianye Property Management (“**Assets**”); and
- (ii) apply all the assets, revenue and income of the Assets-backed Scheme derived from the management, operation and dealing with the Assets for distribution and payment to the Assets-backed Securities Holders in accordance with the terms of the Assets-backed Scheme Documents.

Liquidity Support

As part of the Assets-backed Scheme, CCRE China has agreed to provide the Liquidity Support to Jianye Property Management by entering into the Liquidity Support Agreement with Jianye Property Management.

THE LIQUIDITY SUPPORT AGREEMENT

The Board is pleased to announce that on 13 April 2016 (after trading hours), CCRE China and Jianye Property Management entered into the Liquidity Support Agreement on the following principal terms.

Date: 13 April 2016 (after trading hours)

Parties: (1) CCRE China
(2) Jianye Property Management

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, Jianye Property Management and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Subject Matter: Pursuant to the Liquidity Support Agreement, CCRE China, as liquidity support organization, agreed to provide unconditional and irrevocable Liquidity Support to Jianye Property Management in accordance with the terms of the Liquidity Support Agreement.

Effective Period:	The effective period during which CCRE China undertakes to provide the Liquidity Support to Jianye Property Management shall be six years commencing from the effective date of the Liquidity Support Agreement. Where the Project Manager declares that the Assets-backed Scheme fails to be established, the Liquidity Support Agreement shall terminate automatically with no binding effect from the beginning.
Shortfall Payment and Operational Liquidity Support:	<p>In addition to the agreed provision of Liquidity Support from CCRE China, Jianye Property Management has also entered into the shortfall payment and operational liquidity support undertaking letter (the “Shortfall Payment and Operational Liquidity Support Undertaking Letter”) with another entity (“Shortfall Payment Organization”), pursuant to that letter, the Shortfall Payment Organization has agreed to provide the services of Shortfall Payment and operational liquidity support services to Jianye Property Management.</p> <p>To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, the Shortfall Payment Organization and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.</p>
Conditions for providing the Liquidity Support:	<p>Upon the occurrence of the Shortfall Payment Incident, when the Shortfall Payment Organization fails to perform or fully perform its obligations under the Shortfall Payment and Operational Liquidity Support Undertaking Letter, CCRE China shall fulfill its duties under the Liquidity Support Agreement and pay to the Liquidity Support Supervisory Account the corresponding amounts of shortfall.</p> <p>For the avoidance of doubt, the aforesaid failure on the part of the Shortfall Payment Organization to perform or fully perform its obligations under the Shortfall Payment and Operational Liquidity Support Undertaking Letter shall mean its obligations to perform the relevant services of Shortfall Payment but not its obligations to perform the operational liquidity support services.</p>
Provision of Liquidity Support:	<p>The maximum aggregate payment of Liquidity Support that CCRE China shall unconditionally and irrevocably make shall not exceed RMB650,000,000 (“Maximum Payment”).</p> <p>Jianye Property Management shall reimburse CCRE China the full amount of actual cash payment being the Liquidity Support provided by CCRE China within 2 years after the termination of the Assets-backed Scheme.</p>

Consideration: In consideration of the Liquidity Support provided by CCRE China, a service fee of 1% of the actual cash payment being the fund of Liquidity Support provided by CCRE China shall be charged. Where no Shortfall Payment Incident occurs and there is no actual cash payment of Liquidity Support Fund, no service fee shall be charged by CCRE China.

The aforesaid service charge is determined on arm's length negotiations between the parties after having considered a number of factors including but not limited to market price of similar services.

Liquidity Support Undertaking Letter: Subject to the needs of the Assets-backed Scheme, CCRE China shall issue an liquidity support undertaking letter in the form as set out in the Liquidity Support Agreement as an attachment to the same. The said liquidity support undertaking letter shall have the same legal effect as the Liquidity Support Agreement, save that the former shall prevail over the latter if there is inconsistency between the two.

INFORMATION ABOUT THE GROUP, CCRE CHINA AND JIANYE PROPERTY MANAGEMENT

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.

Jianye Property Management is a limited liability company established in the PRC and is mainly engaged in the business of providing property management services. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Jianye Property Management and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

REASONS FOR AND BENEFIT OF ENTERING INTO THE LIQUIDITY SUPPORT AGREEMENT

Jianye Property Management is the provider of property management services of all of the Group's development projects. The Assets-backed Scheme will provide capital to Jianye Property Management for enhancing its property management services to all of the Group's development projects and increasing our customers' satisfaction, which in turn is beneficial to the sustainable development of the Group.

The Directors are of the view that the terms of the Liquidity Support 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 in respect of the Maximum Payment under the Liquidity Support Agreement are more than 5% but less than 25%, the provision of Liquidity Support constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but is exempt from the circular and shareholders' approval 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:

- “Assets-backed Scheme” the CMS-Jianye Property Management Assets-backed Special Scheme** (招商創融 — 建業物業資產支持專項計劃);
- “Assets-backed Scheme Documents” all the major transactional and subscription documents relevant to and contemplated under the Assets-backed Scheme, including but not limited to the promotion agreement, Assets-backed Scheme Document, assets purchase agreement, assets service agreement, shortfall payment and operational liquidity support undertaking letter, liquidity support undertaking letter, supervisory agreement and trust agreement entered into/to be entered into between the relevant stakeholders of the Assets-backed Scheme;
- “Assets-backed Securities” the securities issued in relation to the Assets-backed Scheme pursuant to the subscription agreement dated 11 April 2016 and entered into between the Project Manager and Assets-backed Securities Holders, which comprises the (i) Preferred Assets-backed Securities and (ii) Subordinated Assets-backed Securities;
- “Board” the board of Directors;
- “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;
- “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” has the meaning ascribed to it under the Listing Rules;

“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Jianye Property Management”	Henan Jianye Property Management Company Limited** (河南建業物業管理有限公司), a company incorporated under the laws of the PRC with limited liability;
“Liquidity Support”	the liquidity support services provided by CCRE China in favour of Jianye Property Management under the Liquidity Support Agreement;
“Liquidity Support Agreement”	the liquidity support agreement dated 13 April 2016 between CCRE China and Jianye Property Management in relation to the Liquidity Support;
“Liquidity Support Supervisory Account”	the RMB bank account opened by Jianye Property Management in Shanghai Pudong Development Bank Co., Ltd (Zhengzhou Branch) in relation to the receipt of the corresponding amount of Liquidity Support;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“Preferred Assets-backed Securities”	part of the Assets-backed Securities;
“Project Manager” or “CMS”	CMS Asset Management Co., Limited** (招商證券資產管理有限公司), a company incorporated under the laws of the PRC with limited liability;
“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;
“Shortfall Payment”	the corresponding shortfall payment made by the Shortfall Payment Organization upon the occurrence of the Shortfall Payment Incident;

“Shortfall Payment Incident”	means any one of the following events:
	(i) where the amount of distributable fund has not arrived the requisite required amount in the designated accounts of the Assets-backed Scheme as at the relevant accounting date immediately preceding the payment date of the expected revenue and/or the principal of the Assets-backed Securities during the subsistence of the Assets-backed Scheme; or
	(ii) when the Assets-backed Scheme is terminated, the amount of distributable fund is not sufficient to make the payments of the expenses of the Assets-backed Scheme and expected revenue of the Preferred Assets-backed Securities in such order as stipulated under the Standard Terms;
“Standard Terms”	the standard terms made by the Project Manager to regulate the establishment and operation of the Assets-backed Scheme;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subordinated Assets-backed Securities”	part of the Assets-backed Securities; and
“%”	per cent.

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

Hong Kong, 13 April 2016

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\$1.18. 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.

* *For identification purposes only*

** *The English name is a translation of its Chinese name and is included for identification purposes only*