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**Central China New Life Limited**

**建業新生活有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 9983)**

**CONTINUING CONNECTED TRANSACTIONS  
MARKETING AND SERVICE PLATFORM CONSTRUCTION  
SERVICES FRAMEWORK AGREEMENT**

On 29 June 2020, the Company entered into the Marketing and Service Platform Construction Services Framework Agreement with CCRE, pursuant to which the Company agreed to provide, and CCRE agreed to procure the Marketing and Service Platform Construction Services.

As at the date of this announcement, CCRE is indirectly owned as to more than 30% by Mr. Wu. Mr. Wu is a controlling Shareholder and a connected person of the Company. Accordingly, CCRE 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 Marketing and Service Platform Construction Services Framework Agreement therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios under the Listing Rules in respect of the annual cap of the Marketing and Service Platform Construction Services Framework Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Marketing and Service Platform Construction Services Framework Agreement are subject to the reporting, announcement and annual review requirements but exempted from the circular (including independent financial advice) and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

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## **MARKETING AND SERVICE PLATFORM CONSTRUCTION SERVICES FRAMEWORK AGREEMENT**

The principal terms of the Marketing and Service Platform Construction Services Framework Agreement are as follows:

Date	29 June 2020
Parties	(1) The Company (as service provider)  (2) CCRE (as service user)
Term	1 June 2020 to 31 December 2020
Service scope	<p>The Group shall provide Marketing and Service Platform Construction Services to the CCRE Group. The Group shall develop exclusive system modules for the marketing management platform based on the marketing needs and plans of various projects of the CCRE Group. The CCRE Group can provide customers with services relating to sales and marketing activities such as online customer services, customer engagement, house viewing, and house purchase through the “Jianye +” platform of the Group, and obtain relevant marketing data analysis from the platform.</p> <p>The parties shall enter into a separate agreement for detailed service scope subject to the needs of the CCRE Group’s various projects as and when necessary.</p>

Service fee

The service fee of each software system module of the platform software is subject to the development price of each system module developed based on the construction workload, development period, platform requirements, features, development personnel required, and the prevailing market price of similar services. Each platform service fee ranges between RMB500,000 and RMB3,000,000. Such price range is determined with reference to a reasonable cost plus a reasonable profit margin and agreed by the parties on arm length's negotiation in order to ensure that such price range is fair and reasonable and no less favourable than those charged by the Company to independent third parties.

## **BASIS FOR DETERMINING THE PRICE**

The annual cap for the Marketing and Service Platform Construction Services Framework Agreement for the year ending 31 December 2020 is RMB30,000,000.

In considering the annual cap for the Marketing and Service Platform Construction Services Framework Agreement, the Directors have considered a number of factors, including the number of marketing platforms required by the CCRE Group and the expected resources required to be deployed and costs for the development of the requested number of platforms.

Prior to entering into any individual service agreements with CCRE in relation to its projects, (a) (where there are no market prices for the relevant services which meet the specific business needs of the CCRE Group) the Group will determine the price and terms based on the costs, profit margins and market conditions of the similar services, and a reasonable mark-up rate charged for all transactions contemplated thereunder, provided that the price provided by the Group to the CCRE Group is fair and reasonable, on normal commercial terms and not prejudicial to the interest of the Company's minority Shareholders and will ensure that the transaction is in compliance with the terms and conditions of the Marketing and Service Platform Construction Services Framework Agreement; (b) (where there are market prices for the relevant services to be provided) the Group will also determine the price by reference to (if applicable) other market reference prices to ensure that the relevant fees will not be lower than those charged to independent third parties; and (c) in the event that there is any material difference between the price charged by the Group and that charged by the independent third party, the price charged by the Group will be adjusted accordingly.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE MARKETING AND SERVICE PLATFORM CONSTRUCTION SERVICES FRAMEWORK AGREEMENT**

The Company considers that entering into the Marketing and Service Platform Construction Services Framework Agreement will be conducive to the Group's revenue growth from value-added services, increasing the Group's total revenue and boosting profits as a result, which is in line with the Group's strategic development needs.

As at the date of this announcement, the Group did not provide Marketing and Service Platform Construction Services to the CCRE Group. As one or more of the applicable percentage ratios under the Listing Rules in respect of the annual cap of the Marketing and Service Platform Construction Services is expected to exceed 0.1%, the Company and CCRE have entered into the Marketing and Service Platform Construction Services Framework Agreement to set the annual cap for the year 2020.

The Directors (including the independent non-executive Directors) are of the view that: (i) the continuing connected transaction described above has been and will be entered into in the ordinary and usual course of business and on normal commercial terms or better; (ii) the terms of the continuing connected transaction are fair, reasonable and in the interests of the Group and Shareholders as a whole; and (iii) the annual cap for the continuing connected transaction is fair and reasonable and in the interests of the Group and Shareholders as a whole.

## **DIRECTORS' INTEREST IN THE CONTINUING CONNECTED TRANSACTION**

CCRE is indirectly owned as to more than 30% by Mr. Wu. As (i) Ms. Wu Lam Li is the wife of Mr. Wu; and (ii) Mr. Wang Jun is an executive director of CCRE, as Directors, they have abstained from voting on the Board resolution approving regarding the Marketing and Service Platform Construction Services Framework Agreement to avoid any conflict of interest. Save for the above, none of the Directors has any material interest in any of the transactions contemplated under the Marketing and Service Platform Construction Services Framework Agreement and is required to abstain from voting on the Board resolutions to approve the same.



“CCRE”	Central China Real Estate Limited, a company incorporated under the laws of the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 832), and a connected person of the Company
“CCRE Group”	CCRE and its subsidiaries
“Company”	Central China New Life Limited, a 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 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
“Marketing and Service Platform Construction Services”	marketing and service platform construction services relating to sales and marketing activities such as online customer services, customer engagement, house viewing, and house purchase through the “Jianye +” platform of the Group
“Marketing and Service Platform Construction Services Framework Agreement”	the framework agreement entered into between the Company and CCRE on 29 June 2020 for the provision of Marketing and Service Platform Construction Services by the Company to CCRE

“Mr. Wu”	Mr. Wu Po Sum, the chairman, an executive director and a controlling shareholder of CCRE, and a controlling Shareholder of the Company
“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
“%”	per cent

On behalf of the Board  
**Central China New Life Limited**  
**Wang Jun**  
*Chairman*

Hong Kong, 29 June 2020

*As at the date of this announcement, the Board comprises: (i) Mr. Wang Jun (Chairman) and Mr. Cai Bin as executive Directors; (ii) Ms. Min Huidong and Ms. Wu Lam Li as non-executive Directors; and (iii) Mr. Leong Chong, Ms. Luo Laura Ying and Ms. Xin Zhu as independent non-executive Directors.*

*This announcement is available for viewing on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company’s website at [www.ccnewlife.com.cn](http://www.ccnewlife.com.cn).*