

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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)**

## **PROPOSED AMENDMENTS OF ANNUAL CAPS AND TERMS OF EXISTING CONTINUING CONNECTED TRANSACTIONS**

### **PROPOSED AMENDMENTS OF ANNUAL CAPS AND TERMS OF EXISTING CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the Prospectus in relation to, among others, the Real Estate Agency Services Framework Agreement, the Intelligent Technology Services Framework Agreement and the Membership Maintenance and Management Services Framework Agreement. In view of the growth in demand for the Group's services under these Framework Agreements as a result of the growth in business of the CCRE Group, the Board expects that (i) there will be adjustment in service fee to the Real Estate Agency Services Framework Agreement in order to meet the operation needs of the CCRE Group; and (ii) the Original Annual Caps under all these Framework Agreements will be insufficient for the two years ending 31 December 2020 and 2021.

On 30 October 2020, the Company (replacing Henan Central China New Life as the former signing party under the Framework Agreements) and CCRE entered into the Supplemental Real Estate Agency Services Framework Agreement, the Supplemental Intelligent Technology Services Framework Agreement and the Supplemental Membership Maintenance and Management Services Framework Agreement to amend certain terms of the respective Framework Agreements as follows:

- (1) the Group shall continue to provide the services contemplated under the Framework Agreements to the CCRE Group and its associates in accordance with the amended terms as set out in paragraph (3) below, for a term commencing from the Effective Date to 31 December 2022;
- (2) the Original Annual Caps under each of the three Framework Agreements shall be amended to the Proposed Revised Annual Caps under each of the Supplemental Framework Agreements; and

(3) there will be adjustment in service fee under the Supplemental Real Estate Agency Services Framework Agreement.

Save as the above, the terms of each of the Supplemental Framework Agreements shall remain the same as those of the respective Framework Agreements. Further details of the terms of the Framework Agreements are set out in the Prospectus. The Supplemental Framework Agreements are conditional upon the approval of the Independent Shareholders at the EGM.

#### **LISTING RULES IMPLICATIONS**

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 each of the Framework Agreements and the Supplemental Framework Agreements therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Pursuant to the Listing Rules, since the Company proposes to amend the Original Annual Caps all the three Framework Agreements and adjust the service fee under one of the Framework Agreements, the Company will be required to re-comply with the provisions of Chapter 14A of the Listing Rules in relation to such continuing connected transactions.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Proposed Revised Annual Caps under each of the Supplemental Framework Agreements are, on an annual basis, more than 5%, the transactions thereunder and the Proposed Revised Annual Caps are subject to the annual review, reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In view of the above, an EGM will be convened, during which ordinary resolutions will be proposed to the Independent Shareholders to consider and if appropriate, approve the Supplemental Framework Agreements, the transactions thereunder and the Proposed Revised Annual Caps. Any vote of the Independent Shareholders at the EGM will be taken by poll. Shareholders with material interests, namely (i) Mr. Wu, who is also the controlling shareholder of the CCRE Group; (ii) Mr. Wang Jun, who is an executive director of CCRE; and (iii) each of their respective associates, will be required to abstain from voting on the relevant resolutions to be proposed at the EGM.

For the purpose of seeking the approval of the Independent Shareholders, a circular containing, *inter alia*, (i) details of the Supplemental Framework Agreements, the transactions contemplated thereunder and the Proposed Revised Annual Caps; (ii) a letter of recommendation from the Independent Board Committee; (iii) a letter of advice from the Independent Financial Adviser; and (iv) a notice to convene the EGM will be despatched to the Independent Shareholders on or before 19 November 2020.

## **BACKGROUND**

Reference is made to the Prospectus in relation to, among others, the Real Estate Agency Services Framework Agreement, the Intelligent Technology Services Framework Agreement and the Membership Maintenance and Management Services Framework Agreement. In view of the growth in demand for the Group's services under these Framework Agreements as a result of the growth in business of the CCRE Group, the Board expects that (i) there will be adjustment in service fee to the Real Estate Agency Services Framework Agreement in order to meet the operation needs of the CCRE Group; and (ii) the Original Annual Caps under all these Framework Agreements will be insufficient for the two years ending 31 December 2020 and 2021.

## **THE SUPPLEMENTAL FRAMEWORK AGREEMENTS**

On 30 October 2020, the Company (replacing Henan Central China New Life as the former signing party under the Framework Agreements) and CCRE entered into the Supplemental Real Estate Agency Services Framework Agreement, the Supplemental Intelligent Technology Services Framework Agreement and the Supplemental Membership Maintenance and Management Services Framework Agreement to amend certain terms of the respective Framework Agreements as follows:

- (1) the Company shall continue to provide the services contemplated under the Framework Agreements to the CCRE Group and its associates in accordance with the amended terms as set out in paragraph (3) below, for a term commencing from the Effective Date to 31 December 2022;
- (2) the Original Annual Caps under each of the three Framework Agreements shall be amended to the Proposed Revised Annual Caps under the Supplemental Framework Agreements; and
- (3) there will be adjustment in service fee under the Supplemental Real Estate Agency Services Framework Agreement.

Save as the above, the terms of each of the Supplemental Framework Agreements shall remain the same as those of the corresponding Framework Agreements. Further details of the terms of the Framework Agreements are set out in the Prospectus. The Supplemental Framework Agreements are conditional upon the approval of the Independent Shareholders at the EGM.

The following tables set out the key terms of each of the Supplemental Framework Agreements, which are subject to the approval of the Independent Shareholders at the EGM:

**A. The Supplemental Real Estate Agency Services Framework Agreement**

Date:	:	30 October 2020
Parties	:	(1) The Company (replacing Henan Central China New Life as the former signing party under the Real Estate Agency Services Framework Agreement); and  (2) CCRE
Term	:	The term will be extended from 1 January 2019 to 31 December 2021 to the Effective Date to 31 December 2022
Service fee	:	Pursuant to the Real Estate Agency Services Framework Agreement, the Group shall provide real estate agency services in respect of the first-hand property sales as well as preparation services (including but not limited to consultation services and event organization services) to the CCRE Group and its associates and receive a commission rate (ranging from 0.8% to 2.0%) based on the transaction amounts of the property sales as service fee.

Pursuant to the Supplemental Real Estate Agency Services Framework Agreement, the Company and CCRE agreed that the commission rate received by the Group shall be adjusted to a range of 0.8% to 6.0% based on the transaction amounts of the property sales as service fee.

The commission rate applicable to each property project is set out in separate agreements to be entered into between the Company and CCRE under the Supplemental Real Estate Agency Services Framework Agreement. The commission rate applicable to each property project would be determined with reference to a number of factors, including but not limited to the marketing budget for the property project, the service scope for the property project (i.e. the types and varieties of consultation, preparation and event organization services required, such as formulation of strategic marketing plans, event venue set-up, production of advertising materials and event execution and management, etc.), the market conditions, geographical characteristics of the property project, and characteristics of the target group of property and purchasers.

Further details on the reasons for the adjustment of service fee under the Supplemental Real Estate Agency Services Framework Agreement are set out below in the paragraph headed “The proposed adjustment in service fee — Proposed amendment of service fee under the Supplemental Real Estate Agency Services Framework Agreement” in this announcement.

Annual caps : The Original Annual Caps of RMB285.0 million and RMB330.0 million for the years ending 31 December 2020 and 2021 will be increased to the Proposed Revised Annual Caps of RMB440.0 million, RMB450.0 million and RMB465.0 million for the years ending 31 December 2020, 2021 and 2022

Save as the above, the terms of the Supplemental Real Estate Agency Services Framework Agreement shall remain the same as those of the Real Estate Agency Services Framework Agreement, further details of which are set out in the Prospectus.

## **B. The Supplemental Intelligent Technology Services Framework Agreement**

- Date: : 30 October 2020
- Parties : (1) The Company (replacing Henan Central China New Life as the former signing party under the Intelligent Technology Services Framework Agreement); and  
(2) CCRE
- Term : The term will be extended from 1 January 2019 to 31 December 2021 to the Effective Date to 31 December 2022
- Annual caps : The Original Annual Caps of RMB180.0 million and RMB235.0 million for the years ending 31 December 2020 and 2021 will be increased to the Proposed Revised Annual Caps of RMB340.0 million, RMB360.0 million and RMB380.0 million for the years ending 31 December 2020, 2021 and 2022

Save as the above, the terms of the Supplemental Intelligent Technology Services Framework Agreement shall remain the same as those of the Intelligent Technology Services Framework Agreement, further details of which are set out in the Prospectus.

## **C. The Supplemental Membership Maintenance and Management Services Framework Agreement**

- Date: : 30 October 2020
- Parties : (1) The Company (replacing Henan Central China New Life as the former signing party under the Membership Maintenance and Management Services Framework Agreement); and  
(2) CCRE
- Term : The term will be extended from 1 January 2019 to 31 December 2021 to the Effective Date to 31 December 2022

Annual caps : The Original Annual Caps of RMB60.0 million and RMB70.0 million for the years ending 31 December 2020 and 2021 will be increased to the Proposed Revised Annual Caps of RMB100.0 million, RMB155.0 million and RMB230.0 million for the years ending 31 December 2020, 2021 and 2022

Save as the above, the terms of the Supplemental Membership Maintenance and Management Services Framework Agreement shall remain the same as those of the Membership Maintenance and Management Services Framework Agreement, further details of which are set out in the Prospectus.

## **THE PROPOSED AMENDMENT OF SERVICE FEE**

### **Proposed amendment of service fee under the Supplemental Real Estate Agency Services Framework Agreement**

Pursuant to the Real Estate Agency Services Framework Agreement, the Group shall provide real estate agency services in respect of the first-hand property sales as well as preparation services (including but not limited to consultation services and event organization services) to the CCRE Group and its associates and receive a commission rate (ranging from 0.8% to 2.0%) based on the transaction amounts of the property sales as service fee.

Pursuant to the Supplemental Real Estate Agency Services Framework Agreement, the Company and CCRE agreed that the commission rate received by the Group shall be adjusted to a range of 0.8% to 6.0% based on the transaction amounts of the property sales as service fee. The commission rate applicable to each property project is set out in each separate agreement to be entered into by the Company and CCRE from time to time. The applicable commission rate will be determined with reference to a number of factors, including but not limited to the marketing budget for the property project, the service scope for the property project (i.e. the types and varieties of consultation, preparation and event organization services required, such as formulation of strategic marketing plans, event venue set-up, production of advertising materials and event execution and management, etc.), the market conditions, geographical characteristics of the property project, and characteristics of the target group of property and purchasers.

Given the various new marketing approaches introduced by the property developers in sales of property as a result of the government's preventive measures introduced to control COVID-19 since its outbreak, the CCRE Group and its associate have decided to increase their marketing spending and efforts in property sales, which require more comprehensive and customised real estate agency services in the pre-sales stage of property projects under sales and expected to be launched for sales. The upward adjustment in the range of commission rate to be received by the Group under the Supplemental Real Estate Agency Services Framework Agreement reflects the additional manpower and costs expected to be incurred in relation to the property projects which require the Group's heavier involvement during the stage of pre-sales marketing and planning, including but not limited to conducting research on marketing conditions, formulation of corresponding sales and marketing strategies, overseeing the event venue set-up and preparation of marketing materials. The above adjustment in commission rates is determined on arm's length basis having regard to (i) the latest market conditions; and (ii) the prevailing market commission rates for comparable real agency services provided by real estate agency service providers in the post-COVID 19 era.

#### **HISTORICAL TRANSACTION AMOUNTS AND THE PROPOSED REVISED ANNUAL CAPS**

The table below sets out the historical transaction amounts under each of the Framework Agreements during the year/period stated in the table below:

	<b>Historical Transaction Amounts</b>		
	<b>For the year ended 2019 (Audited)</b>	<b>For the nine months ended 30 September 2019 (Unaudited)</b>	<b>For the nine months ended 30 September 2020 (Unaudited)</b>
		<i>RMB'000</i>	
The Real Estate Agency Services Framework Agreement	238,500	140,600	205,800
The Intelligent Technology Services Framework Agreement	140,700	86,100	171,000
The Membership Maintenance and Management Services Framework Agreement	47,200	32,500	58,400

The Directors confirm that the transaction amounts from 1 January 2019 to the date of this announcement are within the Original Annual Caps for the respective year/period.

The table below sets out the Original Annual Caps and the Proposed Revised Annual Caps under each of the Framework Agreements and Supplemental Framework Agreements, respectively:

	Original Annual Caps		Proposed Revised Annual Caps		
	For the years ending 31 December				
	2020	2021	2020	2021	2022
	<i>RMB'000</i>		<i>RMB'000</i>		
The Real Estate Agency Services Framework Agreement and the Supplemental Real Estate Agency Services Framework Agreement	285,000	330,000	440,000	450,000	465,000
The Intelligent Technology Services Framework Agreement and the Supplemental Intelligent Technology Services Framework Agreement	180,000	235,000	340,000	360,000	380,000
The Membership Maintenance and Management Services Framework Agreement and the Supplemental Membership Maintenance and Management Services Framework Agreement	60,000	70,000	100,000	155,000	230,000

**A. Proposed Revised Annual Caps under the Supplemental Real Estate Agency Services Framework Agreement**

The Proposed Revised Annual Caps under the Supplemental Real Estate Agency Services Framework Agreement represent a 2.3% and 3.3% year-on-year increase for 2020 to 2021 and 2021 to 2022, respectively. Such Proposed Revised Annual Caps are determined after taking into account the following factors:

- the historical transaction amounts and volume of real estate agency services provided by the Group in 2020, in particular the fact that the historical transaction amounts during nine months ended 30 September 2020 increased by 46.4% compared to the same period in 2019 given the various new marketing approaches introduced by the CCRE Group and its associates in sales of property as a result of the government's introduction of preventive measures to control COVID-19 since its outbreak and that the CCRE Group and its

associates have decided to increase their marketing spending and efforts in property sales, resulting in a general increase in the average commission rates received by the Group with the more comprehensive and customised service scope required under most property projects;

- the anticipated growth in the estimated transaction amounts for real estate agency services for the three years ending 31 December 2020, 2021 and 2022, calculated by multiplying the increased commission rate (ranging from 0.8%–6.0%) by the estimated aggregate sales amount for RMB94.6 billion for all the existing agreements entered into as of 30 September 2020; and
- the increase in demand for the Group’s real estate agency services as seen from the increase of estimated aggregate sales amount from RMB74.25 billion for all the existing agreements entered into as of 31 December 2019 to RMB94.6 billion for all the existing agreements entered into as of 30 September 2020, which our Directors consider to be primarily attributable to the increase in number of property projects expected to be launched for sale by the CCRE Group and its associates.

#### **B. Proposed Revised Annual Caps under the Supplemental Intelligent Technology Services Framework Agreement**

The Proposed Revised Annual Caps under the Supplemental Intelligent Technology Services Framework Agreement represent a 5.9% and 5.6% year-on-year increase for 2020 to 2021 and 2021 to 2022, respectively. Such Proposed Revised Annual Caps are determined after taking into account the following factors:

- the historical transaction amount of the intelligent technology services provided by the Group in 2020, in particular the fact that the historical transaction amounts during the nine months ended 30 September 2020 increased by 98.6% compared to the same period in 2019 due to the reasons further explained below;
- the recent increase in demand and budget on the Group’s intelligent technology services by the CCRE Group and its associates driven by the rapid penetration of smart home solutions into the property development industry and their strategy to differentiate their properties with technological elements for improvement in quality of life;
- the CCRE Group and its associates have decided to assign more property projects to the Group (instead of other service providers) for provision of intelligent technology services having considered the successful delivery of a number of property projects utilizing the Group’s intelligent technology services at satisfactory quality; and

- the increase in demand for the Group’s intelligent technology services as seen from the increase of aggregate contractual value of RMB248.4 million pursuant to all existing agreements entered into as of 31 December 2019 to RMB504.6 million pursuant to all existing agreements entered into as of 30 September 2020 due to the reasons as set out above.

**C. Proposed Revised Annual Caps under the Membership Maintenance and Management Services Framework Agreement**

The Proposed Revised Annual Caps under the Supplemental Membership Maintenance and Management Services Framework Agreement represent a 55.0% and 48.4% year-on-year increase for 2020 to 2021 and 2021 to 2022, respectively. Such Proposed Revised Annual Caps are determined after taking into account the following factors:

- the historical transaction amount of the membership maintenance and management services provided by the Group in 2020, in particular the fact that the historical transaction amounts during the nine months ended 30 September 2020 increased by 79.7% compared to the same period in 2019 due to the reasons further explained below;
- the number of members of Central China Consumers Club grew rapidly from over 10,000 persons as of 31 December 2019 to over 19,000 as of 30 September 2020, which was primarily attributable to the increase in property sales of the CCRE Group during the nine months ended 30 September 2020 as compared to the same period in 2019 (which is also the reason for the Proposed Revised Annual Caps under the Supplemental Real Estate Agency Services Framework Agreement), resulting in increased number of high-net-worth customers eligible for and enrolled into the Central China Consumers Club;
- the CCRE Group’s target to achieve 20,000 members by end of 31 December 2020 in order to further enhance the brand recognition of “Central China (建業)” and increase its property repurchase rate of these high-net-worth members;
- the estimated fees to be received by the Group calculated by multiplying the fees per person per year by the estimated number of members of the Central China Consumers Club; and
- the increase in number of events for members of the Central China Consumers Club since the second quarter of 2020 as soon as the COVID-19 pandemic in the PRC became generally under control.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL FRAMEWORK AGREEMENTS**

The Directors have been carefully monitoring the historical transaction amounts of, and the estimated demand for, the continuing connected transactions of the Group. The Directors consider that entering into the Supplemental Framework Agreements would be conducive to the Group's revenue growth, increasing the Group's total revenue and boosting profits as a result, which is in line with the Group's strategic development needs in the following aspects:

- (a) the Supplemental Real Estate Agency Services Framework Agreement would (i) further strengthen the Group's capabilities in real estate agency services with the extended scope for provision of integrated and customised marketing solutions; (ii) enable the Group to adapt to the latest market conditions whereby the sales of properties have become more difficult and might require additional marketing efforts; and (iii) boost the sales volume and amounts for the properties developed by the CCRE Group and its associates, and therefore increase the commission income of the Group, which is recorded under the business segment of property management services and value-added services;
- (b) the Supplemental Intelligent Technology Services Framework Agreement would (i) enable the Group to capture the opportunities and benefit from the latest property market trend with increasing adoption of smart home solutions requiring the Group's intelligent technology services; (ii) further consolidate its market position as an intelligent technological solutions provider for property developers subsequent to the Group's successful expansion into this segment after the acquisition of Aiou Electronic in December 2018; and (iii) boost the revenue of the Group's business segment of property management services and value-added services;
- (c) the Membership Maintenance and Management Services Framework Agreement would (i) enable the Group to capture the opportunities and benefit from the popularity of the Central China Consumers Club as a group of loyal customers of the CCRE Group and the Group through receiving additional management fees calculated based on fees chargeable per member; and (ii) further foster customer loyalty for the brand of "Central China (建業)" and increase property repurchase rate of these high-net-worth members, which would in turn indirectly increase the demand for the Group's real estate agency services; and (iii) boost the revenue of the Group's business segment of property management services and value-added services.

Based on the unaudited financial information for the nine months ended 30 September 2020, the total revenue of the Group increased by approximately 46.4% as compared to the nine months ended 30 September 2019, whereas the revenue generated from the CCRE Group and its associates or joint ventures as a percentage of the total revenue increased slightly from approximately 40.7% for the nine months ended 30 September 2019 to approximately 41.4% for the nine months ended 30 September 2020. The Directors consider the slight increase in percentage of the total revenue generated from the CCRE Group during the nine months ended 30 September 2020 compared to the same period in 2019 was primarily attributable to the increase in demand for the Group's services from the CCRE Group. Whilst the Directors consider that the Group could benefit from the mutual and complementary relationship with the CCRE Group, the Group has also implemented certain business expansion plans to diversify its customer portfolio and source of revenue. For example, as disclosed in the Company's announcement dated 25 September 2020, the Company acquired 51% equity interests in Jiyuan City Zhongbang Environmental Sanitation Co., Ltd. (濟源市眾幫環境保潔有限公司), the customers of which are Independent Third Parties and thus is expected to result in dilution of revenue generated from the CCRE Group.

The Directors (excluding the independent non-executive Directors who will form their view after taking into account the advice of the Independent Financial Adviser) consider that the terms the Supplemental Framework Agreements (including the Proposed Revised Annual Caps) are (i) fair and reasonable; (ii) on normal commercial terms and in the ordinary and usual course of business of the Group; and (iii) in the interests of the Company and its Shareholders as a whole.

#### **APPROVAL BY THE BOARD**

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 Supplemental Framework Agreements, the transactions contemplated thereunder and the Proposed Revised Annual Caps 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 Supplemental Framework Agreements and is required to abstain from voting on the Board resolutions to approve the same.

#### **INFORMATION OF THE PARTIES**

The Group is principally engaged in (i) provision of property management services and related value-added services; (ii) provision of lifestyle services; and (iii) provision of commercial property management and consultation services in the PRC.

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

## **LISTING RULES IMPLICATION**

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 Supplemental Framework Agreements therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Proposed Revised Annual Caps under each of the Supplemental Framework Agreements are, on an annual basis, more than 5%, the transactions thereunder and the Proposed Revised Annual Caps are subject to the annual review, reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **INDEPENDENT SHAREHOLDERS' APPROVAL**

In view of the above, an EGM will be convened, during which ordinary resolutions will be proposed to the Independent Shareholders to consider and if appropriate, approve the Supplemental Framework Agreements, the transactions contemplated under and the Proposed Revised Annual Caps. Any vote of the Independent Shareholders at the EGM will be taken by poll. Shareholders with material interests, namely (i) Mr. Wu, who is also the controlling shareholder of the CCRE Group; (ii) Mr. Wang Jun, who is an executive director of CCRE; and (iii) each of their respective associates, will be required to abstain from voting on the relevant resolutions to be proposed at the EGM.

The Independent Board Committee has been formed to advise the Independent Shareholders as to whether the terms of the Supplemental Framework Agreements, the transactions contemplated thereunder and the Proposed Revised Annual Caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote on the resolutions to be proposed at the EGM. Red Sun Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the same issues.

For the purpose of seeking the approval of the Independent Shareholders, a circular containing, *inter alia*, (i) details of each of the Supplemental Framework Agreements, the transactions contemplated thereunder and the Proposed Revised Annual Caps; (ii) a letter of recommendation from the Independent Board Committee; (iii) a letter of advice from the Independent Financial Adviser; and (iv) a notice to convene the EGM will be despatched to the Independent Shareholders on or before 19 November 2020.

## DEFINITIONS

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

“Aiou Electronic”	Henan Aiou Electronic Technology Co., Ltd.* (河南艾歐電子科技有限公司), a limited liability company established in the PRC on March 25, 2014 and our non wholly-owned subsidiary, being owned as to 93.3% by the Company (through Central China New Life) and 6.7% by Mr. Lu Feng (盧峰) (an Independent Third Party)
“associate(s)”	has the meaning given to it under the Listing Rules
“Board”	the board of Directors
“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
“Effective Date”	the date on which the Supplemental Framework Agreements, the transactions contemplated thereunder and the Proposed Revised Annual Caps being approved by the Independent Shareholders at the EGM
“EGM”	the extraordinary general meeting to be convened by the Company for consideration and if appropriate, approval of the Supplemental Framework Agreements, the transactions contemplated under and the Proposed Revised Annual Caps
“Framework Agreements”	the Real Estate Agency Services Framework Agreement, the Intelligent Technology Services Framework Agreement and the Membership Maintenance and Management Services Framework Agreement

“Group”	the Company and its subsidiaries
“Henan Central China New Life”	Henan Central China New Life Service Co., Ltd.* (河南建業新生活服務有限公司), a limited liability company established in the PRC on April 21, 2016 and a wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors (namely Mr. Leong Chong, Ms. Luo Laura Ying and Ms. Xin Zhu) established for the purpose of advising the Independent Shareholders in respect of the Supplemental Framework Agreements, the transactions contemplated thereunder and the Proposed Revised Annual Caps
“Independent Financial Adviser”	Red Sun Capital Limited, a corporation licensed by the Securities and Futures Commission to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Supplemental Framework Agreements, the transactions contemplated thereunder and the Proposed Revised Annual Caps
“Independent Shareholders”	the Shareholders who are not required to abstain from voting at the EGM to approve the Supplemental Framework Agreements, the transactions contemplated under and the Proposed Revised Annual Caps
“Independent Third Party(ies)”	an entity which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules
“Intelligent Technology Services Framework Agreement”	the intelligent technology services framework agreement dated 29 March 2019 entered into between Henan Central China New Life (the subsidiary of the Company) and CCRE, pursuant to which the Group agreed to provide intelligent technology services to the CCRE Group and its associates commencing from 1 January 2019 to 31 December 2021, the annual caps of which were amended by a supplemental agreement dated 28 October 2019

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Membership Maintenance and Management Services Framework Agreement”	the membership maintenance and management services framework agreement dated 29 March 2019 entered into between Henan Central China New Life (the subsidiary of the Company) and CCRE, pursuant to which the Group agreed to provide membership maintenance and management services to the CCRE Group and its associates commencing from 1 January 2019 to 31 December 2021
“Mr. Wu”	Mr. Wu Po Sum, the chairman, an executive director and a controlling shareholder of CCRE, and a controlling Shareholder of the Company
“Original Annual Caps”	the maximum annual fee to be received by the Group under each of the Framework Agreements for the two years ending 31 December 2020 and 2021
“PRC”	the People’s Republic of China
“Proposed Revised Annual Caps”	the proposed maximum annual fee to be received by the Group under each of the Supplemental Framework Agreements for the three years ending 31 December 2020, 2021 and 2022
“Prospectus”	the prospectus of the Company dated 5 May 2020 in relation to its global offering
“Real Estate Agency Services Framework Agreement”	the real estate agency services framework agreement dated 24 June 2019 entered into between Henan Central China New Life (the subsidiary of the Company) and CCRE, pursuant to which the Group agreed to provide real estate agency services to the CCRE Group and its associates commencing from 1 January 2019 to 31 December 2021
“Shareholder(s)”	holder(s) of the Shares
“Shares”	the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Framework Agreements”	the Supplemental Real Estate Agency Services Framework Agreement, the Supplemental Intelligent Technology Services Framework Agreement and the Supplemental Membership Maintenance and Management Services Framework Agreement

“Supplemental Intelligent Technology Services Framework Agreement”	the agreement dated 30 October 2020 entered into between the Company (replacing Henan Central China New Life as the former signing party under the Intelligent Technology Services Framework Agreement) and CCRE to amend and restate the Intelligent Technology Services Framework Agreement to revise the annual caps under the Commercial Property Management Services Framework Agreement
“Supplemental Membership Maintenance and Management Services Framework Agreement”	the agreement dated 30 October 2020 entered into between the Company (replacing Henan Central China New Life as the former signing party under the Membership Maintenance and Management Services Framework Agreement) and CCRE to amend and restate the Membership Maintenance and Management Services Framework Agreement to revise the annual caps under the Membership Maintenance and Management Services Framework Agreement
“Supplemental Real Estate Agency Services Framework Agreement”	the agreement dated 30 October 2020 entered into between the Company (replacing Henan Central China New Life as the former signing party under the Real Estate Agency Services Framework Agreement) and CCRE to amend and restate the Real Estate Agency Services Framework Agreement to adjust the service fee and revise the annual caps under the Real Estate Agency Services Framework Agreement
“%”	per cent

\* For identification purpose only

By Order of the Board  
**Central China New Life Limited**  
**Wang Jun**  
*Chairman*

Hong Kong, 30 October 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. Wu Lam Li and Ms. Min Huidong 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).*