



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)

ADOPTION OF DIVIDEND POLICY

Central China New Life Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) places much importance on the return of the shareholders (the “**Shareholders**”) of the Company. The Company is pleased to announce that the board of directors (the “**Directors**”) of the Company (the “**Board**”) has approved and adopted a dividend policy (the “**Dividend Policy**”) effective from the listing of the shares of the Company on The Stock Exchange of Hong Kong Limited.

According to the Dividend Policy, the Group intends to distribute a dividend of at least 30% of its distributable net profit to the Shareholders for each year. The Board shall take into account, inter alia, the following factors when considering the distribution of dividends: (i) the profit of the Group for the year; (ii) the availability of dividends received from the subsidiaries of the Group; (iii) the capital and investment requirements of the Company; and (iv) other factors the Board may consider relevant.

Under the Company’s articles of association (the “**Articles of Association**”), the Company in general meeting may declare dividends in any currency to be paid to the Shareholders but no dividend shall be declared in excess of the amount recommended by the Board. The Articles of Association provide that dividends may be declared and paid out of the profits, realized or unrealized, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution, dividends may also be declared and paid out of share premium account or any other fund or account which can be authorized for this purpose in accordance with the Companies Law of the Cayman Islands. Dividend distribution to the Shareholders is recognized as a liability in the period in which the dividends are approved by the Shareholders and/or Directors, where appropriate.

The Company is a holding company incorporated under the laws of the Cayman Islands. As a result, the payment and amount of any future dividend will also depend on the availability of dividends received from its subsidiaries. The laws of the People’s Republic of China (“**PRC**”) require that dividends be paid only out of the profit for the year calculated according to PRC accounting principles, which differ in many aspects from the generally accepted accounting principles in other jurisdictions, including Hong Kong Financial Reporting Standards. PRC laws also require foreign-invested enterprises to set aside at least 10% of its after-tax profits, if any, to fund its statutory reserves, which are not available for distribution as cash dividends.

The Group may review the Dividend Policy from time to time and may update, amend and/or change the Dividend Policy at its sole discretion at any time as it sees fit and necessary. The Company cannot guarantee the distribution of dividend at any particular time or amount.