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China New Town Development Company Limited **中國新城鎮發展有限公司**

(Incorporated as a company limited by shares under the laws of the British Virgin Islands)

Singapore Stock Code: D4N.sj

Hong Kong Stock Code: 1278

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE SGX-ST LISTING MANUAL

BACKGROUND

China New Town Development Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) was placed on the watch-list pursuant to Rule 1311 of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual (the “**Listing Manual**”) on 3 March 2016.

Pursuant to Rule 1313(2) of the SGX-ST Listing Manual, the Board of Directors (the “**Board**”) of the Company wishes to provide an update on the financial situation of the Company and the Group for the third quarter ended 30 September 2016 (“**3Q FY2016**”).

UPDATE ON UNAUDITED FINANCIAL PERFORMANCE AND FINANCIAL POSITION

In 3Q FY2016, the Group recorded an unaudited net profit of RMB269.69 million, compared to the net profit of RMB5.04 million in 3Q FY2015. In the third quarter of 2016, we recorded revenue of RMB21.86 million related to land development, basically flat with the same period of 2015. This was due to the facilities fee earned at the Shanghai Golden Luodian project. The Group recorded revenue of RMB58.37 million from fixed-income investments in new town projects, mainly including those from Nanjing Two Bridges Project, Danyang Flood Discharge PPP Project, Danyang Xinmeng River Project, and Yangzhou Airport New Town Project, and accumulated investment gain of RMB3.56 million which has been received till the end of September 30 2016, by CDB New Town (Beijing) Asset Management Company Limited, a junior-tranche limited partner of CDB-BOCOMM New-type Urbanization Development Fund.

For more details on the results and financial position of the Group for 3Q FY2016, please refer to our separate announcement released on 14 November 2016.

UPDATE ON FUTURE DIRECTION

In the beginning of 2016, after carefully reviewing the current status of China's new-type urbanization and the Group's core competitive advantages, the Group refined its strategic focus from urbanization investment pure play to gradually evolve into the more optimal mix of "investments + operations". Furthermore, sectors such as education, tourism, healthcare and retirement services, were identified as targets for our downstream business extension in the field of urbanization. On this backdrop, leveraging the nationwide business network and strategic resources of China Development Bank Capital, and through proactive project sourcing and execution, the Group has also made progress. On 26 October 2016, the Group announced that it will partner with Beijing Vanke to develop the Junzhuang Project in the Beijing Mentougou District. The project has a total site area of 4.14 hectares, including more than 2 sq.km. of the East Zone which we hold exclusive development and operation rights, and would be developed into a large scale integrated consumption destination featuring various elements such as leisure and resort, eco-conservancy and healthcare, as well as parent-child experience and education. Furthermore, it positions us to participate in the development of the 1.44 sq.km. West Zone, featuring business opportunities such as shanty town reformation, primary land and integrated primary and secondary land developments. By combining the worldwide partnership resources in the fields of healthcare, integrated tourism and international education from the CDB Urbanization Strategic Alliance and the top notch development and operation capability of Vanke in China, the project is positioned to be developed into an integrated tourism and consumption destination showcase.

OTHER MATERIAL DEVELOPMENTS

While on the business side we remain focused on project investment and executing the Group's strategy, the Group is also proactively optimizing its corporate finance strategies and seeking to improve its listing status. On 18 October 2016, the Company announced that it intends to seek voluntary delisting from Singapore to become solely listed in Hong Kong. The delisting was intended to consolidate the trading of the Company's shares to bring about better liquidity, to align the Group's China-based principal business with the listing platform and thus to improve its appeal to investors. In addition, it helps to reduce the Company's operating costs and optimize the allocation of managerial resources.

On 25 November 2016, the Group has received the outstanding payment of RMB263,039,744.60, being 20% of the total consideration of Shanghai Disposal Assets (as defined in the Company's announcement dated 21 April 2016), from SRE Group Limited. As of the date of the announcement, the Group has received the full consideration of the Shanghai Disposal Assets. Please refer to the Company's announcement dated 21 April 2016 for details of the Shanghai Disposal Assets.

By Order of the Board
China New Town Development Company Limited
Liu Heqiang
Chief Executive Officer

Singapore and Hong Kong, 30 November 2016

As at the date of this announcement, the executive directors of the Company are Mr. Liu Heqiang (Chief Executive Officer), Ms. Yang Meiyu, Mr. Ren Xiaowei and Mr. Shi Janson Bing ; the non-executive directors of the Company are Mr. Wei Wei (Chairman), Mr. Zuo Kun (Vice Chairman), Mr. Li Yao Min (Vice Chairman) and Mr. Xie Zhen; and the independent non-executive directors of the Company are Mr. Henry Tan Song Kok, Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. E Hock Yap.