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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)

Hong Kong Stock Code: 1278

Singapore Stock Code: D4N.sj

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”) ON ANNUAL REPORT 2014

This announcement is made by China New Town Development Company Limited (the “**Company**”) in reply to the queries raised by the SGX-ST on the 2014 Annual Report and in compliance with the overseas regulatory disclosure requirement under the Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

With reference to the captioned subject, the Board of Directors of the Company (the “**Board**”) appends the Company’s reply to the following queries raised by the SGX-ST on the 2014 Annual Report:

SGX-ST’s Query 1

Rule 1207(6)(b) of the Listing Manual provides that: “Confirmation by the audit committee that it has undertaken a review of all non-audit services provided by the auditors and they would not, in the audit committee’s opinion, affect the independence of the auditors.”

Please disclose whether the Company has complied with the above.

The Company’s response

During the financial year ended 31 December 2014 (“FY2014”), the Audit Committee (“AC”) has reviewed the scope and quality of audit by the Company’s external auditors, Ernst & Young (“EY”) and the independence and objectivity of EY as well as the cost effectiveness. The AC is satisfied with the independence and objectivity of EY as the auditors of the Company.

SGX-ST's Query 2

Rule 907 of the Listing Manual provides that “An issuer must disclose the aggregate value of interested person transactions entered into during the financial year under review in its annual report. The name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person must be presented...”

Please disclose the name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person as required by Rule 907.

The Company's response

The Company refers to page 44 of the Annual Report with respect to the interested person transactions (“IPT”) carried out by the Group during FY2014.

Pursuant to Rule 907 of the Listing Manual, the Company would like to clarify that the IPT carried by the Group during FY2014 and the aggregate value of the IPT are as follows:

Name of interested person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
CDB Siyuan ¹	500,000	-

Note

- 1 CDB Siyuan (Beijing) Investment Fund Limited is managed by a fully-owned subsidiary of CDB Capital and is therefore deemed the Company's interested person under the Listing Manual of SGX-ST. As at 31 December 2014, a RMB500 million half-year term loan with unrestricted use has been provided to the Company for the purposes of repaying a trust loan and improving the overall finance costs of the Group. For further details, please refer to the Company's announcement dated 27 June 2014.

The Group has established procedures to ensure that all IPTs are reported in a timely manner to the Audit Committee of the Company and that transactions are conducted on an arm's length basis that are not prejudicial to the interests of the shareholders. When a potential conflict of interest arises, the Director concerned will be excluded from discussions and refrain from exercising any influence over other members of the Board.

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

Hong Kong and Singapore, 17 April 2015

As at the date of this announcement, the executive directors of the Company are Mr. Shi Jian (Vice Chairman), Mr. Liu Heqiang (Chief Executive Officer), Ms. Yang Meiyu and Mr. Ren Xiaowei; the non-executive directors of the Company are Mr. Fan Haibin (Chairman), Mr. Zuo Kun (Vice Chairman), Mr. Li Yao Min (Vice Chairman) and Mr. Zhang Yan; 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.