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CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中國新城鎮發展有限公司

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

Hong Kong Stock Code: 1278

Singapore Stock Code: D4N.si

**DISCLOSEABLE AND CONNECTED TRANSACTION
DISPOSAL OF THE WUXI PROJECT GROUP
AND
RESUMPTION OF TRADING**

THE DISPOSAL

The Board is pleased to announce that on 2 December 2014, with the consent of SREI, the Vendor, a wholly-owned subsidiary of the Company, and the Purchaser have entered into the Agreement. Pursuant to the Agreement, the Vendor has conditionally agreed to sell or procure the sale of, and the Purchaser has conditionally agreed to purchase or procure the purchase of, the Wuxi Project Group.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios (as defined in the HK Listing Rules) exceed 5% but are less than 25%, the disposal of the Non-SREI Disposal Asset constitutes a discloseable transaction of the Company and is only subject to the reporting and announcement requirements pursuant to Chapter 14 of the HK Listing Rules.

The Purchaser is a connected person of the Company at the subsidiary level under the HK Listing Rules by virtue of it being an associate of a substantial shareholder of each of Wuxi Hongshan Development and Wuxi Hongshan Virescence. However, the Disposal is a connected transaction between the Vendor and the Purchaser who is only connected at the subsidiary level. On the basis that (i) the Directors have approved the Agreement and the transactions contemplated thereunder; and (ii) the independent non-executive Directors have confirmed that the terms of the Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole, the Disposal is exempt from the circular, independent financial advice and Shareholders' approval

requirements under rule 14A.101 of the HK Listing Rules.

Based on the relative figures computed on the bases required by Rule 1006 of the Singapore Listing Manual, the Disposal constitutes a discloseable transaction and possibly, a major transaction under Rule 1010 of the Singapore Listing Manual.

For the avoidance of doubt, SREI's consent to the Disposal does not constitute an interested person transaction under Chapter 9 of the Singapore Listing Manual.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the HK Stock Exchange and the Singapore Stock Exchange was halted with effect from 9:00am on 1 December 2014 pending the release of this announcement. The Company intends to apply to the HK Stock Exchange and the Singapore Stock Exchange for the resumption of trading in the shares of the Company on HK Stock Exchange and Singapore Stock Exchange respectively with effect from 9:00am on 3 December 2014.

INTRODUCTION

Reference is made to the announcements of the Company dated 10 October 2013 and 30 December 2013 and the circular of the Company dated 11 December 2013 in connection with, amongst others, the Disposal Master Agreement.

Pursuant to the Disposal Master Agreement, the Company has conditionally agreed to sell or procure the sale of, and SREI has conditionally agreed to purchase or procure the purchase of, the Disposal Assets. Such Disposal Assets constitute assets of the Group not relating to the Group's main principal business of planning and development of new town projects in the PRC. The parties to the Disposal Master Agreement may however, after discussion, agree to dispose of a Disposal Asset to a third party other than SREI and its subsidiaries.

On 30 December 2013, Shareholders at the EGM have approved the entering into the Disposal Master Agreement and all transactions contemplated thereunder.

The Board is pleased to announce that on 2 December 2014, with the consent of SREI, the Vendor, a wholly-owned subsidiary of the Company, and the Purchaser have entered into the Agreement. Pursuant to the Agreement, the Vendor has conditionally agreed to sell or procure the sale of, and the Purchaser has conditionally agreed to purchase or procure the purchase of, the Wuxi Project Group. The Company wishes to further announce that:

- (a) SREI will not be retaining any excess consideration from the Disposal as the consideration payable by the Purchaser for the SREI Disposal Assets is the amount approved by the Shareholders in the EGM, and there will be no premium attributable to the SREI Disposal Assets;
- (b) the consideration attributable to the SREI Disposal Assets has not changed and will be based on the Disposal Master Agreement; and
- (c) Mr. Shi Jian, his spouse, Ms. Si Xiao Dong, and Mr. Li Yao Min were not involved in the negotiations between the Company and the Purchaser in relation to the Disposal.

THE DISPOSAL AGREEMENT

Date

2 December 2014

Parties

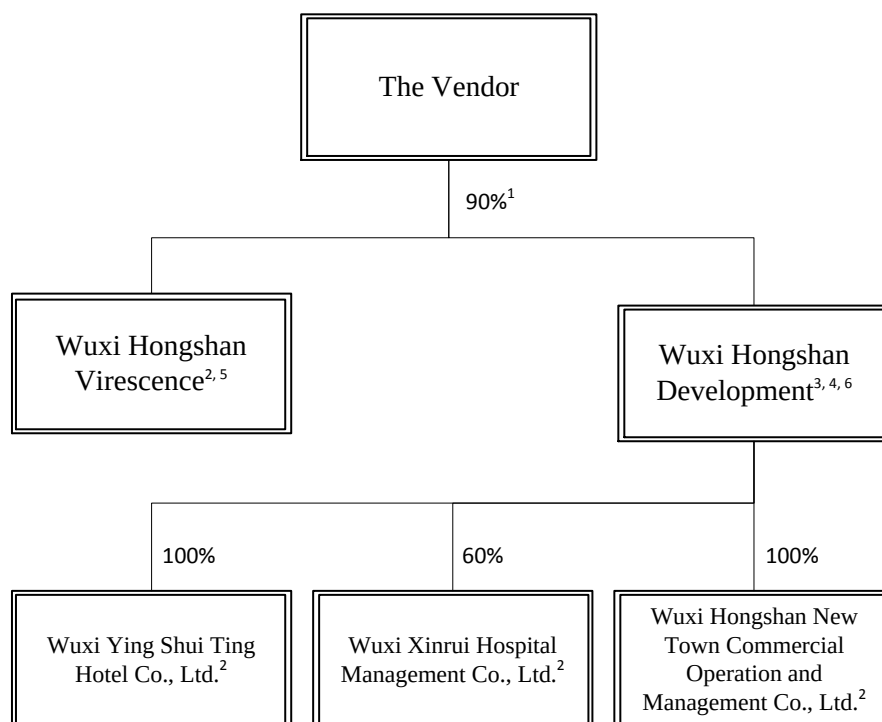
Vendor: China New Town Development (Wuxi) Company Limited

Purchaser: Wuxi Municipal New Town Development Group Limited

Assets involved

The Vendor has conditionally agreed to sell and transfer the Wuxi Project Group to the Purchaser. The Wuxi Project Group was established in 2007 pursuant to a joint venture agreement which the Group entered into with a subsidiary of Wuxi District Government on 28 February 2007. The Wuxi Project Group's principal activities include the planning, developing and operating of the Wuxi Hongshan new town with a site area of approximately 8.6 sq.km..

The following diagram illustrates the structure of the Wuxi Project Group as at the date of this announcement.



Notes

1. The remaining 10% interest is held by an associate of the Purchaser
2. SREI Disposal Asset
3. Wuxi Hongshan Development is a Non-SREI Disposal Asset. As at the date of this announcement, apart from the SREI Disposal Assets, it also holds the property interest in the land and building under Wuxi Building Ownership Certificate no. 錫房權證新區字第 XQ1000109757 號.

4. Wuxi Hongshan Development previously held a 100% interest in Hongqing Real Estate. This interest was disposed of to SREI prior to the date hereof at a consideration of RMB 9,000,000 under a separate agreement entered into between Wuxi Hongshan Development and SREI in accordance with the terms of the Disposal Master Agreement. The consideration is credited as an account receivable in the accounts of Wuxi Hongshan Development. For information, the Disposal Consideration attributable to Hongqing Real Estate under the Disposal Master Agreement is RMB 0. Notwithstanding that there is an excess over the consideration attributable to Hongqing Real Estate under the Disposal Master Agreement, consent has been given by SREI that the consideration of RMB 9,000,000 payable by SREI to Wuxi Hongshan Development for Hongqing Real Estate will not be deducted from the Disposal Consideration.
5. Wuxi Hongshan Virescence previously held a 100% interest in Shenyang Meteorite. This interest was disposed of to SREI prior to the date hereof for the consideration of RMB340,050,000 under a separate agreement entered into between Wuxi Hongshan Virescence and SREI. The consideration is credited as an account receivable in the accounts of Wuxi Hongshan Virescence, such consideration being accounted for in the consideration that the Purchaser is paying the Company for Wuxi Hongshan Virescence.
6. Includes the property interest in Wu Cultural Street, which is a SREI Disposal Asset.

As set out in the diagram above, the Wuxi Project Group consists of both SREI Disposal Assets and Non-SREI Disposal Asset.

SREI Disposal Assets

Further details of each of the SREI Disposal Assets are as follows:

(a) Wuxi Hongshan Virescence

The principal activity of Wuxi Hongshan Virescence is virescence construction. As at the date of this announcement, Wuxi Hongshan Virescence holds an account receivable of RMB340,050,000 from SREI, which represents the consideration payable by SREI for the acquisition of the 100% interest in Shenyang Meteorite in a separate agreement entered into between Wuxi Hongshan Virescence and SREI prior to the date of this announcement.

(b) Wuxi Ying Shui Ting Hotel Co., Ltd. (無錫映水庭酒店有限公司) ("Wuxi Ying Shui Ting")

The principal activity of Wuxi Ying Shui Ting is hotel management.

(c) Wuxi Xinrui Hospital Management Co., Ltd. (無錫新瑞醫院管理有限公司) ("Wuxi Xinrui Hospital")

The principal activity of Wuxi Xinrui Hospital is the development and management of the Wuxi Branch of Shanghai Ruijin Hospital. The development site for the proposed development of the Wuxi Branch of Shanghai Ruijin Hospital is wholly owned by Wuxi Xinrui Hospital.

(d) Wuxi Hongshan New Town Commercial Operation and Management Co., Ltd. (無錫鴻山新城鎮商業經營管理有限公司) ("Wuxi Hongshan New Town")

The principal activity of Wuxi Hongshan New Town is commercial property management.

(e) Property interest in Wu Cultural Street (吳文化街) ("Wu Cultural Street")

The Wu Cultural Street assets consist of various shops and 31 hotel rooms in retail street and the remaining land plot on the west of Xinhong Road, Hongshan New Town.

As at 30 September 2014, the unaudited consolidated net asset value (book value) attributable to the SREI Disposal Assets was RMB 524,177,495; and the audited consolidated net profit before and after taxation and extraordinary items attributable to the SREI Disposal Assets for

the year ended 31 December 2013 were RMB 8,355,757 and RMB 5,964,742 respectively.

Non-SREI Disposal Asset

Further details of the Non-SREI Disposal Asset are as follows:

(a) Wuxi Hongshan Development

Wuxi Hongshan Development is principally engaged in real estate development and management, public facilities and municipal infrastructure construction, property management, socio-economic consulting, construction of sports facilities in Wuxi, PRC. As at the date of this announcement, apart from the SREI Disposal Assets, it also holds:

1. the property interest in the land and building under Wuxi Building Ownership Certificate no. 錫房權證新區字第 XQ1000109757 號; and
2. an account receivable of RMB9,000,000, which represents the consideration payable by SREI for the acquisition of the 100% interest in Hongqing Real Estate in a separate agreement entered into between Wuxi Hongshan Development and SREI in accordance with the terms of the Disposal Master Agreement prior to the date of this announcement.

As at 30 September 2014, the unaudited consolidated net liabilities value (book value) attributable to the Non-SREI Disposal Asset was RMB 65,587,896; and the audited consolidated net loss before and after taxation and extraordinary items attributable to the Non-SREI Disposal Asset for the year ended 31 December 2013 were RMB 25,646,937 and RMB 95,057,499 respectively.

The audited consolidated net profit before and after taxation and extraordinary items attributable to the Wuxi Project Group for the year ended 31 December 2012 were RMB 19,971,559 and RMB 16,465,462 respectively.

Subsequent to the Disposal, each of Wuxi Hongshan, Wuxi Hongshan Virescence and their subsidiaries will cease to be a subsidiary of the Company.

Consideration

The entire consideration of RMB 1,133,905,524 for the Disposal shall become payable by the Purchaser or its designated entities to the Vendor in cash at Completion, which shall take place as soon as practicable after all the conditions precedent as set out in the “Conditions Precedents” section of this announcement are duly fulfilled.

The consideration was arrived at after arm’s length negotiations between the Purchaser and the Vendor after taking into account, among others, the following factors:

1. the book value of the Wuxi Project Group;
2. valuation of the Wuxi Project Group prepared by the independent valuer, DTZ Debenham Tie Leung Limited, appointed by the Vendor and the Purchaser;
3. the intangible value of the Wuxi Project Group after years of investment in the project as

well as project development and management by the Company; and

4. certain entitled economic interests in the relevant state-owned land resources in the Wuxi Project Group.

(a) Consideration attributable to the SREI Disposal Assets and adjustments to the Disposal Consideration payable by SREI

The consideration for the SREI Disposal Assets payable by the Purchaser, being RMB 600,246,164, is the same as the amount of consideration attributable to each of such assets under the Disposal Master Agreement. Set out below is the consideration attributable to each of the SREI Disposal Assets pursuant to the Disposal Master Agreement:

<u>Assets:</u>	<u>Attributable consideration pursuant to the Disposal Master Agreement:</u>
(a) Wuxi Hongshan Virescence	RMB 355,770,684.
(b) Wuxi Ying Shui Ting Hotel	RMB 43,050.
(c) Wuxi Xinrui Hospital	RMB 49,702,788.
(d) Wuxi Hongshan New Town	RMB0. In addition, as Wuxi Hongshan New Town has a net liability value of RMB 2,771,372, the consideration attributable to the other SREI Disposal Assets will correspondingly be reduced by RMB 2,771,372.
(e) Wu Cultural Street	RMB 197,501,014.

Pursuant to the Disposal Master Agreement, in the event that the Disposal Assets are sold to third parties, to ensure the final consideration paid to the Company is same as the agreed consideration amount for that Disposal Assets under the Disposal Master Agreement:

1. if the consideration paid by the third party for the relevant Disposal Asset is higher than the consideration attributable to such Disposal Asset as set out in the Disposal Master Agreement, such excess amount shall be deducted from the last stage of the Disposal Consideration payable by SREI under the Disposal Master Agreement; and
2. if the consideration paid by the third party for the relevant Disposal Asset is lower than the consideration attributable to such Disposal Asset as set out in the Disposal Master Agreement, such deficit amount shall be paid by SREI.

In addition, as set out in the Disposal Master Agreement, RMB 6,000,000, which represents the amount paid by Wuxi Hongshan Development in connection with the capital increase of Wuxi Xinrui Hospital after 30 June 2013, shall be borne by SREI and taken into consideration in arriving at the revised Disposal Consideration payable by SREI to the Company under the Disposal Master Agreement.

As such, the Disposal Consideration payable by SREI to the Company under the Disposal Master Agreement will be correspondingly reduced by RMB 594,246,164, being the amount of the consideration received by the Company from the Purchaser attributable to the SREI Disposal Assets (RMB 600,246,165), net of the capital increase of Wuxi Xinrui Hospital (RMB 6,000,000) which shall be borne by SREI.

As disclosed in the Circular, the timing of the disposal of Disposal Assets is not directly tied to the payment schedule of Disposal Consideration.

(b) Consideration payable for the Non-SREI Disposal Assets

The consideration payable by the Purchaser for Wuxi Hongshan Development is RMB539,659,360.

Conditions precedents

Completion is subject to the satisfactory fulfilment of the following conditions precedents:

1. the completion of the relevant asset transfer procedures at the Shanghai Property Exchange; and
2. the Vendor and the Purchaser having obtained all necessary consents, approval, authentication and authorization in connection with the Agreement and the transactions contemplated therein.

Completion

The transaction is expected to be completed as soon as practicable after all conditions precedents are satisfied and in any event, no later than 30 June 2015.

INFORMATION ON THE PURCHASER

The Purchaser is a state-owned company wholly owned by the Wuxi Municipal People's Government. Currently, the registered capital of the Purchaser is RMB 7,890,000,000 with total assets of RMB 41,500,000,000 and net assets at RMB 12,300,000,000. As at the date of this announcement, the businesses of the Purchaser include, among others, organization of land resources operation in new regions, infrastructure construction, public utilities development and operations, integrated development on urban constructions, commercial and industrial real estate operations and equity investments.

INFORMATION ON THE GROUP

The Group engages in primary land development. It has a distinctive business model that, through joint venture partnership with local government entities, it turns bare land into valuable land resources and receives a significant portion of land sale proceeds from the relevant PRC land authorities once the land plots are sold to third party property developers through public auction, tender or listing.

After the Disposal, the Group's main business will be the three primary land development projects in Shanghai (the Shanghai Luodian New Town Project), Nanjing (the Two Bridges

Project and the Software Valley South Park Project) and Shenyang (the Shengyang Lixiang New Town Project).

FINANCIAL IMPACT OF THE DISPOSAL

It is anticipated that upon Completion, the Group would realize a gain on the Disposal of approximately RMB 675,315,925.

The *pro forma* financial effects of the Disposal on the Group are for illustrative purposes only and are neither indicative of the actual financial effects of the Disposal on the NTA per Share and EPS, nor do they represent the actual financial position and/or results of the Group immediately after the completion of the Disposal.

The financial effects of the Disposal have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2013 and further based on the following assumptions:

- (a) for the purpose of computing the financial effects of the Disposal on the NTA per Share, the Disposal is assumed to have been completed on 31 December 2013; and
- (b) for the purpose of computing the financial effects of the Disposal on the EPS, the Disposal is assumed to have been completed on 1 January 2013.

Effect of the Disposal on the NTA per Share as at 31 December 2013

On the bases and assumptions set out above, the *pro forma* effect of the Disposal on the NTA per Share of the Group is as follows:

	Before the Disposal	After the Disposal
NTA (RMB'000)	1,991,956	2,767,436
NTA per Share (RMB)	0.4428	0.6152

Effect of the Disposal on EPS for the financial year ended 31 December 2013

On the bases and assumptions set out above, the *pro forma* effect of the Disposal on the EPS of the Group is as follows:

	Before the Disposal	After the Disposal
Profit attributable to Shareholders (RMB'000)	-212,992	-123,899
EPS (RMB)	-0.0474	-0.0275

NET GAIN ON DISPOSAL AND USE OF PROCEEDS

Based on the results of the Group for the nine months ended 30 September 2014, the net book

value of the Wuxi Project Group as at 30 September 2014 is RMB 458,589,599. The excess of the consideration for the Disposal over the net book value of the Wuxi Project Group is approximately RMB 675,315,925. It is estimated that the net proceeds from the disposal of the Wuxi Project Group will be approximately RMB 1,133,905,524. The Directors intend to utilize the net proceeds as follows:

1. RMB 907,124,418, or approximately 80% of the net proceeds from the Disposal, is expected to be used to finance land development related investments in China; and
2. RMB 226,781,106, or approximately 20% of net proceeds from the Disposal, is expected to be used for general working capital purposes.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Board believes that the Disposal is a strategic opportunity that would be in the interests of the Group for the following reasons:

1. the Disposal will unlock the cash value of the Wuxi Project Group after 7 years of investment and realize value for Shareholders;
2. considering the oversupply of properties in Wuxi and the gradual increase in the price pressure on both land and properties, the Disposal is expected to allow the Group to reduce market risk and focus on regions with more attractive fundamentals;
3. the Disposal is expected to align the Group's project portfolio with the Group's core business and revenue model in the future; and
4. the Disposal will accelerate the disposal of the Disposal Assets and corporate restructuring, which will in turn allow management and financial resources to be re-deployed to projects with better risk-reward profile and shorter return cycles.

The Directors, including the independent non-executive Directors, consider that the terms of the Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

As Mr. Shi Jian and Mr. Li Yao Min have a material interest in the transaction contemplated under the Agreement, they have abstained from voting or making a recommendation at the meeting of the Board approving the Agreement and the transactions contemplated thereunder.

IMPLICATIONS UNDER THE LISTING RULES

As certain applicable percentage ratios (as defined in the HK Listing Rules) exceed 5% but are less than 25%, the disposal of the Non-SREI Disposal Asset constitutes a discloseable transaction of the Company and is only subject to the reporting and announcement requirements pursuant to Chapter 14 of the HK Listing Rules.

The Purchaser is a connected person of the Company at the subsidiary level under the HK Listing Rules by virtue of it being an associate of a substantial shareholder of each of Wuxi Hongshan Development and Wuxi Hongshan Virescence. However, the Disposal is a

connected transaction between the Vendor and the Purchaser who is only connected at the subsidiary level. On the basis that (i) the Directors have approved the Agreement and the transactions contemplated thereunder; and (ii) the independent non-executive Directors have confirmed that the terms of the Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole, the Disposal is exempt from the circular, independent financial advice and Shareholders' approval requirements under rule 14A.101 of the HK Listing Rules.

The relative figures for the Disposal computed on the bases required by Rule 1006 of the Singapore Listing Manual are as follows. For the avoidance of doubt, the relative figures do not take into account the SREI Disposal Assets, as the disposal of such SREI Disposal Assets have been previously approved by the Shareholders in the EGM:

(a) Net asset value test (Rule 1006(a) of the Singapore Listing Manual)

Net asset value of the Non-SREI Disposal Asset as at 30 September 2014 (RMB'000)	Group's net asset value as at 30 September 2014 (RMB'000)	Relative figure
-65,588	3,908,092	-1.68%

(b) Net profits test (Rule 1006(b) of the Singapore Listing Manual)

Net profits (losses) attributable to the Non-SREI Disposal Asset as at 30 September 2014 (RMB'000)	Group's net profits (losses) as at 30 September 2014 (RMB'000)	Relative figure
-6,903	-198,488	3.48%

The figures in paragraphs (a) and (b) above are derived from the Group's unaudited financial statements for the nine months period from 1 January 2014 to 30 September 2014.

(c) Market capitalisation test (Rule 1006(c) of the Singapore Listing Manual)

Consideration to be paid in respect of the Non-SREI Disposal Asset	Company's market capitalisation based on 9,846,119,747 issued Shares at weighted average price of S\$0.058 as at 28 November 2014	Relative figure
539,659,360	2,703,126,146 ⁽¹⁾	19.96%

(1) calculated based on exchange rate of S\$1.00 to RMB4.73 on 28 November 2014, sourced from Bloomberg.

(d) Equity securities test (Rule 1006(d) of the Singapore Listing Manual)

This rule is not applicable as the Disposal does not involve any acquisition by the Company.

(e) Proved and probable reserves test (Rule 1006(e) of the Singapore Listing Manual)

This rule is not applicable as the Company is not a mineral, oil and gas company.

In accordance with Rule 1007(1) of the Singapore Listing Manual, as the the relative figure(s) in relation to both the tests in Rules 1006(a) and 1006(b) are calculated based on negative figures, the Company is currently in consultation with the Singapore Stock Exchange. As the relative figure in Rule 1006(c) exceeds 5% but does not exceed 20%, the Disposal currently constitutes a discloseable transaction under Rule 1010 of the Singapore Listing Manual. Depending on the outcome of the consultation with the Singapore Stock Exchange, the Disposal may constitute a major transaction under Rule 1010 of the Singapore Listing Manual, in which case the Disposal will be conditional upon approval by shareholders of the Company in general meeting. The Company will make further announcements on the outcome of the consultation with the Singapore Stock Exchange.

For the avoidance of doubt, SREI's consent to the Disposal does not constitute an interested person transaction under Chapter 9 of the Singapore Listing Manual.

INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As stated on page 3 of this announcement, SREI has given consent to the Disposal. As at the date of this announcement, the interests of each of SREI, Mr. Shi Jian, Ms. Si Xiao Dong and Mr. Li Yao Min in the underlying shares and debentures of the Company (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the HK Listing Rules, the SFO or the SFA were as follows:

	<i>Total interests in Shares</i>	<i>Approx. % of total number of issued Shares</i>
SREI	6,816,277,933 ⁽¹⁾	69.23%
Mr. Shi Jian	6,822,383,961 ⁽²⁾⁽³⁾	69.29%
Ms. Si Xiao Dong	6,816,279,023 ⁽⁴⁾	69.23%
Mr. Li Yao Min	8,352,672	0.085%

Notes:

1. As both SREI and CDBIH are subject to a three-year lock-up with respect to the Shares held by them respectively pursuant to the Subscription Agreement, SREI is deemed under sections 317 and 318 of the SFO to be interested in the 5,347,921,071 Shares held by CDBIH.
2. Pursuant to Part XV of the SFO, Mr. Shi Jian is directly interested in 6,104,938 Shares. He is also deemed to be interested in a total of 6,816,279,023 Shares for the following reasons: (i) Mr. Shi Jian is deemed interested in 1,468,356,862 Shares held by SREI by virtue of the fact that he and his spouse, Ms. Si Xiao Dong together beneficially own 63% of the issued share capital of SREI as a controlling shareholder; (ii) as both SREI and CDBIH are subject to a three-year lock-up with respect to the Shares held by them respectively pursuant to the Subscription Agreement, SREI is deemed under sections 317 and 318 of the SFO to be interested in the 5,347,921,071 Shares held by CDBIH, and Mr. Shi Jian is accordingly also deemed interested in such Shares which SREI is deemed interested; and (iii) he is deemed to be interested in the 1,090 Shares held by Ms. Si Xiao Dong.
3. The Company has received Form 3 (Notification Form for Substantial Shareholder(s) in respect of Interests in Securities) giving notification that Mr. Shi Jian is interested in a total of 6,822,383,961 Shares under the SFA, he and his spouse Ms. Si Xiao Dong, together beneficially own 63% of the issued share capital of SREI, and he is the controlling shareholder of SREI.
4. The Company has received Form 3 (Notification Form for Substantial Shareholder(s) in respect of Interests in Securities) giving notification that Ms. Si Xiao Dong is interested in a total of 6,816,279,023 Shares under the SFA and she holds 30% of the issued share capital of SREI.

In addition, Mr. Shi Jian and Mr. Li Yao Min, being Directors and Shareholders of the Company, are also directors and shareholders of SREI.

Saved as disclosed above and in the paragraph headed "Reasons for and benefits of the Disposal", none of the Directors or controlling Shareholders of the Company has any interest, direct or indirect, in the above transactions.

SERVICE CONTRACTS

No person is proposed to be appointed as a Director in connection with the Disposal.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the HK Stock Exchange and the Singapore Stock Exchange was halted with effect from 9:00am on 1 December 2014 pending the release of this announcement. The Company intends to apply to the HK Stock Exchange and the Singapore Stock Exchange for the resumption of trading in the shares of the Company on HK Stock Exchange and Singapore Stock Exchange respectively with effect from 9:00am on 3 December 2014.

DOCUMENTS FOR INSPECTION

Copies of the Agreement and the Valuation Report are available for inspection at the Company's Singapore share transfer agent at Tricor Barbinder Share Registration Services, 80 Robinson Road, #02-00, Singapore 068898 and the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong during normal business hours for a period of three (3) months from the date of this announcement.

DEFINITIONS

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

“Agreement”	the conditional agreement dated 2 December 2014 entered into between the Vendor and the Purchaser in relation to the Disposal
“Board”	the board of Directors
“CDBIH”	China Development Bank International Holdings Limited, a company incorporated in Hong Kong
“Company”	China New Town Development Company Limited, a company incorporated in the BVI with limited liability, whose Shares are listed on both the HK Stock Exchange and the Singapore Stock Exchange
“Completion”	completion of the sale and purchase of the Wuxi Project Group, as more particularly set out in the section headed "Completion"

“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Wuxi Project Group as contemplated under the Agreement
“Disposal Assets”	assets that were to be disposed by the Group under the Disposal Master Agreement, as more particularly set out under the section headed “Assets to be disposed” in the circular of the Company dated 11 December 2013, each of which is individually defined as a “Disposal Asset”
“Disposal Consideration”	RMB2,069,832,594, being the aggregate of (1) the consideration for the disposal of the Disposal Assets and (2) the amount of loans repayable, which is subject to adjustment as more particularly set out under the section headed “Adjustment to the Disposal Consideration” in the circular of the Company dated 11 December 2013
“Disposal Master Agreement”	the conditional agreement dated 10 October 2013 entered into between the Company and SREI in relation to the disposal of the Disposal Assets
“EGM”	the extraordinary general meeting of the Company on 30 December 2013 whereby the Shareholders approved, <i>inter alia</i> , the entry into of the Disposal Master Agreement and all transactions contemplated thereunder
“EPS”	earnings per Share
“Group”	the Company and its subsidiaries
“HK Listing Rules”	the Rules Governing the Listing of Securities on the HK Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hongqing Real Estate”	Wuxi Hongqing Real Estate Development Co. Ltd.
“HK Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the HK Listing Rules and the Singapore Listing Manual
“Non-SREI Disposal Asset”	assets of the Group that are not part of the Disposal Assets and have been agreed to be disposed pursuant to the Disposal, as more

	particularly set out in the section headed "Assets involved"
“NTA”	net tangible asset
“Purchaser”	Wuxi Municipal New Town Development Group Limited (無錫市新區經濟發展集團總公司), a company incorporated in the PRC
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFA”	Securities and Futures Act (Chapter 289 of Singapore)
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of no par value of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Shenyang Meteorite”	Shenyang Meteorite Park Tourism Development Co. Ltd.
“Singapore”	The Republic of Singapore
“Singapore Listing Manual”	Listing Manual of the Singapore Stock Exchange
“Singapore Stock Exchange”	Singapore Exchange Securities Trading Limited
“SREI”	SRE Investment Holding Limited, a company incorporated in BVI
“SREI Disposal Assets”	assets of the Group that are part of the Disposal Assets and have been agreed to be disposed pursuant to the Disposal, as more particularly set out in the section headed "Assets involved"
“Subscription Agreement”	the subscription agreement dated 10 October 2013 entered into between CDBIH, the Company and SREI
“Valuation Report”	the valuation report in respect of the Wuxi Project Group dated 2 December 2014 and issued by DTZ Debenham Tie Leung Limited
“Vendor”	China New Town Development (Wuxi) Company

	Limited, a company incorporated in the British Virgin Islands and a wholly owned subsidiary of the Company
“Wuxi Hongshan Development”	Wuxi Hongshan New Town Development Co., Ltd. (無錫鴻山新城鎮開發有限公司), a company incorporated in the PRC and is indirectly wholly-owned by CNTD
“Wuxi Hongshan Virescence”	Wuxi Hongshan New Town Virescence Environmental Protection Construction Co., Ltd. (無錫鴻山新城鎮綠化環保建設有限公司), a company incorporated in the PRC and is indirectly wholly-owned by CNTD
“Wuxi Project Group”	each of Wuxi Hongshan Development, Wuxi Hongshan Virescence and their subsidiaries, which consists of both SREI Disposal Assets and Non-SREI Disposal Asset
“%”	per cent

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

Singapore and Hong Kong, 3 December 2014

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Shi Jian (Vice Chairman), Mr. Liu Heqiang, Ms. Yang Meiyu and Mr. Ren Xiaowei, four nonexecutive Directors, namely Mr. Fan Haibin (Chairman), Mr. Zuo Kun (Vice Chairman), Mr. Li Yao Min (Vice Chairman) and Mr. Zhang Yan and four independent non-executive Directors, namely Mr. Henry Tan Song Kok, Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. E Hock Yap