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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

VOLUNTARY ANNOUNCEMENT

This announcement is made by China New Town Development Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis.

Reference is made to the announcement of SRE Group Limited (stock code: 1207) ("**SRE Group**") dated 24 September 2015 (the "**SRE Announcement**") in relation to, among other things, certain financing transactions executed by Mr. Shi Jian ("**Mr. Shi**") with third party financial institutions without the knowledge of the other directors of SRE Group at the relevant time. Reference is also made to the announcement of the Company dated 9 June 2015 (the "**June Announcement**") in relation to, among other things, the implementation of certain measures requiring Mr. Shi to inhabit under custody in designated residence by the PRC Changzhou Procuratorate and the latest development relating to the disposal of a basket of non-core assets pursuant to the Disposal. Unless otherwise defined, capitalized terms in this announcement shall have the same meaning as defined in the June Announcement.

Financing Transactions

As set out in the SRE Announcement, during the period from 2011 to 2014, Mr. Shi executed certain financing transactions (the "**Guarantees**") with third party financial institutions requiring SRE Group to guarantee the repayment obligations of certain subsidiaries of the Company, including Shanghai Golden Luodian Development Co., Ltd., Shanghai Lake Malaren Lake Commercial Management Co., Ltd., Shanghai Lake Malaren Hospital Investment Co., Ltd., Shanghai Lake Malaren Obstetrical and Gynecological Hospital Co., Ltd. and Chengdu Shanghai Real Estate Co., Ltd.. Save for Shanghai Golden Luodian Development Co., Ltd (in which case

the relevant financing transaction took place to finance the Disposal Assets), these subsidiaries are part of the Disposal Assets and such loans have been recorded as “Liabilities directly associated with assets classified as held for sale” in the audited consolidated financial statements of the Group for the year ended 31 December 2014 and the interim results for the six months ended 30 June 2015.

As at the date of this announcement, SRE Investment Holding Limited, a substantial shareholder of the Company, is interested in 51.01% of the issued share capital of SRE Group. Accordingly, SRE Group, as an associate of SRE Investment Holding Limited, is a connected person of the Company. As no security on assets of the Group or fees or other payment has been provided to SRE Group in respect of the Guarantees, the Guarantees provided by SRE Group constitute fully exempt financial assistance to the Company under Rule 14A.90 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and transactions with nil value under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Suspension of Mr. Shi's duties

In light of the actions taken by SRE Group as set out in the SRE Announcement, the Board resolved to suspend, with immediate effect, all executive functions and duties of Mr. Shi as a director in the Group pending results of investigation undertaken by SRE Group. The Board will continue to closely monitor the investigation progress of SRE Group. The Company will make further announcements as and when appropriate pursuant to the requirements under the Listing Rules and the Listing Manual of Singapore Exchange Securities Trading Limited, if necessary.

Save as disclosed above, to the best knowledge as of now, the Board is of the view that there is no other issue which needs to be brought to the attention of the shareholders of the Company.

The Board would like to remind the shareholders and potential investors to exercise caution when dealing in the shares of the Company.

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

Hong Kong and Singapore, 24 September 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.