China New City Commercial Development Limited
中國新城市商業發展有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1321)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

FINANCIAL HIGHLIGHTS

	For the year ended 31 December		
	2014	2013	Change
Revenue (RMB'000)	**208,853**	875,842	-76.2%
Profit attributable to owners of the parent (RMB'000)	**476,504**	364,623	+30.7%
Earnings per share attributable to ordinary equity holders of the parent			
Basic (RMB)	**0.32**	0.29	+10.3%

CHAIRMAN'S STATEMENT

Dear shareholders,

On behalf of China New City Commercial Development Limited ("China New City" or "the Company") and its subsidiaries (together "the Group"), I am pleased to present the results of the Group for the year ended 31 December 2014 ("the year under review").

REVIEW OF RESULTS

For the year ended 31 December 2014, revenue of the Group was approximately RMB209 million, representing a decrease of about 76.2% from 2013. Gross profit was about RMB109 million, representing a decrease of about 70.6% as compared to 2013. Profit attributable to owners of the parent was approximately RMB477 million, representing an increase of 30.7% when compared with 2013, while earnings per share amounted to RMB0.32 with an increase of 10.3% over the year of 2013. The Board does not recommend the payment of final dividend for the year ended 31 December 2014.

In 2014, regulatory controls were implemented in the domestic real estate market, amid ever changing market conditions, the Group persevered its business principles of prudence and stability.

1. Contracted sales of property development

During the year under review, the Group had one project newly launched for sale in the second half of 2014 and three projects launched for subsequent sales. The new project was Jiarun Mansion in International Office Center ("IOC") project located in Qianjiang Century City in Hangzhou while the three projects available for subsequent sale were Zhong An Times Square (Phase I), Zhong An Times Square (Phase II) and Hidden Dragon Bay in Xiaoshan, their total sales basically within our expectation. Contracted sales revenue for the whole year of 2014 was approximately RMB235 million, representing an increase of 168% from 2013; contracted sales area for the year was about 21,534 square meter ("sq. m."), or an increase of 123% over 2013; average price of contracted sales was around RMB10,913 per sq. m..

2. Property operation (property rental and hotel operations)

The total area of properties currently under our operation is 208,000 sq. m.. In 2014, total operating income or rental income amounted to approximately RMB138 million (2013: RMB138 million), which was comparable with the figure in 2013.

3. Investment properties

As at 31 December 2014, the fair value of the investment properties of the Group amounted to approximately RMB3,773 million with a gross floor area ("GFA") of approximately 227,841 sq. m..

PROSPECTS, DEVELOPMENT STRATEGIES AND OUTLOOK

Looking ahead in 2015, the economy of China will continue to face challenges, the global market conditions will continue to be uncertain, and all the economic reform and structural adjustments currently in progress are expected to be favourable for economic development. The policy of urbanization presents a continuous growth potential for the real estate industry. As risks and opportunities co-exist in the market at any moment, we should look for opportunities out of risky moments. We trust that as long as our products are suitable for the market and offer values beyond their prices, the demand in the market will still be robust. The Group will continue to maintain short term prudent and long term optimistic views. We will actively seize opportunities in the market to achieve sustainable development for the Group and bring a satisfactory return for the shareholders of the Company.

1. New team brought in, new systems innovated

At the beginning of 2015, the Group has brought in a new team of management. The new members of the team have rich experiences, and have down to earth practical and operational experience in commercial properties. The new team will bring in new ideas and a new atmosphere. Currently, the new team is innovating new management models and formulating development strategies. We expect there will be great achievements under the leadership of the new team.

2. Expansion of IOC project

Qianjiang Century City is located in an excellent geographical location on the south bank of Qiantang River between Hangzhou Xiaoshan International Airport and Hangzhou Express Rail Station, and there is a subway directly connecting Xiaoshan International Airport and Hangzhou Express Rail Station. With similar functions as those of Hongqiao hub in Shanghai, Qianjiang Century City will be the future international business centre of Hangzhou. The Group has acquired 160 mu land at a superb plot along the river of Hangzhou Qianjiang Century City, which is also adjacent to Hangzhou Olympic Sports Stadium for the creation of an integrated commercial complex of approximately 800,000 sq. m.. The GFA already constructed as at 31 December 2014 was 320,000 sq. m., the Group has planned to further enlarge the land reserve in Hangzhou Qianjiang Century City, and seek to increase the size of IOC project to around 1,250,000 sq. m.. IOC project will become the flagship integrated commercial complex of the Group as well as one of the landmark integrated commercial complexes in Hangzhou.

3. To develop a group of O2O (Online to offline) integrated commercial complexes at city, town and community level

As the government of China is proposing the development strategies of new urbanization, the Group grasps that development opportunity and timing to enter into the property development market of new cities and towns in China with large potential. We intend to first go to the eastern region, and then penetrate into the central region, and to develop a group of O2O integrated commercial complexes at city, town and community level, create the “China New City Commercial City” brand, build an intelligent life integrating internet technologies and business operation, focus on both the economic benefits and social benefits, and explore a new model.

4. Prudent and diversified financial strategies

The Group will insist on its prudent financial strategies, cut finance costs, optimize the debt structure, and maintain stable and adequate cash flow to provide strong finance backup for the business development of the Group. Meanwhile, by gradually setting up an efficient investor relation management system, the Group will develop long term interactive and good relationship with the capital market and the media, ensure good transparency and corporate governance level of the Group, promote the understanding, recognition and support of the Group by the general public, and strengthen the foundation of shareholders of the Company.

Looking forward, the Group is committed to becoming one of the most competitive commercial property developers in the Yangtze River Delta region, realizing diversification and synergies in terms of business and product mix, ensuring the sustainable development of the Group, hence maximizing values and generating satisfactory return for the shareholders of the Company.

ACKNOWLEDGEMENT

At last, on behalf of the board ("Board") of directors of the Company, I would like to express my sincere gratitude to the support and trust of the shareholders of the Company and business partners as well as the dedicated efforts of all the staff of the Group.

Shi Kancheng
Chairman

The PRC, 24 March 2015

The Board is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2014 together with the comparative amounts for the year ended 31 December 2013:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	**Year ended 31 December 2014** *RMB'000*	2013 *RMB'000*
Revenue	*4*	**208,853**	875,842
Cost of sales		**(100,239)**	(506,994)
Gross profit		**108,614**	368,848
Other income and gains	*4*	**35,377**	14,178
Selling and distribution costs		**(35,955)**	(32,822)
Administrative expenses		**(111,811)**	(69,114)
Other expenses		**(265)**	(1,494)
Fair value gain upon transfer to investment properties		**656,784**	256,292
Changes in fair value of investment properties		**33,200**	60,600
Finance costs	*5*	**(30,047)**	–
Share of profits and losses of:			
Joint ventures		**(259)**	(2,409)
An associate		**141**	13,937
Profit before tax	*6*	**655,779**	608,016
Income tax expense	*7*	**(193,275)**	(212,232)
Profit for the year		**462,504**	395,784
Attributable to:			
Owners of the parent		**476,504**	364,623
Non-controlling interests		**(14,000)**	31,161
		462,504	395,784
Earnings per share attributable to ordinary equity holders of the parent (RMB)	*8*		
Basic		**32 cents**	29 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2014	2013
	RMB'000	*RMB'000*
Profit for the year	**462,504**	395,784
Other comprehensive income		
Exchange differences on translation of the financial statements of foreign subsidiaries	**(11,798)**	41,690
Total comprehensive income for the year	**450,706**	437,474
Attributable to:		
Owners of the parent	**464,706**	406,313
Non-controlling interests	**(14,000)**	31,161
	450,706	437,474

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December	
	Notes	**2014**	2013
		RMB'000	*RMB'000*
NON-CURRENT ASSETS			
Property and equipment		**167,845**	178,739
Investment properties		**3,773,200**	2,501,000
Properties under development		**3,063,911**	2,835,191
Available-for-sale investments		**3,300**	3,300
Long term prepayments		**18,661**	12,232
Investments in joint ventures		**46,228**	412,448
Investment in an associate		**–**	45,086
Loans and receivables from a joint venture		**390,931**	–
Deferred tax assets		**49,582**	21,511
Restricted cash		**–**	95,750
Total non-current assets		**7,513,738**	6,105,257
CURRENT ASSETS			
Completed properties held for sale		**846,936**	893,108
Properties under development		**614,464**	–
Inventories		**3,570**	3,970
Trade receivables	*10*	**12,961**	9,270
Prepayments, deposits and other receivables		**46,357**	61,010
Amounts due from related companies		**112,359**	1,700,442
Loans and receivables from a joint venture		**29,769**	–
Restricted cash		**139,758**	3,415
Cash and cash equivalents		**723,909**	223,993
Total current assets		**2,530,083**	2,895,208
CURRENT LIABILITIES			
Trade payables	*11*	**564,032**	466,224
Other payables and accruals		**119,752**	84,976
Advances from customers		**129,473**	6,877
Amounts due to related companies		**–**	2,737,313
Interest-bearing bank and other borrowings		**1,638,031**	100,000
Tax payable		**178,549**	211,877
Total current liabilities		**2,629,837**	3,607,267
NET CURRENT LIABILITIES		**(99,754)**	(712,059)
TOTAL ASSETS LESS CURRENT LIABILITIES		**7,413,984**	5,393,198

	Year ended 31 December	
	2014	2013
	RMB'000	*RMB'000*
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	**2,240,498**	2,334,568
Deferred tax liabilities	**716,062**	517,348
Total non-current liabilities	**2,956,560**	2,851,916
Net assets	**4,457,424**	2,541,282
EQUITY		
Equity attributable to owners of the parent		
Share capital	**138,183**	–
Reserves	**4,149,691**	2,326,407
	4,287,874	2,326,407
Non-controlling interests	**169,550**	214,875
Total equity	**4,457,424**	2,541,282

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

China New City Commercial Development Limited (the "**Company**") is a limited liability company incorporated as an exempted company in the Cayman Islands on 2 July 2013 under the Companies Law (revised) of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") were members of the group of Zhong An Real Estate Limited ("**Zhong An**") and its subsidiaries ("**Zhong An Group**"). Zhong An, the shares of which have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") since November 2007, is the holding company of Zhong An Group.

The Group is principally engaged in commercial property development, leasing and hotel operations.

In the opinion of the Company's directors (the "**Directors**"), the ultimate holding company of the Company is Whole Good Management Limited, a company incorporated in the British Virgin Islands on 3 May 2007.

2. Basis of preparation and accounting policies

2.1 Basis of presentation

Through the reorganisation (the "**Reorganisation**") as set out in the section headed "History, Reorganisation, and Corporate Structure" in the prospectus of the Company dated 17 June 2014 for the listing of the Company's shares on the Stock Exchange, the Company became the holding company of the companies now comprising the Group on 20 March 2014. The shares of the Company were listed on the Stock Exchange on 10 July 2014.

The consolidated financial statements of the Group have been prepared and presented based on the principle of merger accounting in accordance with Accounting Guideline 5 Merger Accounting for Common Control Combinations issued by the by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), as if the Reorganisation had been completed as at the beginning of the year ended 31 December 2014 because the Company's acquisition of the companies now comprising the Group should be regarded as a business combination under common control as the Company and the companies now comprising the Group were under common control of Zhong An both before and after the completion of the Reorganisation.

2.2 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**"), which comprise standards and interpretations approved by the International Accounting Standards Board (the "**IASB**"), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee that remain in effect. These financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance relating to the preparation of financial statements, which for this financial year and the comparative period continue to be those of the predecessor Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. The financial statements have been prepared under the historical cost convention, except for investment properties which have been measured at fair value as explained in the accounting policies set out below. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

Net current liability

As at 31 December 2014, the current liabilities of the Group exceeded its current assets by approximately RMB100 million. In the opinion of the Directors, it is an industry practice for the retail estate business to keep a low level of current ratio. The Directors have prepared these financial statements on a going concern basis notwithstanding the net current liability position because the Directors expected that the Group will generate sufficient cash inflows from the operation and have adequate unused bank and other credit facilities to meet its financial obligation when they fall due.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2014. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

Basis of combination

As explained above, the Reorganisation is accounted for as a reorganisation under common control using the principles of merger accounting. The combined financial statement incorporated the financial statements of the Company and its subsidiaries for the year ended 31 December 2013.

The merger method of accounting involves incorporating the financial statement items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The combined statement of profit or loss includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under common control, where this is a shorter period, regardless of the date of the common control combination.

All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on combination.

2.2 Changes in accounting policies and disclosures

The Group has adopted the following revised standards and new interpretation for the first time for the current year's financial statements.

Amendments to IFRS 10, IFRS 12 and IAS 27 (Revised)	*Investment Entities*
Amendments to IAS 32	*Offsetting Financial Assets and Financial Liabilities*
Amendments to IAS 36	*Recoverable Amount Disclosures for Non-Financial Assets*
Amendments to IAS 39	*Novation of Derivatives and Continuation of Hedge Accounting*
IFRIC 21	*Levies*
Amendment to IFRS 2 included in *Annual Improvements 2010-2012 Cycle*	*Definition of Vesting Condition*[1]
Amendment to IFRS 3 included in *Annual Improvements 2010-2012 Cycle*	*Accounting for Contingent Consideration in a Business Combination*[1]
Amendment to IFRS 13 included in *Annual Improvements 2010-2012 Cycle*	*Short-term Receivables and Payables*
Amendment to IFRS 1 included in *Annual Improvements 2011-2013 Cycle*	*Meaning of Effective IFRSs*

[1] Effective from 1 July 2014

The adoption of the above revised standards and interpretations has had no significant financial effect on these financial statements.

2.3 New and revised IFRSs and new disclosure requirements under the Hong Kong Companies Ordinance not yet adopted

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

IFRS 9	*Financial Instruments*[4]
Amendments to IFRS 10 and IAS 28 (Revised)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[2]
Amendments to IFRS 10, IFRS 12 and IAS 28	*Investment Entities: Applying the Consolidation Exception*[2]
Amendments to IFRS 11	*Accounting for Acquisitions of Interests in Joint Operations*[2]
IFRS 14	*Regulatory Deferral Accounts*[5]
IFRS 15	*Revenue from Contracts with Customers*[3]
Amendments to IAS 1	*Disclosure Initiative*[2]
Amendments to IAS 16 and IAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation*[2]
Amendments to IAS 16 and IAS 41	*Agriculture: Bearer Plants*[2]
Amendments to IAS 19	*Defined Benefit Plans: Employee Contributions*[1]
Amendments to IAS 27 (Revised)	*Equity Method in Separate Financial Statements*[2]
Annual Improvements *2010-2012 Cycle*	Amendments to a number of IFRSs[1]
Annual Improvements *2011-2013 Cycle*	Amendments to a number of IFRSs[1]
Annual Improvements *2012-2014 Cycle*	Amendments to a number of IFRSs[2]

1 Effective for annual periods beginning on or after 1 July 2014
2 Effective for annual periods beginning on or after 1 January 2016
3 Effective for annual periods beginning on or after 1 January 2017
4 Effective for annual periods beginning on or after 1 January 2018
5 Effective for an entity that first adopts IFRSs for its annual financial statements beginning on or after 1 January 2016 and therefore is not applicable to the Group

In addition, the Hong Kong Companies Ordinance (Cap. 622) will affect the presentation and disclosure of certain information in the consolidated financial statements for the year ending 31 December 2015. The Group is in the process of making an assessment of the impact of these changes.

Further information about those IFRSs that are expected to be applicable to the Group is as follows:

In July 2014, the IASB issued the final version of IFRS 9, bringing together all phases of the financial instruments project to replace IAS 39 and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt IFRS 9 from 1 January 2018. The Group expects that the adoption of IFRS 9 will have an impact on the classification and measurement of the Group's financial assets. Further information about the impact will be available nearer the implementation date of the standard.

The amendments to IFRS 10 and IAS 28 (Revised) address an inconsistency between the requirements in IFRS 10 and in IAS 28 (Revised) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The Group expects to adopt the amendments from 1 January 2016.

The amendments to IFRS 11 require that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a business must apply the relevant principles for business combinations in IFRS 3. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party. The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2016.

IFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under IFRSs. The Group expects to adopt IFRS 15 on 1 January 2017 and is currently assessing the impact of IFRS 15 upon adoption.

Amendments to IAS 16 and IAS 38 clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are to be applied prospectively. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2016 as the Group has not used a revenue-based method for the calculation of depreciation of its non-current assets.

The *Annual Improvements to IFRSs 2010-2012 Cycle* issued in December 2013 sets out amendments to a number of IFRSs. Except for those described in note 2.2, the Group expects to adopt the amendments from 1 January 2015. None of the amendments are expected to have a significant financial impact on the Group. Details of the amendment most applicable to the Group are as follows:

IFRS 8 *Operating Segments:* Clarifies that an entity must disclose the judgements made by management in applying the aggregation criteria in IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar. The amendments also clarify that a reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker.

3. Operating segment information

For management purposes, the Group is organised into business units based on income derived from business and has four reportable operating segments as follows:

(a) the property development segment which develops and sells commercial properties in the PRC;

(b) the property rental segment which leases investment properties in the PRC;

(c) the hotel operations segment which owns and operates a hotel; and

(d) the other segments comprise, principally, the Group's property management services business, which provides management services to commercial properties.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, dividend income as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, tax recoverable, pledged deposits, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, the amount due to the ultimate holding company, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Year ended 31 December 2014	Commercial property development RMB'000	Property rental RMB'000	Hotel operations RMB'000	Others RMB'000	Total RMB'000
Segment revenue:					
Sales to external customers	**80,857**	**82,157**	**44,947**	**892**	**208,853**
Intersegment sales	**–**	**27,158**	**–**	**–**	**27,158**
	80,857	**109,315**	**44,947**	**892**	**236,011**
Reconciliation:					**(27,158)**
Elimination of intersegment sales					
Revenue from continuing operations					**208,853**
Segment results	**(34)**	**712,031**	**(10,246)**	**(20,952)**	**680,799**
Reconciliation:					
Interest income					**32,306**
Equity-settled share option expense					**(159)**
IPO Expense					**(27,120)**
Finance costs					**(30,047)**
Profit before tax					**655,779**
Segment assets	**4,854,309**	**3,795,208**	**482,520**	**338,255**	**9,470,292**
Reconciliation:					
Elimination of intersegment receivables					**(359,193)**
Corporate and other unallocated assets					**932,722**
Total assets					**10,043,821**
Segment liabilities	**666,538**	**18,586**	**8,363**	**478,963**	**1,172,450**
Reconciliation:					
Elimination of intersegment payables					**(359,193)**
Corporate and other unallocated liabilities					**4,773,140**
Total liabilities					**5,586,397**
Other segment information:					
Share of profits and losses:					
Joint ventures	**259**	**–**	**–**	**–**	**259**
An associate	**(141)**	**–**	**–**	**–**	**(141)**
Depreciation	**1,831**	**1,621**	**8,028**	**1,933**	**13,413**
Investments in joint ventures	**46,228**	**–**	**–**	**–**	**46,228**
Capital expenditure	**1,271**	**224**	**186**	**1,015**	**2,696**

Year ended 31 December 2013	Commercial property development	Property rental	Hotel operations	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Segment revenue:					
Sales to external customers	742,001	78,408	52,690	2,743	875,842
Intersegment sales	–	24,900	–	–	24,900
	742,001	103,308	52,690	2,743	900,742
Reconciliation:					
Elimination of intersegment sales					(24,900)
Revenue from continuing operations					875,842
Segment results	262,046	337,067	4,566	3,085	606,764
Reconciliation:					
Interest income					2,437
Equity-settled share option expense					(1,185)
Profit before tax					608,016
Segment assets	5,367,282	2,557,152	426,710	1,676,566	10,027,710
Reconciliation:					
Elimination of intersegment receivables					(1,388,782)
Corporate and other unallocated assets					361,537
Total assets					9,000,465
Segment liabilities	2,449,245	32,611	9,112	2,893,205	5,384,173
Reconciliation:					
Elimination of intersegment payables					(1,388,782)
Corporate and other unallocated liabilities					2,463,792
Total liabilities					6,459,183
Other segment information:					
Share of (profits) and losses:					
Joint ventures	2,409	–	–	–	2,409
An associate	(13,937)	–	–	–	(13,937)
Depreciation	2,000	1,293	9,289	1,832	14,414
Investments in joint ventures	412,448	–	–	–	412,448
Investments in an associate	45,086	–	–	–	45,086
Capital expenditure	1,123	908	1,905	4,406	8,342

Geographical information

All of the Group's revenue is derived from customers based in the Mainland China and all of the non-current assets of the Group are located in the Mainland China.

Information about a major customer

No sales to a single customer or a group of customers under the common control derived 10% or more of the Group's revenue for the years ended 31 December 2014 and 2013.

4. Revenue, other income and gains

Revenue, which is also the Group's turnover, represents income from the sale of properties, property leasing income, property management fee income and hotel operating income during the year, net of business tax and other sales related taxes and discounts allowed.

An analysis of revenue and other income is as follows:

	2014	2013
	RMB'000	*RMB'000*
Revenue		
Sale of properties	**86,851**	787,267
Property leasing income	**90,072**	81,916
Property management fee income	**946**	2,743
Hotel operating income	**47,613**	55,815
Less: Business tax and surcharges	**(16,629)**	(51,899)
	208,853	875,842
Other income		
Interest income from a joint venture	**29,769**	–
Bank interest income	**2,537**	2,437
Others	**613**	120
	32,919	2,557
Gains		
Foreign exchange gains	**2,458**	11,621
	35,377	14,178

5. Finance costs

An analysis of the Group's finance costs is as follows:

	2014	2013
	RMB'000	*RMB'000*
Interest on bank loans and other borrowings	**300,993**	95,615
Interest on related party borrowings	**–**	84,777
Total interest	**300,993**	180,392
Less: Interest capitalised in properties under development	**(270,946)**	(180,392)
	30,047	–

6. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

	2014	2013
	RMB'000	*RMB'000*
Cost of properties sold	**66,613**	473,181
Depreciation	**13,413**	14,414
Minimum lease payments under operating leases:		
– Office premises	**951**	500
Auditors' remuneration	**1,795**	485
Staff costs including directors' and chief executive's remuneration:		
– Salaries and other staff costs	**38,455**	25,661
– Equity-settled share option expense	**159**	1,185
– Pension scheme contributions	**5,954**	5,164
Foreign exchange differences, net	**(2,458)**	(11,621)
Direct operating expenses (including repairs and maintenance arising on rental-earning investment properties)	**4,589**	4,953
Fair value (gain), net:		
Fair value gain upon transfer to investment properties	**(656,784)**	(256,292)
Changes in fair value of investment properties	**(33,200)**	(60,600)

7. Income tax

The Group's subsidiaries incorporated in Hong Kong are not liable for income tax as they did not have any assessable profits currently arising in Hong Kong during the year (2013: Nil).

The provision for the PRC income tax has been provided at the applicable income tax rate of 25% (2013: 25%) on the assessable profits of the Group's subsidiaries in Mainland China.

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. Prior to the actual cash settlement of the LAT liabilities, the LAT liabilities are subject to the final review/approval by the tax authorities.

	2014	2013
	RMB'000	*RMB'000*
Current – PRC corporate income tax for the year	**5,699**	33,289
Current – PRC LAT for the year	**1,579**	55,247
Deferred	**185,997**	123,696
Total tax charge for the year	**193,275**	212,232

8. Earnings per share attributable to the ordinary equity holders of the parent

The calculation of the basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent of RMB476,504,000 (2013: RMB364,623,000) and the weighted average number of ordinary shares of 1,491,876,712 (2013: 1,267,000,000) in issue during the year, as adjusted to reflect the rights issued during the year.

The 1,267,000,000 shares of the Company issued before initial public offering (the "Capitalization") were issued to the then existing sole shareholder of the Company for no additional or nominal consideration. Therefore, the number of ordinary shares outstanding before the Capitalization is adjusted for the proportionate change in the number of ordinary shares outstanding as if the Capitalization had occurred at the beginning of the earliest period presented.

The Group had no potential dilutive ordinary shares in issue during the year ended 31 December 2014 (2013: Nil).

9. Dividends

The Board does not recommend the payment of final dividend for the year ended 31 December 2014 (2013: Nil).

The calculations of basic and diluted earnings per share are based on:

	2014	2013
	RMB'000	*RMB'000*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**476,504**	364,623

Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**1,491,876,712**	1,267,000,000
Effect of dilution – weighted average number of ordinary shares:	**–**	–
	1,491,876,712	1,267,000,000

10. Trade receivables

The Group's trading terms with its customers are mainly lease receivables on credit. The credit period is generally one month, extending up to three months for major customers. All balances of the trade receivables as at the end of the year were neither past due nor impaired and aged within one to three months.

Trade receivables are non-interesting-bearing and unsecured.

11. Trade payables

An aged analysis of the Group's trade payables as at the end of the reporting period, based on the payment due dates, is as follows:

	2014	2013
	RMB'000	*RMB'000*
Within six months	**514,119**	429,927
Over six months but within one year	**30,980**	14,846
Over one year	**18,933**	21,451
	564,032	466,224

The trade payables are unsecured and interest-free and are normally settled based on the progress of construction.

12. Commitments

The Group had the following commitments for property development expenditure at the end of the reporting period:

	2014	2013
	RMB'000	*RMB'000*
Contracted, but not provided for:		
Properties under development	**1,303,094**	888,605

13. Contingent liabilities

	2014 *RMB'000*	2013 *RMB'000*
Guarantees given to banks for:		
Mortgage facilities granted to purchasers of the Group's properties *(Note)*	**169,633**	222,930
Guarantees given to banks in connection with facilities granted to related companies	**–**	160,000
	169,633	382,930

Note: The Group provided guarantees in respect of the mortgage facilities granted by certain banks to the purchasers of the Group's properties. Pursuant to the terms of the guarantee arrangements, in case of default on mortgage payments by the purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to the banks. The Group is then entitled to take over the legal titles of the related properties. The Group's guarantee periods commence from the dates of grant of the relevant mortgage loans and end after the execution of individual purchasers' collateral agreements.

The Group did not incur any material losses during the reporting period in respect of the guarantees provided for mortgage facilities granted to purchasers of the Group's properties. The directors of the Company consider that in case of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage loans together with any accrued interest and penalty, and therefore no provision has been made in connection with the guarantees.

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

In light of the new opportunities arising from urbanization, during the year under review, the Group has entered into town urbanization non-binding memorandums of understanding ("MOU") for the proposed cooperation in relation to the modernization of the agricultural industry in Tonglu County and Taizhou, the introduction of Japanese agricultural industry knowledge and techniques into the PRC, supply of agricultural products, the provision of elderly management services in new towns in the PRC, and the development of land in Lubu Town, Yuyao, Zhejiang Province, the PRC and provision of related assistance in the planning of the development thereof. The Group also signed a cooperation agreement with China Development Bank in relation to the investment in, and the financing of the urbanization and development of new towns in Zhejiang Province, the PRC. All these efforts are made to capture the business and development opportunities arising from the continued urbanization of towns and counties in the PRC, particularly in relation to those towns and counties the lands of which are to be developed by the Group. Further details of these projects are set out in the prospectus ("Prospectus") of the Company dated 17 June 2014.

Sales review

For the year under review, the recognized sales of properties (sold and delivered) was approximately RMB87 million (2013: RMB787 million).

For the year under review, the recognized sales area of properties was approximately 8,598 sq. m. and the recognized average sales price was RMB10,101 per sq. m..

Development of major projects

Hangzhou, Zhejiang Province

Hidden Dragon Bay

It is an integrated commercial complex located in Wenyan Town, Xiaoshan District, Hangzhou, Zhejiang province with a total GFA of approximately 241,695 sq. m. This project includes leisure mansions, serviced apartments, large-scale shopping malls, street shops and car parking spaces. Construction of the project was completed in April 2013.

International Office Center ("IOC")

IOC is a large-scale integrated commercial complex located in Qianjiang Century City, Xiaoshan District, Hangzhou, Zhejiang province with a total GFA under development of Plot A of approximately 800,000 sq. m. which consists of Plots A1, A2 and A3. IOC Plot A includes a hotel, offices, a shopping mall, serviced apartments and underground car parking spaces. The GFA of the serviced apartments, shopping mall and underground car parking spaces in Plot A3 is approximately 328,367 sq. m., which construction project will be completed in 2015. IOC Plot A1 and A2 are expected to be completed in December 2017.

Hangzhou Qiandao Lake Run Zhou Resort Hotel

It is a hotel project located in the southwest of Qiandaohu Town, Chunan County, Hangzhou, Zhejiang province, with estimated total GFA of 37,028 sq. m.. The hotel will be built adjacent to Thousand-Islet Lake Passengers Port which enjoys a beautiful lake view and natural habitat. As at 31 December 2014, the construction project was still under way, the project is expected to be completed in October 2015.

Yuyao, Zhejiang province

Zhong An Times Square

It is a large-scale integrated commercial project located in Yuyao, Zhejiang province with estimated total GFA of approximately 628,408 sq. m.. This project includes a hotel, office buildings, retail units, residential apartments and underground car parking spaces. The construction project of this project is still in progress and is expected to be completed around November 2015.

Jiangsu province

Jia Run Square

It is a large-scale integrated commercial project located in Suzhou, Jiangsu province, next to Jinji Lake. This project includes offices, shopping mall, serviced apartments and a hotel with estimated total GFA of approximately 251,391 sq. m.. Construction of the project is expected to be completed in December 2016.

2014 Contracted sales

For the year ended 31 December 2014, the contracted sales area of the Group was approximately 21,534 sq. m. (2013: 9,653 sq. m.), contracted sales revenue was approximately RMB235 million (2013: RMB88 million), details of the contracted sales of the major projects are as below:

	Contracted sales area *(sq. m.)*	**Contracted sales revenue** *(RMB million)*
Hangzhou, Zhejiang province		
Hidden Dragon Bay	12,879	103
Jiarun Mansion	8,655	116
Others	–	16
Total	21,534	235

It is expected that the GFA available for sale or lease or operation in 2015 is approximately 1,080,718 sq. m., with details as below:

		GFA available for sale/lease/ operation *(sq. m.)*	Usage
Hangzhou, Zhejiang province	International Office Center Plot A3	319,712	For sale/leasing
	Hidden Dragon Bay	98,016	For sale
	Hangzhou Qiandao Lake Run Zhou Resort Hotel	37,028	For operation
	Commercial portion of the Chaoyang Commercial Site	34,053	For sale
Yuyao, Zhejiang province	Zhong An Times Square	543,088	For sale
Huaibei, Anhui province	Vancouver City Hotel	48,821	For operation
	Total	1,080,718	

Hotel operation

Holiday Inn Hangzhou Xiaoshan of the Group is adjacent to Highlong Plaza in Xiaoshan district, Hangzhou, Zhejiang province. In 2014, it recorded a revenue of approximately RMB47,613,000 which was slightly down by 14.7% from RMB55,815,000 in 2013. The hotel occupancy rate was about 46.6% (2013: 49.8%).

Leasing business

The current leasing income of the Group mainly comes from Highlong Plaza. The plaza comprises offices, a shopping mall, a hotel, serviced apartments and underground parking spaces. Revenue from leasing business for the year of 2014 was approximately RMB90,072,000, representing an increase of about 10.0% from RMB81,916,000 for the year of 2013, the occupancy rate amounted to approximately 85%.

FINANCIAL ANALYSIS

Revenue

Consolidated revenue of the Group was RMB208,853,000 for the year of 2014, representing a decrease of 76.2% from RMB875,842,000 for the year of 2013. This was mainly due to the decrease in the revenue from sales of properties.

For the year ended 31 December 2014, the revenue from sales of properties amounted to RMB86,851,000, representing a decrease of 89.0% from RMB787,267,000 for the year of 2013. The decrease was primarily due to the decrease in the recognition of sales of properties delivered in the year.

For the year ended 31 December 2014, the revenue from property leasing recorded an increase of 10.0% to RMB90,072,000 (2013: RMB81,916,000). The revenue from hotel operation was RMB47,613,000 in 2014 representing a decrease of 14.7% as compared to previous year of RMB55,815,000.

Gross profit

Gross profit of the Group was RMB108,614,000 for the year of 2014, representing a decrease of 70.6% from RMB368,848,000 for the year of 2013. This was mainly due to the decrease in the revenue.

Gross profit margin for the year of 2014 was 52.0% (2013: 42.1%). The increase was mainly due to the increased proportion in revenue from the property leasing and hotel operation segments whose gross profit margins are higher than that for sales of properties.

Other income and gains

For the year of 2014, other income and gains amounted to RMB35,377,000, representing an increase of 1.5 times from last year. The increase was mainly due to other interest income of RMB29,769,000 from interest-bearing loans to a joint venture.

Selling and distribution costs

For the year under review, selling and distribution expenses amounted to RMB35,955,000, representing an increase of 9.5% as compared to that from last year. The increase was primarily due to increase in advertising and promotional expenses.

Administrative expenses

For the year of 2014, administrative expenses amounted to RMB111,811,000 (2013: RMB69,114,000), representing an increase of RMB42,697,000 or 61.8% from last year. The increase was mainly due to the non-recurring listing expenses of RMB 27,120,000 incurred for the listing ("Listing") of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and increase in staff costs.

Finance costs

For the year of 2014, finance costs was RMB30,047,000 (2013: nil), arising from the interest on bank and other borrowings for completed properties held for sale which could no longer be capitalized.

Earnings

For the year under review, the profit attributable to owners of the parent amounted to RMB476,504,000 (2013: RMB364,623,000), representing an increase of 30.7% compared to last year. This was mainly due to fair value gain upon transfer to investment properties of RMB656,784,000 (2013: RMB256,292,000). The after-tax fair value gain upon transfer to investment properties was RMB492,588,000 (2013: RMB192,219,000).

Land reserve

During the year of 2014, the Group made the following land acquisitions:

1. On 3 March 2014, the Group acquired the entire equity interest of Cixi Zhong An Real Estate Co, Ltd.* (慈溪眾安置業有限公司) which held the parcels of land for commercial purpose in Longsan New City, Cidong Bihui District of Cixi, Ningbo with a site area of 49,804 sq. m. at a consideration of RMB50,000,000, from Zhong An Group Co, Ltd.* (眾安集團有限公司), a member of the remaining Zhong An Group (i.e. Zhong An Group, excluding the Group) (the "Remaining Zhong An Group"), as a part of the Reorganisation.

2. On 20 March 2014, the Group entered into a land acquisition agreement with Anhui Zhong An Real Estate Development Co. Ltd.* (安徽眾安房地產開發有限公司), a member of the Remaining Zhong An Group, in respect of the acquisition of the land on which the planned hotel under construction within the Vancouver City project (the "**VC Hotel**") is situated together with the buildings under construction at a consideration of RMB234,000,000, as part of the Reorganisation. The VC Hotel is located in Huaibei City, Anhui Province with a site area of 60,768 sq. m..

3. On 3 April 2014, the Group acquired the commercial portion of a parcel of land situated at Chaoyang Community, Shushan Street, Xiaoshan District, Hangzhou, Zhejiang Province, the PRC (the "**Chaoyang Community Site**") at a price of RMB220,917,000. The Chaoyang Community Site with a total site area of 10,541 sq. m. will be developed for commercial purpose.

4. On 28 May 2014, the Group acquired a parcel of land situated at southwest of Qiandaohu Town, Chunan County, Hangzhou, Zhejiang Province, the PRC (the "**Qiandaohu Lake Land**") at a price of approximately RMB5,746,000. The site is in proximity to the tourist attraction Hangzhou Qiandao Lake and will form part of the Hangzhou Qiandao Lake Run Zhou Resort Hotel project. The Qiandaohu Lake Land with a total site area of 6,805 sq. m. is designated for commercial development.

As at 31 December 2014, the property development projects owned by the Group included 8 completed projects and units in 2 completed buildings, 5 projects under development and 5 projects held for future development. The total GFA of land reserves of the Group was approximately 3,540,000 sq. m..

Material Acquisitions and Disposal of Subsidiaries and Associated Companies

To rationalize the current structure of the Group for the Listing, the Company underwent Reorganisation of the business comprising the Group, pursuant to which the Company became the holding company of the subsidiaries of the Company now comprising the Group. Details of the Reorganisation have been set out in the prospectus of the Company dated 17 June 2014.

Save for the Reorganisation, during the year under review, there was no other material acquisition or disposal of subsidiaries or associated companies of the Company.

Capital Structure

Cash position and fund available

As at 31 December 2014, the total cash and bank balances of the Group were RMB863,667,000 (31 December 2013: RMB323,158,000), comprising cash and cash equivalents of RMB723,909,000 (31 December 2013: RMB223,993,000) and restricted cash of RMB139,758,000 (31 December 2013: RMB99,165,000).

As at 31 December 2014, the Group's undrawn borrowing facilities were approximately RMB808,000,000.

As at 31 December 2014, the Group's available financial resources amounted to approximately RMB1,671,667,000.

Borrowings

As at 31 December 2014, the Group's bank borrowings amounted to RMB3,878,529,000 (31 December 2013: RMB2,434,568,000), comprising bank loans of RMB3,277,529,000 (31 December 2013: RMB1,833,568,000) and other loans of RMB601,000,000 (31 December 2013: RMB601,000,000).

The maturity profile of borrowings were as follows:

	As at 31 December 2014 *RMB'000*	As at 31 December 2013 *RMB'000*
Within 1 year or on demand	**1,638,031**	100,000
Over 1 year but within 2 years	**–**	1,537,070
Over 2 years but within 5 years	**997,498**	97,498
Over 5 years	**1,243,000**	700,000
	3,878,529	2,434,568

The current ratio as at 31 December 2014 was 0.96 (31 December 2013: 0.8).

The gearing ratio (as measured by net debt to total equity) as at 31 December 2014 was 67.6% (31 December 2013: 83.1%).

Pledge of Assets

As at 31 December 2014, the Group's bank borrowings of RMB3,828,529,000 (31 December 2013: RMB2,384,568,000) were secured by the Group's pledge of assets as follows:

	As at 31 December 2014 *RMB'000*	As at 31 December 2013 *RMB'000*
Investment properties	**2,093,991**	1,576,589
Properties under development	**776,066**	215,246
Completed properties held for sale	**390,283**	382,416
Property, plant and equipment	**153,682**	31,472
Pledged cash	**95,750**	95,750
	3,509,772	2,301,473

Foreign exchange risk

The Group conducts its business primarily in Renminbi. Certain bank deposits and borrowings were denominated in Hong Kong dollars and United States dollars. Other than those disclosed, the Group does not have any material exposures to foreign exchange fluctuations. The Group did not use foreign exchange hedging instruments to hedge foreign exchange risks for the year ended 31 December 2014.

Interest rate risks

The interest rates for the Group's borrowings were floating and fixed. Upward fluctuations in interest rates will increase the cost of borrowings. The Group does not adopt any interest rate swaps to hedge its interest rate risk.

Cost of borrowings

For the year of 2014, the total cost of borrowings of the Group was RMB300,993,000 (2013: RMB180,392,000), representing an increase of RMB66.9% when compared with 2013. The increase was mainly attributable to higher average balance of borrowings.

Guarantees and contingent liabilities

As at 31 December 2014, the Group's contingent liabilities amounted to RMB169,633,000 (31 December 2013: RMB382,930,000), which were mainly the guarantees provided by the Group in favour of certain banks for the grant of mortgage loans to purchasers of the Group's properties.

Commitments

As at 31 December 2014, the Group's commitments for property development expenditures amounted to RMB1,303,094,000 (31 December 2013: RMB888,605,000).

Human Resources and Remuneration Policy

As at 31 December 2014, the Group employed 619 staff (2013: 552). For the year ended 31 December 2014, the staff costs of the Group was RMB44,568,000 (2013: RMB32,010,000), representing an increase of 39.2%, mainly due to the increased headcounts and average salary during the year under review.

The employees' remuneration policy was determined by reference to factors such as remuneration information in respect of the local market, the overall remuneration standard in the industry, inflation level, corporate operating efficiency and performance of the employees. The Group conducts performance appraisal once every year for its employees, the results of which are applied in annual salary review and promotion assessment. The Group's employees are considered for the entitlement of annual bonus according to certain performance conditions and appraisal results. The Group also provides continuous learning and training programmes to its employees to enhance their skills and knowledge, so as to maintain and enhance their competitiveness.

Events after the year under review

In relation to the MOU entered into between the Group and The People's Government of Lubu Town* (余姚市陸埠鎮人民政府) (the "Lubu Town Government"), Yuyao, Zhejiang Province in April 2014 as disclosed in the Prospectus and as announced in the announcement of the Company dated 14 January 2015, the Group has entered into a cooperation agreement and a supplemental cooperation agreement with the Lubu Town Government in January 2015 in respect of the proposed formation of a joint venture company for the engagement in land development activities on the site for the development of the first phase of the Lubu New Town (陸埠新城) covering a total of approximately 1,200 mu of land.

Save as disclosed above, no events have caused material impact on the Group from the end of the year under review to the date of this announcement.

Dividend

The Board does not recommend the payment of final dividend for the year ended 31 December 2014.

Annual General Meeting ("AGM")

The AGM of the Company will be held on Wednesday, 20 May 2015. Notice of AGM will be published on the websites of the Company (www.chinanewcity.com.cn) and the Stock Exchange (www.hkexnews.hk), and will be despatched to the shareholders of the Company within the prescribed time and in such manner as required under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

Audit Committee

The Company has set up an audit committee ("Audit Committee") and adopted the terms of reference which complied with the code provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules ("CG Code"). The chairman of the Audit Committee is Mr. Ng Sze Yuen, Terry. The other members are Mr. Xu Chengfa and Mr. Yim Chun Leung. The Audit Committee is comprised of all of the three independent non-executive Directors.

The audit committee of the Company had reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2014, and reviewed with the management of the Group regarding the accounting principles and practices adopted by the Group, and discussed with them the internal controls and financial reporting matters.

Use of net proceeds from Listing

The net proceeds from the Company's initial public offering (after deducting the underwriting fees and related expenses) amounted to approximately HK$550.8 million, which are intended to be applied in the manner as disclosed in the supplemental prospectus of the Company dated 30 June 2014.

Model Code for Securities Transactions by Directors

The Company has adopted a code of conduct regarding the Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

The Company has made specific enquiry of all Directors and all Directors have confirmed that they have complied with the required standards set out in the Model Code since 10 July 2014, being the date of the listing of the Company's shares on the Main Board of the Stock Exchange ("Listing Date"), and up to the date of this announcement.

Public Float

Based on the information that is publicly available to the Company and to the knowledge of the directors, they confirm that the Company has maintained at least 25% of the Company's total issued share capital held by the public for the year ended 31 December 2014 and as at the date of this announcement.

Compliance with the Corporate Governance Code

The Board has adopted the code provisions of the CG Code. The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the code provisions set out in the CG Code for the period from the Listing Date and up to the date of this announcement.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities since the Listing Date and up to the date of this announcement.

Publication of Annual Results Announcement and Annual Report on the Websites of the Company and the Stock Exchange

This announcement is published on the websites of the Company (www.chinanewcity.com.cn) and the Stock Exchange (www.hkexnews.hk). The annual report of the Company for the year ended 31 December 2014 containing the relevant information required under the Listing Rules will be despatched to the Company's shareholders and will be published on the above websites in due course.

Closure of Register of Members

For determination of the entitlement to attend and vote at the AGM, the transfer books and register of members will be closed from Monday, 18 May 2015 to Wednesday, 20 May 2015 (both days inclusive) during which period no transfer of shares of the Company will be effected. In order to qualify for attending and voting at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch registrar and transfer office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 15 May 2015.

By order of the Board of
China New City Commercial Development Limited
中國新城市商業發展有限公司
Shi Kancheng
Chairman

The PRC, 24 March 2015

* *For identification purposes only*

As at the date of this announcement, the Board comprises Mr. Zhou Minghai, Mr. Shi Guoliang, Ms. Jin Ni, Mr. Li Chu and Ms. Tang Yiyan, as executive Directors; Mr. Shi Kancheng, as non-executive Director; and Mr. Ng Sze Yuen, Terry, Mr. Xu Chengfa and Mr. Yim Chun Leung, as independent non-executive Directors.