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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

(1) PROPOSED VOLUNTARY DELISTING FROM THE OFFICIAL LIST OF THE SGX-ST PURSUANT TO A CONDITIONAL CASH EXIT OFFER BY WAY OF SELECTIVE SHARE BUYBACK

AND

(2) RESUMPTION OF TRADING

Financial Advisers to the Company



BNP PARIBAS

BNP Paribas Securities (Asia) Limited
BNP Paribas, acting through its Singapore Branch

SUMMARY

Introduction

The Company proposes to seek a voluntary delisting of its Shares from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual. Pursuant to the proposed Delisting, the Company proposes to make a conditional cash exit offer to Shareholders by way of a selective share buyback under the BVI Business Companies Act and Articles of Association, which will involve the Company buying back and cancelling all Tendered Shares. The cash exit offer is a share buy-back by way of general offer for the purposes of the HK Share Buy-back Code.

The Delisting

The Delisting is not a privatisation exercise and the Company intends to maintain its primary listing on the Main Board of the SEHK, so Shareholders who currently trade their Shares on the SGX-ST and who prefer to continue to hold their Shares and trade their Shares on the SEHK subsequent to the Delisting Completion can have their Shares transferred to the HK Branch Register. Shareholders will thereafter be able to trade their Shares freely on the SEHK upon setting up investor participant stock accounts in CCASS or stock accounts with designated CCASS participants, either through brokerages in Hong Kong or brokerages in Singapore which offer such services, and depositing their Shares in such accounts or otherwise trading through a stockbroker or bank. **The Delisting will not result in any right of compulsory acquisition or squeeze-out of any minority Shareholders.**

Shareholders who do not wish to continue holding their Shares and trade on the SEHK may elect to have their Shares bought back and cancelled by the Company pursuant to the Selective Share Buyback in the Delisting at a Tender Price of S\$0.07 in cash per Tendered Share (which, at the Latest Exchange Rate, represents HK\$0.39 per Tendered Share). **The Tender Price is final and will not be further increased or revised.** The cash payable in respect of the Tender Price will be denominated in Singapore dollars, save for that Tendering Shareholders with Tendered Shares which are registered in the HK Branch Register will receive cash consideration in Hong Kong dollars based upon the Tendering Exchange Rate.

Conditions of the Delisting

The Delisting is conditional upon the satisfaction of the conditions described in Section 3 of this Announcement by not later than the Long Stop Date, failing which the Delisting will not proceed. These conditions include (a) the approval of the Delisting Resolution by the Independent Shareholders at the EGM, provided that (i) the Delisting Resolution is approved by a majority of at least 75% of the total number of issued Shares held by Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM, and (ii) the Delisting Resolution is not voted against by 10% or more of the total number of Shares held by Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM; (b) the receipt of an opinion from the IFA to the Independent Board Committee confirming that the terms of the Delisting is fair and reasonable and not prejudicial to the interests of Shareholders; and (c) the approval of the Delisting by the SGX-ST. For the avoidance of doubt, none of these conditions may be waived by the Company.

The Delisting is not conditional on any minimum number of Tendered Shares. The Controlling Concert Group will be required to abstain from voting on the Delisting Resolution at the EGM as a condition imposed by the SGX-ST in confirming it has no objection to the Delisting and pursuant to SIC's rulings relating to the Delisting, as well as by virtue of the Controlling Concert Group's interest in the Delisting arising from the Shareholder's Loan. In the event the Delisting Resolution is not approved by the requisite majority of Independent Shareholders at the EGM, the conditional cash exit offer by way of the Selective Share Buyback shall automatically lapse.

Irrevocable Undertakings

The Undertaking Shareholders hold in aggregate approximately 20.2% of the entire issued Shares as at the Announcement Date. Save for SRE Investment Holding Limited which shall abstain from voting at the EGM, the remaining Undertaking Shareholder holding in aggregate approximately 5.3% of the entire issued Shares as at the Announcement Date have irrevocably undertaken to vote in favour of the Delisting Resolution at the EGM.

The Controlling Concert Group and the Undertaking Shareholders, which in aggregate directly and indirectly own approximately 74.6% of the entire issued Shares as at the Announcement Date, have undertaken that they will not tender any Shares in the Delisting nor will they sell, transfer or otherwise dispose of their Shares until after the Closing Date (as further described in Section 10 of this Announcement).

Financial Resources

If all the Available Shares are bought back and cancelled in the Delisting, S\$175,366,876 (approximately HK\$977,353,537 at the Latest Exchange Rate) would be payable by the Company to the Tendering Shareholders. The Delisting will be funded by internal cash resources of the Company and/or the Shareholder's Loan.

BNP Paribas, acting through its Singapore Branch, as the Company's Singapore financial adviser, confirms in accordance with the Singapore Takeover Code that the Company, together with the Controlling Shareholder (to whom SIC has ruled the provisions of the Singapore Takeover Code that apply to the offeror would apply, where appropriate, in the context of the Delisting), have sufficient financial resources available for the payment in full of the cash required to satisfy all Available Shares (if tendered). BNP Paribas Securities (Asia) Limited, as the Company's Hong Kong financial adviser, confirms in accordance with the HK Share Buy-back Code and the HK Takeovers Code that the Company has sufficient financial resources available for the payment in full of the cash required to satisfy all Available Shares (if tendered).

Independent Board Committee

Pursuant to the Singapore Takeover Code and the HK Takeovers Code, an Independent Board Committee (comprising Messrs. Henry Tan Song Kok, Kong Siu Chee, Zhang Hao and E Hock Yap, being all the non-executive Directors who have no direct or indirect interest in the Delisting other than as a Shareholder) has been established to advise and make its recommendation to the Independent Shareholders on the terms of the Delisting and the Selective Share Buyback. Each of Messrs. Wei Wei, Zuo Kun, Li Yao Min and Xie Zhen, all being the non-executive Directors, has interest in the Delisting and the Selective Share Buyback (as each of Messrs. Wei Wei, Zuo Kun and Xie Zhen were appointed as Directors by the Controlling Shareholder, whereas Mr. Li Yao Min was appointed as a Director by SRE Investment Holding Limited whose shareholding in the Company are deemed to be interested by the Controlling Shareholder) and therefore each of them would not form part of the members of the Independent Board Committee.

Appointment of IFA

The Board will in due course appoint an IFA to advise the Independent Board Committee for the purpose of making its recommendation to the Independent Shareholders on the terms of the Delisting and the Selective Share Buyback.

Despatch of the Circular

The Circular containing, among other things, further details of the Delisting and the Selective Share Buyback, recommendation from the Independent Board Committee to the Independent Shareholders on the terms of the Delisting and the Selective Share Buyback, letter of advice from IFA to the

Independent Board Committee, and notice convening the EGM, is expected to be despatched to the Shareholders as soon as possible in accordance with the BVI Business Companies Act, SGX-ST Listing Manual, Singapore Takeover Code, HK Listing Rules, HK Takeovers Code, HK Share Buy-back Code and Articles of Association. The Forms of Election will also be sent to the Shareholders (except under the circumstances mentioned in Section 19 of this Announcement) together with the Circular.

Resumption of Trading

At the request of the Company, trading in its Shares was halted on the SEHK with effect from 9:00 a.m. on 26 September 2016 and on the SGX-ST with effect from 8:30 a.m. on 26 September 2016, pending the issue of this Announcement. Applications have been made to the SGX-ST and the SEHK for resumption of trading in the Shares with effect from 8:30 a.m. (SGX-ST) and 9:00 a.m. (SEHK) on 18 October 2016.

At the request of the Company, the notes (Stock code: 85715) issued by China New Town Finance I Limited, a subsidiary of the Company, was also halted on the SEHK with effect from 9:00 a.m. on 26 September 2016, pending the issue of this Announcement. Applications have been made to the SEHK for resumption of trading in the said notes Shares with effect from 9:00 a.m. (SEHK) on 18 October 2016.

WARNING

As the Delisting is subject to the fulfilment of conditions stipulated herein by not later than the Long Stop Date, it may not become effective and the Delisting may not proceed. Dealings in the Shares will continue notwithstanding that the Delisting has not occurred. During such period, persons dealing in the Shares will bear the risk that the Delisting may not proceed.

Shareholders and other investors should note that if (a) the Delisting proceeds; and (b) where a high proportion of Available Shares (more than 30.2% of Available Shares) are tendered by Shareholders, the Company may not have sufficient Shares held in the public hand as prescribed under the HK Listing Rules and trading in the Shares on the SEHK may be suspended. It is the Company's intention to take such steps as it considers reasonable and appropriate to restore the public float such that, following the Delisting Completion, there is a genuine open market in the Shares and the Shares are not concentrated in the hands of a few shareholders to the detriment of the investing public. Should it consider that an immediate placement of Shares is the best course of action, the Company will consider placement of new Shares and for this purpose the Company has applied for waivers (i) from the SEHK of the provisions of Rule 10.06(3) of the HK Listing Rules; and (ii) from the Executive of the provisions of Rule 7 of the HK Share Buy-back Code, in order to allow such placement to be conducted immediately after the Delisting Completion.

This Announcement does not constitute an offer for or an invitation to purchase any securities. The Delisting and the Selective Share Buyback will be made solely by means of the Circular and the Forms of Election accompanying the Circular, which will contain the full terms and conditions of the Delisting and the Selective Share Buyback. Shareholders are advised to read the Circular and the Forms of Election carefully and seek professional advice in case of doubt.

Notice to US holders of Shares:

The Delisting will be made for the securities of a BVI company and is subject to Hong Kong and Singapore disclosure requirements, which are different from those of the United States. The financial

information included in this document has been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. The Delisting will not be made in the United States pursuant to the applicable US tender offer rules and shall be made in accordance with the requirements of the BVI Business Companies Act, SGX-ST Listing Manual, Singapore Takeover Code, HK Takeovers Code, HK Share Buy-back Code and Articles of Association. Accordingly, the Delisting will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments, that are different from those applicable under US domestic tender offer procedures and law.

The receipt of cash by a US holder of Shares may be a taxable transaction for US federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of Shares is urged to consult his independent professional advisor immediately regarding the tax consequences of participating in the Delisting.

It may be difficult for US holders of Shares to enforce their rights and claims arising out of the US federal securities laws, since the Company is located in a country other than the United States, and some or all of their officers and directors may be residents of a country other than the United States. US holders of Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

1. INTRODUCTION

- 1.1 The Company proposes to seek a voluntary delisting of its Shares from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual. Pursuant thereto, the Company proposes to make a conditional cash exit offer to Shareholders by way of a selective share buyback under the BVI Business Companies Act and Articles of Association, which will involve the Company buying back and cancelling all Tendered Shares.
- 1.2 **The Delisting is not a privatisation exercise and the Company intends to maintain its primary listing on the Main Board of the SEHK**, so Shareholders who currently trade their Shares on the SGX-ST and who prefer to continue to hold their Shares and trade their Shares on the SEHK subsequent to the Delisting Completion can have their Shares transferred to the HK Branch Register. Shareholders will thereafter be able to trade their Shares freely on the SEHK upon setting up investor participant stock accounts in CCASS or stock accounts with designated CCASS participants, either through brokerages in Hong Kong or brokerages in Singapore which offer such services, and depositing their Shares in such accounts or otherwise trading through a stockbroker or bank. **The Delisting will not result in any right of compulsory acquisition or squeeze-out of any minority Shareholders.**
- 1.3 Shareholders who do not wish to continue holding their Shares and trade on the SEHK may elect to have all or some of their Shares bought back and cancelled by the Company pursuant to the Selective Share Buyback in the Delisting at a Tender Price of S\$0.07 in cash per Tendered Share (which, at the Latest Exchange Rate, represents HK\$0.39 per Tendered Share). The cash payable in respect of the Tender Price will be denominated in Singapore dollars, save for that Tendering Shareholders with Tendered Shares which are registered in the HK Branch Register will receive cash consideration in Hong Kong dollars based upon the Tendering Exchange Rate.
- 1.4 The Delisting is conditional upon the satisfaction of the conditions described in Section 3 of this Announcement by not later than the Long Stop Date, failing which the Delisting will not proceed. These conditions include (a) the approval of the Delisting Resolution by the Independent Shareholders at the EGM, provided that (i) the Delisting Resolution is approved by a majority of at least 75% of the total number of issued Shares held by Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM, and (ii) the Delisting Resolution is not voted against by 10% or more of the total number of Shares held by Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM; (b) the receipt of an opinion from the IFA to the Independent Board Committee confirming that the terms of the Delisting is fair and reasonable and not prejudicial to the interests of Shareholders; and (c) the approval of the Delisting by the SGX-ST. For the avoidance of doubt, none of these conditions may be waived by the Company.
- 1.5 The Delisting is not conditional on any minimum number of Tendered Shares. The Controlling Concert Group is required to abstain from voting on the Delisting Resolution at the EGM as a condition imposed by the SGX-ST in confirming it has no objection to the Delisting and pursuant to SIC's rulings relating to the Delisting, as well as by virtue of the Controlling Concert Group's interest in the Delisting arising from the Shareholder's Loan. In the event the Delisting Resolution is not approved by the requisite majority of Independent Shareholders at the EGM, the conditional cash exit offer by way of the Selective Share Buyback shall automatically lapse.
- 1.6 The Undertaking Shareholders hold in aggregate approximately 20.2% of the entire issued Shares as at the Announcement Date. Save for SRE Investment Holding Limited which shall abstain from voting at the EGM, the remaining Undertaking Shareholder holding in aggregate approximately 5.3% of the entire issued Shares as at the Announcement Date have

irrevocably undertaken to vote in favour of the Delisting Resolution at the EGM.

- 1.7 The Controlling Concert Group which directly and indirectly own in aggregate approximately 54.3% of the entire issued Shares as at the Announcement Date, have undertaken that they will not tender any Shares in the Delisting and that they will not sell, transfer or otherwise dispose of their Shares until after the Closing Date (as described in Section 10 of this Announcement). In addition, the Company has received irrevocable undertakings in writing from the Undertaking Shareholders holding in aggregate approximately 20.2% of the entire issued Shares as at the Announcement Date that they will not tender any Shares in the Delisting and that they will not sell, transfer or otherwise dispose of their Shares until after the Closing Date (as described in Section 10 of this Announcement). Other than the Controlling Concert Group and the Undertaking Shareholders, all other Shareholders may tender their Shares in the Delisting (except under the circumstances mentioned in Section 19 of this Announcement).
- 1.8 **Independent Shareholders are entitled to approve the Delisting at the EGM without any obligation or need to tender any Shares in the Delisting.**
- 1.9 The Delisting will be made in compliance with all applicable laws and regulations, including the BVI Business Companies Act, SGX-ST Listing Manual, Singapore Takeover Code, HK Takeovers Code, HK Share Buy-back Code and Articles of Association.

2. PRINCIPAL TERMS OF THE DELISTING

- 2.1 The principal terms of the Delisting are as follows:
- (a) the Company will make the Selective Share Buyback offer to all Shareholders conditional on the requisite approval by Independent Shareholders of the Delisting Resolution at the EGM and the fulfilment of the other conditions, as more particularly described in Section 3 of this Announcement by not later than the Long Stop Date. For the avoidance of doubt, none of those conditions may be waived by the Company;
 - (b) the Tender Price is S\$0.07 per Tendered Share in cash;
 - (c) the Tender Price is final and will not be further increased or revised;
 - (d) the Tender Price payable will be denominated in Singapore dollars, save for that Tendering Shareholders with Tendered Shares which are registered in the HK Branch Register will receive cash consideration in Hong Kong dollars based upon the Tendering Exchange Rate;
 - (e) Shareholders may proceed to tender all or some of their Shares to be bought back and cancelled at any time after receipt of the Circular and the accompanying Forms of Election and, subject to the Delisting becoming unconditional, such Shares shall be cancelled on the Effective Date in consideration of the payment by the Company to Tendering Shareholders of the Tender Price;
 - (f) if the Delisting becomes unconditional, Shareholders will be able to tender their Shares to be bought back and cancelled for a further period of 14 days thereafter;
 - (g) Forms of Election duly received by or on behalf of the Company will be irrevocable and will not be capable of withdrawal;
 - (h) Tendered Shares will not be entitled to any dividend declared for any record date set

subsequent to the Announcement Date;

- (i) Shareholders shall be deemed to represent and warrant to the Company that their Tendered Shares are fully paid and free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, including the right to any dividends or distributions declared, made or paid after the Announcement Date, and have attached all rights, benefits and entitlements thereto as at the Announcement Date;
- (j) Shareholders who currently trade their Shares on the SGX-ST and who prefer to continue trading their Shares on the SEHK subsequent to the Delisting Completion may transfer their Shares to the HK Branch Register, and will thereafter be able to trade their Shares freely on the SEHK upon setting up investor participant stock accounts in CCASS with the HKSCC or stock accounts with designated CCASS participants, either through brokerages in Hong Kong or brokerages in Singapore which offer such services, and depositing their Shares in such accounts or otherwise trading through a stockbroker or bank; and
- (k) the Delisting will not be conditional on any minimum number of Tendered Shares.

3. CONDITIONS

3.1 The Delisting is subject to the approval of the SGX-ST and both the Delisting and the Selective Share Buyback are subject to the following conditions being fulfilled by not later than the Long Stop Date:

- (a) the Delisting Resolution being passed by the Independent Shareholders at the EGM, provided that:
 - (i) the Delisting Resolution is approved by a majority of at least 75% of the total number of issued Shares held by Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM; and
 - (ii) the Delisting Resolution is not voted against by 10% or more of the total number of Shares held by Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM;
- (b) the receipt of an opinion from the IFA to the Independent Board Committee confirming that the terms of the Delisting is fair and reasonable and not prejudicial to the interests of Shareholders;
- (c) compliance with all applicable laws and regulations, including the BVI Business Companies Act, SGX-ST Listing Manual, HK Listing Rules, Singapore Takeover Code, HK Takeovers Code, HK Share Buy-back Code and Articles of Association; and
- (d) no governmental authority or court of competent jurisdiction having enacted, issued, promulgated, enforced, or entered any law, rule, regulation, judgment, decree, executive order or award having the effect of making the Delisting illegal or otherwise prohibiting consummation thereof.

For the avoidance of doubt, none of these conditions may be waived by the Company.

4. REASONS FOR AND BENEFITS OF THE DELISTING

- 4.1 The Delisting is proposed by the Board for the following reasons:
- (a) A single listing may help to consolidate the trading of the Shares and lead to further liquidity, which would broaden the shareholder base and enhance the attraction of the Company as an investment target. Such liquidity is typically an important consideration for market indices in determining their constituent stocks.
 - (b) The SEHK is geographically more aligned with the Company's business operations and core business competencies (which are based in the PRC).
 - (c) There will be savings in compliance costs and management resources if the Company is required to comply only with the listing rules and laws and regulations of SEHK, as opposed to both exchanges. It will also reduce the constraints in operational flexibility faced by the Company.
 - (d) Shareholders continue to be protected by the ongoing listing compliance requirements of the SEHK, as the SEHK is a respected and reputable global stock exchange.
- 4.2 In addition, the Board considers that the Delisting would also provide opportunities for Shareholders who wish to retain their shareholdings and participate in the Company's future prospects to increase their proportionate interests in the Company after the Delisting Completion by not accepting the Selective Share Buyback.

5. ANALYSIS OF TENDER PRICE

- 5.1 The Tender Price for each Share is S\$0.07 in cash, which values the entire issued and outstanding Shares as at the Announcement Date at S\$689,228,382 (approximately HK\$3,841,203,145 at the Latest Exchange Rate).
- 5.2 The Tender Price represents in Singapore dollars:
- (a) a premium of approximately 18.6% over the closing price of the Shares of S\$0.0590 as quoted on SGX-ST at the close of business on the Last Undisturbed Trading Day;
 - (b) a premium of approximately 19.7% over the VWAP of the Shares of approximately S\$0.0585 as quoted on SGX-ST for the five consecutive trading days immediately prior to and including the Last Undisturbed Trading Day;
 - (c) a premium of approximately 18.2% over the VWAP of the Shares of approximately S\$0.0592 as quoted on SGX-ST for the ten consecutive trading days immediately prior to and including the Last Undisturbed Trading Day;
 - (d) a premium of approximately 20.5% over the VWAP of the Shares of approximately S\$0.0581 as quoted on SGX-ST for one calendar month prior to and including the Last Undisturbed Trading Day;
 - (e) a premium of approximately 27.0% over the VWAP of the Shares of approximately S\$0.0551 as quoted on SGX-ST for three calendar months prior to and including the Last Undisturbed Trading Day;
 - (f) a premium of approximately 27.5% over the VWAP of the Shares of approximately S\$0.0549 as quoted on SGX-ST for six calendar months prior to and including the

Last Undisturbed Trading Day; and

- (g) a premium of approximately 30.4% over the VWAP of the Shares of approximately S\$0.0537 as quoted on SGX-ST for nine calendar months prior to and including the Last Undisturbed Trading Day.

5.3 On the basis of the Latest Exchange Rate, the Tender Price represents in Hong Kong dollars:

- (a) a premium of approximately 14.7% over the closing price of the Shares of HK\$0.340 as quoted on SEHK at the close of business on the Last Undisturbed Trading Day;
- (b) a premium of approximately 13.4% over the average closing price of the Shares of approximately HK\$0.344 as quoted on SEHK for the five consecutive trading days immediately prior to and including the Last Undisturbed Trading Day;
- (c) a premium of approximately 14.2% over the average closing price of the Shares of approximately HK\$0.342 as quoted on SEHK for the ten consecutive trading days immediately prior to and including the Last Undisturbed Trading Day;
- (d) a premium of approximately 15.4% over the average closing price of the Shares of approximately HK\$0.338 as quoted on SEHK for one calendar month prior to and including the Last Undisturbed Trading Day;
- (e) a premium of approximately 29.1% over the average closing price of the Shares of approximately HK\$0.302 as quoted on SEHK for three calendar months prior to and including the Last Undisturbed Trading Day;
- (f) a premium of approximately 31.5% over the average closing price of the Shares of approximately HK\$0.297 as quoted on SEHK for six calendar months prior to and including the Last Undisturbed Trading Day; and
- (g) a premium of approximately 36.6% over the average closing price of the Shares of approximately HK\$0.286 as quoted on SEHK for nine calendar months prior to and including the Last Undisturbed Trading Day.

5.4 The P/NAV multiple implied by the Tender Price (in Singapore dollars) is as follows:

Tender Price per Share (S\$)	NAV per Share⁽¹⁾ (S\$)	Implied P/NAV ratio (time)
0.0700	0.0776	0.90

Based on the Latest Exchange Rate, the P/NAV multiple implied by the Tender Price (in Hong Kong dollars) is as follows:

Tender Price per Share (HK\$)	NAV per Share⁽¹⁾ (HK\$)	Implied P/NAV ratio (time)
0.390	0.433	0.90

Note:

- (1) NAV per Share is calculated based on the Company's unaudited consolidated NAV as at 30 June 2016 and 9,846,119,747 Shares in issue as at the Announcement Date.

6. FINANCING

- 6.1 If all of the Available Shares are bought back and cancelled, this would result in the Company paying, at the Tender Price, approximately S\$175,366,876 (approximately HK\$977,353,537 at the Latest Exchange Rate) to the Tendering Shareholders in cash. The Delisting will be funded by internal cash resources of the Company and/or the Shareholder's Loan.
- 6.2 The Directors are of the opinion that, in the event the maximum aggregate amount of Tender Price is payable in the Delisting, the Group will still maintain sufficient working capital on Delisting Completion to pay its liabilities as they become due and to meet the normal operating requirements of the Group.

7. CONFIRMATION OF FINANCIAL RESOURCES

- 7.1 BNP Paribas, acting through its Singapore Branch, as the Company's Singapore financial adviser, confirms in accordance with the Singapore Takeover Code that the Company, together with the Controlling Shareholder (to whom SIC has ruled the provisions of the Singapore Takeover Code that apply to the offeror would apply, where appropriate, in the context of the Delisting), have sufficient financial resources available for the payment in full of the cash required to satisfy all Available Shares (if tendered).
- 7.2 BNP Paribas Securities (Asia) Limited, as the Company's Hong Kong financial adviser, confirms in accordance with the HK Share Buy-back Code and the HK Takeovers Code that the Company has sufficient financial resources available for the payment in full of the cash required to satisfy all Available Shares (if tendered).

8. CHANGES IN SHAREHOLDINGS

- 8.1 The current shareholding structure of the Company, representing all Shares traded on SGX-ST and SEHK, is as follows:

Shareholder	Number of Shares	Percentage of issued Shares
Controlling Concert Group Undertaking Shareholders	5,347,921,071	54.3%
- SRE Investment Holding Limited	1,468,356,862	14.9%
- public Undertaking Shareholders	524,600,722	5.3%
Other Public Shareholders	2,505,241,092	25.4%

- 8.2 For the purposes of illustration, depending on the number of Available Shares that are bought back and cancelled, potential shareholdings of the Controlling Shareholder, Undertaking Shareholders and public Shareholders on the Delisting Completion are set out below:

Shareholder	Shareholding Percentage in the Company on the Delisting Completion				
	Scenario 1 0% ⁽¹⁾	Scenario 2 25.0% ⁽²⁾	Scenario 3 50.0% ⁽³⁾	Scenario 4 75.0% ⁽⁴⁾	Scenario 5 100.0% ⁽⁵⁾
Controlling Concert Group	54.3%	58.0%	62.2%	67.1%	72.9%
Undertaking Shareholders					
- SRE Investment Holding	14.9%	15.9%	17.1%	18.4%	20.0%

Limited - public Undertaking Shareholders	5.3%	5.7%	6.1%	6.6%	7.1%
Other Public Shareholders	25.4%	20.4%	14.6%	7.9%	-
Public Float	30.8%	26.1%	20.7%	14.4%	7.1%

Notes:

- (1) Scenario 1 contemplates no Shares being tendered.
- (2) Scenario 2 contemplates 626,310,273 Shares, comprising approximately 6.4% of the entire issued Shares and approximately 25.0% of Available Shares being tendered.
- (3) Scenario 3 contemplates 1,252,620,546 Shares, comprising approximately 12.7% of the entire issued Shares and approximately 50.0% of Available Shares being tendered.
- (4) Scenario 4 contemplates 1,878,930,819 Shares, comprising approximately 19.1% of the entire issued Shares and approximately 75.0% of Available Shares being tendered.
- (5) Scenario 5 contemplates 2,505,241,092 Shares, comprising approximately 25.4% of the entire issued Shares and approximately 100.0% of Available Shares being tendered.

9. FINANCIAL EFFECTS

Shareholders may in due course refer to the Circular for the illustrative unaudited proforma financial effects of the Delisting and the Selective Share Buyback on the Company pursuant to the SGX-ST Listing Manual.

10. IRREVOCABLE UNDERTAKINGS

- 10.1 The Controlling Concert Group, which directly and indirectly own in aggregate approximately 54.3% of the entire issued and outstanding Shares as at the Announcement Date, have undertaken that they will not participate in the Selective Share Buyback in respect of the Shares directly or indirectly held by them and that they will not sell, transfer or otherwise dispose of their Shares until after the Closing Date.
- 10.2 The Company has received irrevocable undertakings in writing from the following Undertaking Shareholders holding in aggregate approximately 20.2% of the entire issued Shares that they will not tender their Shares nor take any action or omit to do any action which would conflict with or diminish their obligations under the undertakings or otherwise frustrate the Delisting or its implementation (including directly or indirectly transferring, encumbering or otherwise dealing with any of their Shares or interest therein (whether conditionally or unconditionally)):

Undertaking Shareholders	Number of Shares held	%
SRE Investment Holding Limited	1,468,356,862	14.9
Shi Kangmei	214,500,000	2.2
Qian Xiaomei	85,400,000	0.9
Lee Choong Onn	90,000,000	0.9

Li Xinqiang	92,233,222	0.9
Sun Ludong	42,467,500	0.4
	1,992,957,584	20.2

10.3 Save for SRE Investment Holding Limited which shall abstain from voting at the EGM, the remaining Undertaking Shareholders holding in aggregate approximately 5.3% of the entire issued Shares have further irrevocably undertaken to vote in favour of the Delisting Resolution at the EGM.

10.4 Such undertakings shall lapse upon the earlier of the Closing Date or the termination of the Delisting (for whatever reason, including failure to obtain Shareholders' approval).

11. EFFECT OF THE DELISTING ON SHAREHOLDERS

11.1 Subject to the Delisting Resolution being approved by the Independent Shareholders at the EGM and the approval of the SGX-ST, Delisting Completion is expected to take place within three weeks of the Closing Date. As mentioned in Section 18.3 of this Announcement, the SGX-ST has indicated that it has no objection to the Delisting provided the stated conditions are satisfied.

11.2 The Company will announce a definitive date for Delisting Completion as soon as the date is confirmed by the SGX-ST.

11.3 Following Delisting Completion, the Company will no longer be subject to compliance with the SGX-ST Listing Manual and the Singapore Takeover Code, though it will continue to comply with the HK Listing Rules, HK Takeovers Code and HK Share Buy-back Code, for so long as it remains listed on the SEHK. The Company will also continue to be subject to compliance with the BVI Business Companies Act.

12. NO COMPULSORY ACQUISITION RIGHTS

No right of compulsory acquisition or squeeze-out of any minority Shareholders will arise under the BVI Business Companies Act, as the Selective Share Buyback is carried out by the Company (and not a third party).

13. INTENTION OF THE GROUP TO MAINTAIN THE PRIMARY LISTING ON THE MAIN BOARD OF THE SEHK

13.1 Following Delisting Completion, the Company intends to maintain its primary listing on the Main Board of the SEHK. Shareholders should therefore note that the Delisting is not a privatisation exercise (and will not result in any right of compulsory acquisition or squeeze-out of any minority Shareholders), and the Shares will continue to be listed on the Main Board of the SEHK.

13.2 **Shareholders and other investors should note that if (a) the Delisting proceeds; and (b) where a high proportion of Available Shares (more than 30.2% of Available Shares) are tendered by Shareholders, the Company may not have sufficient Shares held in the public hand as prescribed under the HK Listing Rules and trading in the Shares on the**

SEHK may be suspended. It is the Company's intention to take such steps as it considers reasonable and appropriate to restore the public float such that, following the Delisting Completion, there is a genuine open market in the Shares and the Shares are not concentrated in the hands of a few shareholders to the detriment of the investing public. Should it consider that an immediate placement of Shares is the best course of action, the Company will consider placement of new Shares and for this purpose the Company has applied for waivers (i) from the SEHK of the provisions of Rule 10.06(3) of the HK Listing Rules; and (ii) from the Executive of the provisions of Rule 7 of the HK Share Buy-back Code, in order to allow such placement to be conducted immediately after the Delisting Completion.

- 13.3 The Company and the Controlling Shareholder have no intention to privatise the Company or delist the Shares from the Main Board of the SEHK. Following the Delisting Completion, the Company will take steps to ensure that sufficient Shares are held in public hands as is required by the HK Listing Rules. Such steps may involve the issue of new Shares by way of a placement.

14. INFORMATION ON THE COMPANY AND FUTURE PLANS

- 14.1 The Group is an established integrated urbanisation developer and operator in the PRC. It has a unique business model, such that through partnership with local government entities, master planning and development of large scale township projects, the Group turns bare land into valuable land resources and receives sale proceeds from auctions of such land. The Group also has a nation-wide investment portfolio of urbanisation projects which generates fixed returns based on the capital invested. The Group further leverages off such investment business and close ties with local governments to source investment and operational business opportunities in urbanisation downstream value-chains, such as tourism, healthcare and education sectors.
- 14.2 The business and management of the Group will remain unchanged and, as discussed in Section 13 of this Announcement, the Company's primary listing on the Main Board of the SEHK will be maintained following the Delisting Completion. Additionally, neither the Company nor the Controlling Shareholder has any intention to:
- (a) propose any changes to the existing businesses of the Group;
 - (b) redeploy the fixed assets of the Group; or
 - (c) discontinue the employment of the employees of the Group.

15. DISCLOSURES ON SHAREHOLDINGS AND DEALINGS

Directors' and Substantial Shareholders' Interests

- 15.1 The table below set out the interests of the Directors and substantial Shareholders in the Company as at the Announcement Date, based on the information in the Company's Register of Directors' Shareholdings and Register of substantial Shareholders, respectively.

Directors	Direct Interest		Deemed Interest	
	No. of Shares	% of Issued Shares ⁽¹⁾	No. of Shares	% of Issued Shares ⁽¹⁾

Li Yao Min	8,352,672	0.1%	-	-
Henry Tan Song Kok	600,000	0.006%	-	-

**Substantial Shareholder
(other than Directors)**

China Development Bank International Holdings Limited ("CDBIH") ^{(2) (3)}	5,347,921,071	54.3%	1,468,356,862	14.9%
China Development Bank Capital Corporation Limited ("CDB Capital") ^{(2) (3)}	-	-	6,816,277,933	69.2%
China Development Bank Corporation ("CDB") ^{(2) (3)}	-	-	6,816,277,933	69.2%
SRE Investment Holding Limited ("SREI") ⁽⁴⁾	1,468,356,862	14.9%	5,347,921,071	54.3%
Shi Jian ⁽⁵⁾	6,104,938	0.1%	6,816,279,023	69.2%

Note:

- (1) Computed based on the entire issued and outstanding Shares comprising 9,846,119,747 Shares as at the Announcement Date.
- (2) As both SREI and CDBIH are subject to a three-year lock-up arrangement with respect to the Shares held by them respectively pursuant to the subscription agreement dated 10 October 2013 made between the Company, CDBIH and SREI ("**Subscription Agreement**"), CDBIH is deemed under sections 317 and 318 of the Securities and Futures Ordinance of Hong Kong ("**SFO**") to be interested in the 1,468,356,862 Shares held by SREI and such deemed interest will cease after the expiration of the three-year lock-up period on 28 March 2017.
- (3) CDBIH is a wholly-owned subsidiary of CDB Capital and CDB Capital, in turn, is wholly owned by CDB. Both CDB and CDB Capital are therefore deemed under Part XV of the SFO to be interested in the 5,347,921,071 Shares held by CDBIH and pursuant to the SFO, both CDB and CDB Capital are deemed interested in the 6,816,277,933 Shares in which CDBIH is interested.
- (4) As both SREI and CDBIH are subject to a three-year lock-up arrangement 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.
- (5) Pursuant to Part XV of the SFO, Mr. Shi Jian is deemed 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 wife, Ms. Si Xiao Dong ("**Ms. Si**") together beneficially own 66% 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 arrangement 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 5,347,921,071 Shares held by CDBIH, and Mr. Shi is accordingly also deemed interested in such Shares which SREI is deemed interested; and (iii) Mr. Shi is deemed interested in 1,090 Shares held by Ms. Si by virtue of the fact that she is his wife.

- 15.2 Save as disclosed in Section 18.4(a) and 18.4(c)(iii) of this Announcement, no Director or substantial Shareholder has any interest in the Delisting (other than by reason only of being a Director or Shareholder).
- 15.3 In accordance with the conditions stipulated by the SGX-ST, the abovementioned Directors and substantial Shareholders shall abstain from voting on the Delisting Resolution.

The Company

- 15.4 As at the Announcement Date, save for 9,846,119,747 Shares, there are no outstanding Company Convertible Securities.
- 15.5 The Company has not redeemed or purchased any Shares in the six-month period prior to the Announcement Date, and will not conduct any on-market share buy-back from the Announcement Date up to and including the Closing Date.
- 15.6 As the Announcement Date, save for that the Controlling Concert Group owns 5,347,921,071 Shares:
- (a) the Company and the Company Concert Parties do not own, control or direct any existing holding of voting rights or rights over Shares in the Company;
 - (b) the Company and the Company Concert Parties do not hold any Company Convertible Securities; and
 - (c) the Company and the Company Concert Parties have not entered into any contract or arrangement resulting in the creation of outstanding derivatives in respect of the securities of the Company.
- 15.7 As at the Announcement Date:
- (a) save for the irrevocable undertakings disclosed in Section 10 of this Announcement, there are no arrangements (whether by way of option, indemnity or otherwise) in relation to Shares which may be an inducement to deal or refrain from dealing as described in either Note 8 to Rule 22 of the HK Takeovers Code or Note 7 to Rule 12 of the Singapore Takeover Code between the Company or any of the Company Concert Parties and any other person which might be material to the Delisting;
 - (b) there are no agreements or arrangements to which the Company is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a precondition or a condition to the Delisting; and
 - (c) the Company and the Company Concert Parties have not borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the HK Takeovers Code) in the Company.
- 15.8 As at the Announcement Date, save as disclosed in Section 10 of this Announcement, neither the Company nor, so far as it is aware, any of the Company Concert Parties has received any irrevocable commitment to vote for or against the Delisting Resolution at the EGM or to either tender or not tender Shares.

The Controlling Concert Group

- 15.9 The Controlling Concert Group has confirmed to the Company that they have not acquired

any voting rights in the Company or dealt in any Shares or Company Convertible Securities in the six-month period prior to the Announcement Date, and they will not acquire any voting rights or deal in any Shares or Company Convertible Securities from the Announcement Date up to and including the Closing Date.

15.10 As at the Announcement Date, none of the Controlling Concert Group:

- (a) owns, controls or has agreed to acquire any Shares or any Company Convertible Securities, other than as disclosed in Section 8 of this Announcement;
- (b) has received any irrevocable commitment from any party to vote for or against the Delisting Resolution at the EGM or to either tender or not tender Shares;
- (c) has entered into any arrangement with any person of the kind referred to in Note 7 to Rule 12 of the Singapore Takeover Code, including indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Shares or the Company Convertible Securities which may be an inducement to deal or refrain from dealing in the Shares or the Company Convertible Securities; or
- (d) has granted a security interest relating to any Shares or Company Convertible Securities to another person, whether through a charge, pledge or otherwise, borrowed any Shares or Company Convertible Securities from another person (excluding borrowed Shares or Company Convertible Securities which have been on-lent or sold), or lent any Shares or Company Convertible Securities to another person.

General

15.11 As at the Announcement Date, save in respect of the Undertaking Shareholders' undertakings, no agreement, arrangement or understanding exists between the Controlling Concert Group and any of the present or recent Directors or present or recent Shareholders having any connection with or dependence upon the outcome of the Delisting.

15.12 As at the Announcement Date, there is no agreement, arrangement or understanding pursuant to which any Shares bought back by the Company in the Delisting will be transferred to any other person. All Tendered Shares will be cancelled by the Company.

15.13 As at the Announcement Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Director or director of any corporation which is by virtue of Section 6 of the Singapore Companies Act, deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Delisting or whereby the total emoluments received or to be received by any such director will be affected or varied as a direct consequence of the Delisting.

15.14 As at the Announcement Date, there is no agreement, arrangement or understanding between any Director and any other person in connection with or conditional upon the outcome of the Delisting.

16. INDEPENDENT BOARD COMMITTEE AND IFA

16.1 Pursuant to the Singapore Takeover Code and HK Takeovers Code, an Independent Board Committee has been established to advise and make its recommendation to the Independent Shareholders on the terms of the Delisting and the Selective Share Buyback.

16.2 The Board will in due course appoint an IFA to advise the Independent Board Committee for

the purpose of making a recommendation to the Shareholders on the terms of the Delisting and the Selective Share Buyback.

17. CIRCULAR AND FORMS OF ELECTION

- 17.1 The Circular containing, among other things, further details of the Delisting and the Selective Share Buyback, recommendation of the Independent Board Committee to the Independent Shareholders on the terms of the Delisting and the Selective Share Buyback, letter of advice from the IFA to the Independent Board Committee, and notice of the EGM, is expected to be despatched to Shareholders as soon as possible in accordance with the BVI Business Companies Act, SGX-ST Listing Manual, Singapore Takeover Code, HK Listing Rules, HK Takeovers Code, HK Share Buy-back Code and Articles of Association. Forms of Election will also be sent to the Shareholders (other than under the circumstances mentioned in the Section 19 of this Announcement) together with the Circular.
- 17.2 In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendation of the Independent Board Committee on the terms of the Delisting and the Selective Share Buyback as well as the IFA Letter set out in the Circular.

18. RELEVANT REGULATORY CONSIDERATIONS SGX-ST

- 18.1 Under Rule 1307 of the SGX-ST Listing Manual, the SGX-ST may agree to an application by the Company to delist from the Official List of the SGX-ST if:
- (a) the Company convenes an EGM to obtain Shareholders' approval for the Delisting;
 - (b) the Delisting is approved by a majority of at least 75% of the total number of issued Shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM; and
 - (c) the Delisting is not voted against by 10% or more of the total number of Shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM.
- 18.2 In addition, Rule 1309 of the SGX-ST Listing Manual requires that if the Company is seeking to delist from the Official List of the SGX-ST:
- (a) a reasonable exit alternative, which should normally be in cash, should be offered to Shareholders and holders of any other classes of listed securities to be delisted; and
 - (b) the Company should normally appoint an IFA to advise on the exit offer.
- 18.3 Pursuant to consultations by the Company with the SGX-ST, the SGX-ST has stated that it has no objection to the Delisting subject to the following conditions:
- (a) the Delisting must comply with Rules 1307 and 1309 of the SGX-ST Listing Manual;
 - (b) (i) any Shareholder who (A) holds directly or indirectly 15% or more of the total number of issued Shares (excluding treasury Shares) in the Company; or (B) in fact exercises control over the Company, being the Controlling Shareholder as at the Announcement Date;

- (ii) the Directors; and
- (iii) their associates

must abstain from voting on the Delisting Resolution.

Shareholders who have nominees on the Board shall be considered as associates of such nominees;

- (c) the opinion to be rendered by the IFA, which must be a firm acceptable to the SGX-ST, must be that the terms of the Delisting is fair and reasonable and not prejudicial to the interests of Shareholders; and
- (d) sufficient notice must be given to Shareholders of the date of the Delisting.

SIC

18.4 Pursuant to consultations by the Company with the SIC, the SIC has ruled that:

- (a) the Selective Share Buyback is exempted from the following provisions of the Singapore Takeover Code:
 - (i) Rule 20.1 of the Singapore Takeover Code on keeping an offer open for at least 14 days after revision;
 - (ii) Rule 22 of the Singapore Takeover Code on offer timetable;
 - (iii) Rule 28 of the Singapore Takeover Code on acceptances of offer; and
 - (iv) Rule 29 of the Singapore Takeover Code on acceptors' right to withdraw,subject to the following conditions:
 - (A) the Selective Share Buyback remaining open to Shareholders for at least 14 days after the date of the announcement of shareholder approval of the Delisting;
 - (B) the Controlling Concert Group abstaining from voting on the Selective Share Buyback;
 - (C) the Directors who are also directors of any member of the Controlling Concert Group, if any, abstain from making a recommendation on the Selective Share Buyback to Shareholders; and
 - (D) the appointment of an IFA to advise Shareholders other than the Controlling Concert Group on the Delisting and Selective Share Buyback;
- (b) the Undertaking Shareholders will not be regarded as acting in concert with the Controlling Concert Group by virtue of their undertakings, subject to the Controlling Concert Group and the Undertaking Shareholders each providing a written confirmation to SIC to the effect that each is not acting in concert with the other; and
- (c) the provisions of the Singapore Takeover Code that apply to the offeror would, where appropriate, apply to the Controlling Shareholder in the context of the Delisting.

HK Listing Rules and HK Share Buy-back Code

- 18.5 The cash exit offer by way of the Selective Share Buyback is a share buy-back by way of general offer for the purposes of the HK Share Buy-back Code.
- 18.6 As discussed in Section 13 of this Announcement, if (a) the Delisting proceeds; and (b) where a high proportion of Available Shares (more than 30.2% of Available Shares) are tendered by Shareholders, the Company may not have sufficient Shares held in the public hand as prescribed under the HK Listing Rules and trading in the Shares on the SEHK may be suspended. It is the Company's intention to take such steps as it considers reasonable and appropriate to restore the public float such that, following the Delisting Completion, there is a genuine open market in the Shares and the Shares are not concentrated in the hands of a few shareholders to the detriment of the investing public. Should it consider that an immediate placement of Shares is the best course of action, the Company will consider placement of new Shares and for this purpose the Company has obtained waivers (i) from the SEHK of the provisions of Rule 10.06(3) of the HK Listing Rules; and (ii) from the Executive of the provisions of Rule 7 of the HK Share Buy-back Code, in order to allow such placement to be conducted immediately after the Delisting Completion.

BVI Business Companies Act

- 18.7 Pursuant to the BVI Business Companies Act, the Company may, subject to the approval of Shareholders by way of ordinary resolutions, undertake the Selective Share Buyback, which will be effective upon updating of the Company's share register. There is no public filings required to be made in respect of the Selective Share Buyback.

19. OVERSEAS SHAREHOLDERS

- 19.1 The making of the Selective Share Buyback to, and the participation in the Selective Share Buyback by, Overseas Shareholders may be affected by the laws of the relevant jurisdiction. Such laws may prohibit the making of the Selective Share Buyback to the Overseas Shareholders or require the compliance with filing, registration or other requirements. Overseas Shareholders should keep themselves informed of, and observe, any applicable legal and regulatory restrictions or prohibitions. The Company reserves the right, subject to the consent of the Executive under Rule 8 of the HK Takeovers Code and other applicable legal requirements, to make special arrangements regarding the terms of the Selective Share Buyback in relation to the Overseas Shareholders whose receipt of the Circular, or the Forms of Election is subject to the laws of overseas jurisdictions. As at the date of this Announcement, there are 88 Overseas Shareholders who in aggregate own 15,585,097 Shares being approximately 0.2% of the entire issued Shares as at the Announcement Date. These Overseas Shareholders are either resident in Australia, Canada, France, Germany, India, Indonesia, Japan, Macau, Malaysia, New Zealand, the People's Republic of China, Taiwan, Thailand or the United Kingdom.
- 19.2 In the event that the receipt of the Circular and/or the Forms of Election by Overseas Shareholders is prohibited by any relevant law or may only be effected after compliance with conditions or requirements that the Directors regard as unduly onerous or burdensome, subject to the Executive's consent, the Circular and/or the Forms of Election will not be sent to such Overseas Shareholders and, if the Circular is sent to such Overseas Shareholders, it shall be sent solely for the purpose of attending and voting at the EGM. All Independent Shareholders, including those which are Overseas Shareholders (if any), are entitled to attend

and vote at the EGM.

- 19.3 **It is the responsibility of each Overseas Shareholder to satisfy itself, himself or herself as to the full observance of the laws of the relevant jurisdictions in that connection, including, but not limited to, the obtaining of any governmental or other consents which may be required or the compliance with other necessary formalities or legal requirements. Any election by any person shall be deemed to constitute a representation and warranty from such person to the Company that all applicable local laws and requirements have been complied with. Shareholders should consult their professional advisers if in doubt.**
- 19.4 The Company will give notice of any matter in relation to the Delisting to the Shareholders by issuing announcements or advertisements in accordance with the BVI Business Companies Act, SGX-ST Listing Manual, Singapore Takeover Code, HK Listing Rules, HK Takeovers Code, HK Share Buy-back Code and Articles of Association, and, if so given, such notice is valid notwithstanding the fact that any Overseas Shareholder may not actually receive it.
- 19.5 Further details in relation to Overseas Shareholders will be contained in the Circular.

20. DEALINGS DISCLOSURE

- 20.1 In accordance with Rule 3.8 of the HK Takeovers Code, the associates (as defined under the HK Takeovers Code and including a person who owns or controls 5% or more of any class of relevant securities) of the Company are hereby reminded to disclose their dealings in the relevant securities (as defined in Note 4 to Rule 22 of the HK Takeovers Code) of the Company under Rule 22 of the HK Takeovers Code.
- 20.2 In accordance with Rule 3.8 of the HK Takeovers Code, the full text of Note 11 to Rule 22 of the HK Takeovers Code is reproduced below.

"Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation."

- 20.3 In accordance with Rule 12 of the Singapore Takeover Code, the associates (as defined therein and which includes all substantial Shareholders) of the Company are hereby reminded to disclose their dealings in any securities of the Company.

21. DOCUMENTS FOR INSPECTION

- 21.1 Copies of the relevant Shareholders' irrevocable undertakings described in Section 10 of this Announcement will be made available for inspection during normal business hours at the offices of:
- (a) Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), located at 80 Robinson Road, #02-00, Singapore 068898, and being the Company's Singapore Share Transfer Agent; and
 - (b) Tricor Investor Services Limited, located at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, and being the Company's Hong Kong Branch Share Registrar,

from the Announcement Date up until the Effective Date.

- 21.2 This Announcement will remain on the "Latest Listed Company Information" page of the SEHK's website at www.hkexnews.hk for at least seven days from the day of its publication and will be published and remain on the website of the Company at <http://www.china-newtown.com>.

22. DIRECTORS RESPONSIBILITY STATEMENTS

Names of Directors

- 22.1 As at the Announcement Date, the executive Directors are Mr. Liu Heqiang (Chief Executive Officer), Ms. Yang Meiyu, Mr. Ren Xiaowei and Mr. Shi Janson Bing; the non-executive Directors are Mr. Wei Wei (Chairman), Mr. Zuo Kun (Vice Chairman), Mr. Li Yao Min (Vice Chairman) and Mr. Xie Zhen and the independent non-executive Directors are Mr. Henry Tan Song Kok, Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. E Hock Yap.
- 22.2 As at the Announcement Date, the sole director of the Controlling Shareholder is Mr. Wei Wei.

Singapore Takeover Code

- 22.3 The Directors (including those who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.
- 22.4 Where any information has been extracted from published or publicly available sources, the sole responsibility of the Directors has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement. The Directors do not accept any responsibility for any information relating to or opinions expressed by the Controlling Shareholder.
- 22.5 The directors of the Controlling Shareholder (including those who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.
- 22.6 Where any information has been extracted from published or publicly available sources, the sole responsibility of the directors of the Controlling Shareholder has been to ensure that,

through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement. The directors of the Controlling Shareholder do not accept any responsibility for any information relating to or opinions expressed by the Company nor its Directors.

HK Takeovers Code

- 22.7 The Directors jointly and severally accept full responsibility for the accuracy of information contained in this Announcement (other than that relating to the Controlling Shareholder) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Announcement (other than those expressed by the Controlling Shareholder) have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement, the omission of which would make any statement in this Announcement (other than that relating to the Controlling Shareholder) misleading.
- 22.8 The directors of the Controlling Shareholder accept full responsibility for the accuracy of information contained in this Announcement (other than that relating to the Company or its Directors) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Announcement (other than those expressed by the Company or its Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement, the omission of which would make any statement in this Announcement (other than that relating to the Company or its Directors) misleading.

23. FURTHER ANNOUNCEMENTS

The Company will make such further announcements in relation to the matters described in this Announcement as and when required or appropriate.

24. RESUMPTION OF TRADING

At the request of the Company, trading in its Shares was halted on the SEHK with effect from 9:00 a.m. on 26 September 2016 and on the SGX-ST with effect from 8:30 a.m. on 26 September 2016, pending the issue of this Announcement. Applications have been made to the SGX-ST and the SEHK for resumption of trading in the Shares with effect from 8:30 a.m. (SGX-ST) and 9:00 a.m. (SEHK) on 18 October 2016.

At the request of the Company, the notes (Stock code: 85715) issued by China New Town Finance I Limited, a subsidiary of the Company, was also halted on the SEHK with effect from 9:00 a.m. on 26 September 2016, pending the issue of this Announcement. Applications have been made to the SEHK for resumption of trading in the said notes Shares with effect from 9:00 a.m. (SEHK) on 18 October 2016.

25. WARNINGS

- 25.1 **The Tender Price is final and will not be further increased or revised. Shareholders and potential investors should be aware that, following the making of this statement, the Company will not be allowed to increase the Tender Price (save in wholly exceptional circumstances) as a result of Rule 18.3 of the HK Takeovers Code and Rule 20.2 of the Singapore Takeover Code.**

- 25.2 **As the Delisting is subject to the fulfilment of conditions stipulated herein by not later than the Long Stop Date, it may not become unconditional and the Delisting may or may not proceed. Dealings in the Shares will continue notwithstanding the Delisting has not become unconditional. During such period, persons dealing in the Shares will bear the risk that the Delisting may not proceed.**
- 25.3 **Trading in the Shares may be suspended following the Delisting Completion until the Company can restore its minimum public float. Shareholders and potential investors are advised to exercise caution when dealing in the Shares. Holders of Available Shares are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of tendering their Shares. It is emphasised that none of the Company, or its advisers, or any of their respective directors, officers or associates or any other person involved in the Delisting accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of tendering or not tendering their Shares.**

DEFINITIONS

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

"%"	:	per cent.
"Announcement Date"	:	the date of this Announcement
"Articles of Association"	:	the memorandum and articles of association of the Company (as amended and restated)
"Available Shares"	:	the 2,505,241,092 Shares held by Shareholders other than the Non-Tendering Shareholders
"BVI"	:	the British Virgin Islands
"BVI Business Companies Act"	:	the BVI Business Companies Act, 2004, as amended
"Board"	:	the board of Directors of the Company
"Business Day"	:	any day on which banks in Hong Kong and Singapore are generally open for business, excluding Saturdays, Sundays and any days on which a typhoon signal no. 8 or above or a black rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. to 5:00 p.m.
"CCASS"	:	The Central Clearing and Settlement System
"CDP"	:	The Central Depository (Pte) Limited
"Circular"	:	the Circular containing, among other things, further details of the Delisting, recommendation of the Independent Board Committee to the Independent Shareholders on the terms of the Delisting, letter of advice from the IFA to the Independent Board Committee, and notice of the EGM
"Closing Date"	:	such date as may be announced from time to time by the Company as being the last day for receipt by the Company of the Forms of Election
"Company"	:	China New Town Development Company Limited, a BVI business company incorporated in the BVI with limited liability, the Shares of which are listed on the Official List of SGX-ST and the Main Board of the SEHK
"Company Concert Parties"	:	the Controlling Shareholder and other parties acting or presumed to be acting in concert with the Company under the definition of "acting in concert" in the Singapore Takeover Code or HK Takeovers Code
"Company Convertible Securities"	:	convertible securities, warrants, options and derivatives in respect of the Shares or securities which carry voting rights in

	:	the Company
"Controlling Concert Group"	:	the Controlling Shareholder and parties acting or presumed to be acting in concert with the Controlling Shareholder under the definition of "acting in concert" in the Singapore Takeover Code or HK Takeovers Code
"Controlling Shareholder"	:	China Development Bank International Holdings Limited
"Delisting"	:	the proposed voluntary delisting of the Shares from the SGX-ST pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual
"Delisting Completion"	:	the completion of the Delisting and the Selective Share Buyback
"Delisting Resolution"	:	the resolution to approve the Delisting, including the conditional cash exit offer by way of the Selective Share Buyback at the EGM
"Depositors"	:	shall have the meaning ascribed in Section 130A of the Singapore Companies Act
"Depository Register"	:	shall have the meaning ascribed in Section 130A of the Singapore Companies Act
"Directors"	:	the directors of the Company
"Effective Date"	:	the effective date of the Selective Share Buyback, expected to be no later than the seventh (7 th) Business Day after the Closing Date
"EGM"	:	the extraordinary general meeting of the Company to be convened and held to consider, and if thought fit, to approve the Delisting Resolution
"Executive"	:	The Executive Director of the Corporate Finance Division of the Securities and Futures Commission in Hong Kong and any of its delegates
"Forms of Election"	:	the forms of election to be sent to Shareholders together with the Circular for the purpose of allowing Shareholders to elect to have their Shares bought back and cancelled by the Company
"Group"	:	the Company and its subsidiaries
"HK Branch Register"	:	the Company's Hong Kong branch register of Shareholders
"HK Listing Rules"	:	Rules Governing the Listing of Securities on the SEHK

"HK Share Buy-back Code"	:	Hong Kong Code on Share Buy-backs
"HK Takeovers Code"	:	Hong Kong Code on Takeovers and Mergers
"HK\$"	:	Hong Kong dollars, the lawful currency of Hong Kong
"HKSCC"	:	Hong Kong Securities Clearing Company Limited
"Hong Kong"	:	the Hong Kong Special Administrative Region of the People's Republic of China
"IFA"	:	independent financial adviser
"Independent Board Committee"	:	an independent committee of the Board for purposes of the Delisting and the Selective Share Buyback (comprising Messrs Henry Tan Song Kok, Kong Siu Chee, Zhang Hao and E Hock Yap) which has been established to advise and make its recommendation to the Independent Shareholders on the terms of the Delisting and the Selective Share Buyback
"Independent Shareholders"	:	all Shareholders of the Company other than the Controlling Concert Group, Directors (if they are Shareholders) and SRE Investment Holding Limited
"Last Undisturbed Trading Day"	:	22 September 2016
"Latest Exchange Rate"	:	the applicable exchange rates of S\$1:HK\$5.5732, S\$1:RMB4.8444 and HK\$1:RMB0.8692, being the noon rate of exchange as displayed on Bloomberg on 17 October 2016, being the latest practicable date prior to the Announcement Date
"Long Stop Date"	:	the date expiring five (5) calendar months from the date of this Announcement, being 17 March 2017 (subject to any extension thereof by the Company pursuant to consultations with the relevant regulatory authorities, including SIC and the Executive)
"NAV"	:	net asset value
"Non-Tendering Shareholders"	:	the Controlling Concert Group and the Undertaking Shareholders
"Overseas Shareholders"	:	Shareholders who are not resident in Singapore or Hong Kong
"P/NAV"	:	ratio of price per Share to NAV
"PRC"	:	the People's Republic of China, excluding for the purposes of this Announcement only, the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
"RMB"	:	Renminbi, the lawful currency of PRC

"S\$"	:	Singapore dollars, the lawful currency of Singapore
"SEHK"	:	The Stock Exchange of Hong Kong Limited
"Selective Share Buyback"	:	the conditional cash exit offer to be effected by way of a selective share buyback under the BVI Business Companies Act and the Articles and Association at the Tender Price for each Tendered Share, on the terms and subject to the conditions set out in this Announcement
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"SGX-ST Listing Manual"	:	the Listing Manual of SGX-ST
"Shareholder's Loan"	:	the loan of US\$75,000,000 (approximately HK\$581,925,000 at the Latest Exchange Rate) extended by the Controlling Shareholder to the Company for purposes of the Delisting
"Shareholders"	:	registered holders of the Shares, except that where the registered holder is CDP, the term "Shareholders" in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose securities accounts such Shares are credited
"Shares"	:	the authorised ordinary shares in the Company
"SIC"	:	Securities Industry Council of Singapore
"Singapore Companies Act"	:	The Companies Act, Chapter 50 of Singapore
"Singapore Takeover Code"	:	Singapore Code on Takeovers and Mergers
"Tender Price"	:	the cash consideration to be paid to the Tendering Shareholders, being S\$0.07 in cash for each Tendered Share (or in respect of Tendered Shares registered in the HK Branch Register, the HK\$ equivalent at the Tendering Exchange Rate)
"Tendering Exchange Rate"	:	the exchange rate for the conversion of S\$ to HK\$ prevailing one Business Days immediately preceding the date of payment of the Tender Price by the Company, being the mid-price TT rates provided by the Hong Kong Association of Banks and published in the South China Morning Post
"Tendering Shareholder"	:	those Shareholders (other than the Non-Tendering Shareholders) who validly elect to tender their Shares to be bought back and cancelled pursuant to the Selective Share Buyback
"Tendered Shares"	:	those Shares which are validly tendered by Tendering Shareholders to be bought back and cancelled by the Company pursuant to the Selective Share Buyback
"Undertaking Shareholders"	:	Shareholders who have provided irrevocable undertakings to the Company that they will vote in favour of the Delisting

Resolution (save for SRE Investment Holding Limited which shall abstain from voting at the EGM) and will not participate in the Selective Share Buyback in respect of their Shares, as described further in Section 10 of this Announcement

"VWAP" : volume weighted average price

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

Hong Kong and Singapore, 18 October 2016

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Company's current expectations, beliefs, hopes or intentions regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements.