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**SRE GROUP LIMITED**  
**上置集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1207)**

**OVERSEAS REGULATORY ANNOUNCEMENT**

This overseas regulatory announcement is issued pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

China New Town Development Company Limited (“CNTD”), a company listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) and a 50.07% owned subsidiary of SRE Group Limited, has on February 26, 2010 (after trading hours) released to the SGX-ST an announcement (the “Announcement”) in relation to unaudited financial statements for the full year ended 31 December 2009. The following is a reproduction of the Announcement for information purpose only.

On behalf of the Board of Directors of  
**SRE Group Limited**  
**Shi Jian**  
*Chairman*

Hong Kong, 26 February 2010

*As at the date hereof, the Board comprises five executive directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong and Mr. Yue Wai Leung, Stan; two non-executive directors, namely Mr. Cheung Wing Yui and Mr. Jin Bing Rong and three independent non-executive directors, namely Mr. Jiang Xie Fu, Mr. E Hock Yap and Mr. Pan Long Qing.*

*\* For identification purpose only*

*This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No securities may be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. No public offer of securities is to be made by China New Town Development Company Limited (the "Company," together with its subsidiaries, the "Group") in the United States.*

*This presentation contains projections and forward-looking statements regarding the Group's objectives and expectations with respect to property development plans, and its opportunities and business prospects. Such forward-looking statements are not guarantees of future performance of the Group and are subject to factors that could cause actual results and company plans and objectives to differ materially from those expressed in the forward-looking statements. These factors include, but are not limited to, timing and price of sales of land in public bidding process; adverse changes in the Chinese economy and property market; fluctuations in the availability and pricing of residential and commercial properties; performance of construction and other contractors; and competition. The Group undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.*

## **CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED**

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

(Company Registration Number: 1003373)

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Unaudited Financial Statements for the Full Year Ended 31 December 2009

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### **PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**1(a)(i) Statement of comprehensive income for the Financial Year ("FY") ended 31 December 2009**

Group	Year ended	Year ended	Increase
	31 December 2009	31 December 2008	(Decrease)
	RMB'000	RMB'000	%
Revenue	1,087,355	564,096	92.76
Cost of sales	(435,048)	(369,101)	17.87
<b>Gross profit</b>	652,307	194,995	234.52
Other income	8,419	16,159	(47.90)
Selling and distribution costs	(119,669)	(35,891)	233.42
Administrative expenses	(133,523)	(165,911)	(19.52)
Other expenses	(1,720)	(36,162)	(95.24)
Gain on the repurchase of Senior Notes	24,744	-	N/A
Loss on convertible bonds other than interest cost, net	-	(287,826)	N/A
Impairment loss of property, plant and equipment	(8,810)	(136,773)	(93.56)
Fair value loss on completed investment properties	(14,163)	(488,160)	(97.10)
Fair value gain on investment properties under construction	39,036	-	N/A
<b>Operating profit/(loss)</b>	446,621	(939,569)	(147.53)
Finance costs	(104,352)	(193,696)	(46.13)
<b>Profit/(loss) before tax</b>	342,269	(1,133,265)	(130.20)
Income tax	(98,809)	145,915	(167.72)
<b>Profit/(loss) after tax</b>	243,460	(987,350)	(124.66)
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	243,460	(987,350)	(124.66)

Profit attributable to:			
Equity holders of the Parent	166,630	(845,543)	(119.71)
Non-controlling interests	76,830	(141,807)	(154.18)
	<u>243,460</u>	<u>(987,350)</u>	<u>(124.66)</u>
Total comprehensive income attributable to			
Equity holders of the Parent	166,630	(845,543)	(119.71)
Non-controlling interests	76,830	(141,807)	(154.18)
	<u>243,460</u>	<u>(987,350)</u>	<u>(124.66)</u>

## 1(a)(ii) Notes to the Statement of comprehensive income

### a) Revenue, other income and other expenses

#### Revenue

	Year ended 31 December 2009	Year ended 31 December 2008	Increase (Decrease)
	RMB'000	RMB'000	%
Development of land infrastructure	1,043,097	497,305	109.75
Hotel operations	31,325	34,047	(7.99)
Golf operations	72,380	78,667	(7.99)
Investment property leasing	6,384	593	976.56
Others	4,613	4,269	8.06
Less: Business tax and surcharges	(70,444)	(50,785)	38.71
	<u>1,087,355</u>	<u>564,096</u>	<u>92.76</u>

#### Other income

	Year ended 31 December 2009	Year ended 31 December 2008	Increase (Decrease)
	RMB'000	RMB'000	%
Foreign exchange gain, net	300	-	N/A
Interest income	1,237	14,601	(91.53)
Tax refund	5,900	-	N/A
Others	982	1,558	(36.97)
	<u>8,419</u>	<u>16,159</u>	<u>(47.90)</u>

#### Other expenses

	Year ended 31 December 2009	Year ended 31 December 2008	Increase (Decrease)
	RMB'000	RMB'000	%
Foreign exchange loss, net	-	34,264	N/A
Bank charges	1,099	1,174	(6.39)
Others	621	724	(14.23)
	<u>1,720</u>	<u>36,162</u>	<u>(95.24)</u>

**b) Expenses by business units**

	Year ended	Year ended	Increase
	31 December 2009	31 December 2008	(Decrease)
	RMB'000	RMB'000	%
Development of land infrastructure	351,785	278,468	26.33
Hotel operations	35,324	39,787	(11.22)
Golf operations	40,682	44,485	(8.55)
Others	7,257	6,361	14.09
	<u>435,048</u>	<u>369,101</u>	<u>17.87</u>

**c) Finance costs**

	Year ended	Year ended	Increase
	31 December 2009	31 December 2008	(Decrease)
	RMB'000	RMB'000	%
Interest on bank and borrowings	84,362	123,351	(31.61)
Interest on CB2	-	167,704	N/A
Interest on CB3	5,536	-	N/A
Interest on Senior Notes	91,775	36,757	149.68
Less: Interest capitalised	(77,321)	(134,116)	(42.35)
	<u>104,352</u>	<u>193,696</u>	<u>(46.13)</u>

**1(b)(i) A Statement of Financial Position (for the issuer and group), together with a comparative statement as at the end of immediately preceding financial year.**

**Statement of Financial Position as at 31 December 2009**

	Group		Company	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
(In RMB'000)				
<b>Non-current assets</b>				
Investments in subsidiaries	-	-	2,968,699	2,968,699
Investments in associated companies	200	200	-	-
Property, plant and equipment	1,235,292	1,255,185	256	323
Completed investment properties	489,000	497,010	-	-
Investment properties under construction	170,710	39,740	-	-
Prepaid land lease payments	390,823	320,273	-	-
Non-current trade receivables	93,655	124,841	-	-
Deferred tax assets	128,607	129,816	-	-
Other assets	50,652	50,749	-	-
	<u>2,558,939</u>	<u>2,417,814</u>	<u>2,968,955</u>	<u>2,969,022</u>
<b>Current assets</b>				
Land infrastructure under development for sale	3,640,398	3,470,967	-	-
Prepaid land lease payments	162,588	-	-	-
Inventories	3,820	3,459	-	-
Amounts due from subsidiaries	-	-	252,906	74,265
Amounts due from related parties	47,003	1,757	-	-
Prepayments	6,155	9,442	-	-
Other receivables	354,983	22,418	2	269
Trade receivables	337,168	290,012	-	-
Cash and bank balances	1,509,371	184,253	14,521	47,411
	<u>6,061,486</u>	<u>3,982,308</u>	<u>267,429</u>	<u>121,945</u>
<b>Total current assets</b>				
	<u>8,620,425</u>	<u>6,400,122</u>	<u>3,236,384</u>	<u>3,090,967</u>

**Statement of Financial Position as at 31 December 2009 (continued)**

(In RMB'000)	Group		Company	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
<b>Equity</b>				
Equity attributable to equity holders of the parent:				
Share capital	2,497,385	2,115,240	2,497,385	2,115,240
Treasury shares	(37,294)	(180)	(37,294)	(180)
Other reserves	749,001	604,670	2,082,414	1,938,083
Accumulated losses	(836,166)	(1,002,796)	(1,580,229)	(1,549,915)
	2,372,926	1,716,934	2,962,276	2,503,228
Non-controlling interests	436,231	359,101	-	-
<b>Total equity</b>	2,809,157	2,076,035	2,962,276	2,503,228
<b>Non-current liabilities</b>				
Senior Notes	-	518,809	-	518,809
Convertible bonds – host debts	142,406	-	142,406	-
Interest-bearing bank borrowings	1,847,000	-	-	-
Deferred income from sale of golf club membership	562,675	591,165	-	-
	2,552,081	1,109,974	142,406	518,809
<b>Current liabilities</b>				
Senior notes	84,363	-	84,363	-
Trade payables	1,265,252	1,036,291	-	-
Other payables and accruals	596,434	301,616	47,339	61,339
Amounts due to related parties	12	117,437	-	7,591
Advances from customers	4,568	89,161	-	-
Interest-bearing bank borrowings	310,000	1,137,000	-	-
Deferred income arising from construction of ancillary public facilities	639,940	271,443	-	-
Current income tax liabilities	358,618	261,165	-	-
<b>Total current liabilities</b>	3,259,187	3,214,113	131,702	68,930
<b>Total liabilities</b>	5,811,268	4,324,087	274,108	587,739
<b>Total equity and liabilities</b>	8,620,425	6,400,122	3,236,384	3,090,967
<b>Net current assets</b>	2,802,299	768,195	135,727	53,015
<b>Total assets less current liabilities</b>	5,361,238	3,186,009	3,104,682	3,022,037

**1(b)(ii) Aggregate amount of the group's borrowings and debt securities.**

Group	31 December 2009	31 December 2008
	RMB'000	RMB'000
Bank loans – collateralised	2,157,000	1,137,000
Bank loans – guaranteed	-	-
Bank loans – unsecured	-	-
	2,157,000	1,137,000

a) **Amount repayable in one year or less, or on demand**

The bank borrowings are repayable as follows:

	<b>31 December 2009</b>	<b>31 December 2008</b>
	RMB'000	RMB'000
Bank loan – collateralised	310,000	1,137,000

b) **Amount repayable after one year**

	<b>31 December 2009</b>	<b>31 December 2008</b>
	RMB'000	RMB'000
Bank loan - collateralised	1,847,000	-

c) **Whether the amounts are secured or unsecured.**

See table above.

d) **Details of any collateral.**

As at 31 December 2009, bank borrowings of RMB2,157,000 thousand (2008: RMB1,137,000 thousand) were collateralized by pledges of the Group's certain properties, completed investment properties and investment properties under construction, prepaid land lease payments, whose net carrying amounts at 31 December 2009 were RMB558,978 thousand (2008: RMB579,394 thousand), RMB584,000 thousand (2008: RMB420,000 thousand), RMB298,410 thousand (2008: RMB306,740 thousand) respectively.

Principal of RMB70 million of the outstanding bank borrowings was repaid and proceeds of RMB1,010 million and RMB 80 million of new bank borrowings for the Shanghai project and Wuxi project respectively were drawn down during 2009.

(RMB'million)

Project	Term	Interest	As at 31 Dec 2009
Luodian, Shanghai	15 years	5.346%pa	590
	10 years	5.346%pa	420
Hongshan, Wuxi	1 year	6.372%pa*	80

The RMB 80 million loan of Wuxi project will be due on 15 January 2010, but in January 2010, the loan has been extended to the end of June 2010 with an updated interest rate 6.48%

ii) **Senior Notes**

	<b>As at 31 December 2009</b>	<b>As at 31 December 2008</b>
(In RMB'000)		
Carrying amount on initial recognition upon issuance(fair value)	-	514,078
Carrying amount at beginning of year	550,835	-
Interest expense (amortized upon effective interest rate of 25.75%)	91,335	36,757
Interest paid	(60,409)	-
Repurchase	(497,398)	-
Carrying amount at end of year	<b>84,363</b>	<b>550,835</b>

On 31 July 2009, the Company repurchased principal amount of RMB123,130,000 of the outstanding Senior Notes. In addition, in September 2009, the Company further repurchased principal of RMB382,810,000 of the same Senior Notes (see Company circular dated 13 August 2009). After the completion of the repurchase dated September 2009, the outstanding principal of the paper was reduced to the current RMB87,360,000.

During 2009, the Group also borrowed new bank loans bearing interest rates lower than Senior Notes. As the total bank loans exceeded the limits on loans imposed by the terms of the remaining Senior Notes as of 31 December 2009 the holders of Senior Notes could have required immediate repayment, the Group classified the Senior Notes as current liability.

iii) **Convertible bonds**

**As at 31 December 2009**

(In RMB'000)	
Equity component	137,415
Host debts (at amortised cost)	144,115

**CB3**

**Year ended  
31 December 2009**

Carrying amount of host debt on initial recognition upon issuance (fair value upon issuance)	138,579
Interest expense recognised using the effective interest rate	5,536
Interest paid	-
Carrying amount of host debt at end of year	144,115
Less: current portion – accrued coupon interest	(1,709)
Non-current portion at end of year	142,406

In September 2009, the Company issued principal amount of RMB275,994,230 convertible bonds to Sinopower (see Company circular dated 13 August 2009). The convertible bonds bearing annual coupon of 2% due 2016 will be convertible into 754,145,894 number of new ordinary shares at conversion price of S\$0.07872 per share (with a fixed exchange rate of 4.649 for the SGD to RMB). This represents potential dilution of 9.43% based on the total number of outstanding shares of 3,084,891,032 (excluding treasury shares) as at 31 December 2009.

1(c) **A Statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Consolidated Statement of Cash Flow**

	<b>Year ended 31 December 2009</b>	<b>Year ended 31 December 2008</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax	342,269	(1,133,265)
Adjustments for:		
Depreciation of property, plant and equipment	65,475	65,849
Amortisation of prepaid land lease payments	8,550	8,843
Impairment loss of property, plant and equipment	8,810	136,773
Fair value gain on investment properties under construction	(39,036)	-
Fair value loss on completed investment properties	14,163	488,160
Loss on CB2 other than interest cost, net	-	287,826
Transaction costs of the CB2 Repurchase	-	29,739
Gain on the repurchase of Senior Notes	(24,744)	-
Foreign exchange (profit)/loss	(300)	34,264
Interest income	(1,237)	(14,601)

Interest expense	104,352	193,696
Management share option expense	12,485	16,884
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	490,787	114,168
Increase in restricted bank deposits	-	(55)
Increase in land infrastructure under development for sale	(160,033)	(730,734)
(Increase)/Decrease in inventories	(361)	322
Increase in amounts due from related parties	(45,246)	(2)
Decrease/(increase) in prepayments	487	(2,606)
Increase in other receivables	(494,479)	(7,268)
Decrease in trade receivables	76,951	217,620
(Decrease) /Increase in deferred income from sale of golf club membership	(28,490)	103,941
Increase in trade and other payables	848,797	477,271
Increase in amounts due to related parties	63	116,420
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	<b>688,476</b>	<b>289,077</b>
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchases/constructions of property, plant and equipment	(95,890)	(177,498)
Proceeds from disposal of property, plant and equipment	173	128
(Payments)/Refund of amount paid for land use rights	(102,869)	10,317
Payments for completed investment properties	(69,379)	(8,984)
Interest received	1,237	14,601
	<hr/>	<hr/>
<b>Net cash outflow from investing activities</b>	<b>(266,728)</b>	<b>(161,436)</b>
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Amount paid for treasury shares	(37,114)	(180)
(Payment)/refund of transaction cost for new shares	(860)	22,349
Cash proceeds from issuance of new shares of the Company	127,624	-
Capital contributions from non-controlling shareholders of subsidiaries	300	-
Proceeds from issuance of convertible bonds	275,994	-
Proceeds from bank borrowings	1,090,000	-
Repurchase of convertible bonds	-	(639,450)
Payments for expenses incurred for the Repurchase of CB2	-	(6,955)
Cash paid for the repurchase of Senior notes	(340,329)	-
Repayment of bank borrowings	(70,000)	(503,000)
Repayment of borrowing from a related party	-	(350,000)
Restricted cash amounts relating to coupon interest payment for Senior Notes / Convertible Bonds	38,518	(14,461)
Restricted cash amounts relating to interest payments for bank borrowings	(36,000)	-
Interest paid	(142,545)	(184,839)
	<hr/>	<hr/>
<b>Net cash (inflow)/outflow from financing activities</b>	<b>905,588</b>	<b>(1,676,536)</b>
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<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,327,336</b>	<b>(1,548,895)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>300</b>	<b>(31,624)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>137,976</b>	<b>1,718,495</b>
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<b>Cash and cash equivalents at end of year</b>	<b>1,465,612</b>	<b>137,976</b>
<b>Restricted bank deposits at the end of year</b>	<b>43,759</b>	<b>46,277</b>
	<hr/>	<hr/>
<b>Cash and bank at end of year</b>	<b>1,509,371</b>	<b>184,253</b>



**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Statements of changes in equity**

**Group**

**Year ended 31 December 2008**

(In RMB'000)

	Equity attributable to equity holders of the Company						
	Share Capital	Treasury shares	Other reserves	Retained earnings (accumulated losses)	Total	Non-controlling interests	Total equity
Balance as at 1 January 2008	1,891,080	-	435,976	(157,253)	2,169,803	500,908	2,670,711
Total comprehensive income/(loss)	-	-	-	(845,543)	(845,543)	(141,807)	(987,350)
Equity-settled share options to management	-	-	16,884	-	16,884	-	16,884
Considerations for the Repurchase of CB2's equity component	-	-	(11,623)	-	(11,623)	-	(11,623)
Subscription Shares issued upon the Repurchase of CB2	175,125	-	-	-	175,125	-	175,125
Grant Shares issued with issuance of Senior Notes upon the Repurchase of CB2	26,686	-	-	-	26,686	-	26,686
Refund of transaction costs for new shares issued upon IPO	22,349	-	-	-	22,349	-	22,349
Capital contribution from an indirect shareholder received upon the Repurchase of CB2	-	-	163,433	-	163,433	-	163,433
Treasury shares	-	(180)	-	-	(180)	-	(180)
Balance as at 31 December 2008	<u>2,115,240</u>	<u>(180)</u>	<u>604,670</u>	<u>(1,002,796)</u>	<u>1,716,934</u>	<u>359,101</u>	<u>2,076,035</u>

**Year ended 31 December 2009**

(In RMB'000)

	Equity attributable to equity holders of the Company						
	Share Capital	Treasury shares	Other reserves	Retained earnings (accumulated losses)	Total	Non-controlling interests	Total equity
Balance as at 1 January 2009	2,115,240	(180)	604,670	(1,002,796)	1,716,934	359,101	2,076,035
Total comprehensive income	-	-	-	166,630	166,630	76,830	243,460
Equity-settled share options to management	-	-	12,485	-	12,485	-	12,485
Share issued upon exercise of management share options granted under the MSOP	5,569	-	(5,569)	-	-	-	-
Capital contribution from Non-controlling interests of subsidiaries	-	-	-	-	-	300	300
Share issued upon private placement	244,252	-	-	-	244,252	-	244,252
Subscription Shares issued upon repurchase of senior notes	132,324	-	-	-	132,324	-	132,324
Equity components of CB3	-	-	137,415	-	137,415	-	137,415
Treasury Shares	-	(37,114)	-	-	(37,114)	-	(37,114)
Balance as at 31 December 2009	<u>2,497,385</u>	<u>(37,294)</u>	<u>749,001</u>	<u>(836,166)</u>	<u>2,372,926</u>	<u>436,231</u>	<u>2,809,157</u>

## The Company

### Year ended 31 December 2008

(In RMB'000)	Share capital	Treasury shares	Other reserves	Accumulated Losses	Total
Balance as at 1 January 2008	1,891,080	-	1,769,389	(308,962)	3,351,507
Total comprehensive loss	-	-	-	(1,240,953)	(1,240,953)
Equity-settled share options to management	-	-	16,884	-	16,884
Considerations for the Repurchase of CB2's equity component	-	-	(11,623)	-	(11,623)
Subscription Shares issued upon the Repurchase of CB2	175,125	-	-	-	175,125
Grant Shares issued with issuance of Senior Notes upon the Repurchase of CB2	26,686	-	-	-	26,686
Refund of transaction costs for new shares issued upon IPO	22,349	-	-	-	22,349
Capital contribution from an indirect shareholder received upon the Repurchase of CB2	-	-	163,433	-	163,433
Treasury shares	-	(180)	-	-	(180)
Balance as at 31 December 2008	<u>2,115,240</u>	<u>(180)</u>	<u>1,938,083</u>	<u>(1,549,915)</u>	<u>2,503,228</u>

### Year ended 31 December 2009

(In RMB'000)	Share Capital	Treasury shares	Other reserves	Accumulated losses	Total
Balance as at 1 January 2009	2,115,240	(180)	1,938,083	(1,549,915)	2,503,228
Total comprehensive income	-	-	-	(30,314)	(30,314)
Equity-settled share options to management	-	-	12,485	-	12,485
Share issued upon exercise of management share options granted under the MSOP	5,569	-	(5,569)	-	-
Share issued upon private placement	244,252	-	-	-	244,252
Subscription Shares issued upon repurchase of Senior Notes	132,324	-	-	-	132,324
Equity components of CB3	-	-	137,415	-	137,415
Treasury Shares	-	(37,114)	-	-	(37,114)
Balance as at 31 December 2009	<u>2,497,385</u>	<u>(37,294)</u>	<u>2,082,414</u>	<u>(1,580,229)</u>	<u>2,962,276</u>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

On 5 May 2009, the Company has allotted and issued 680,000,000 shares at the issue price of S\$0.051 each to Sinopower. Please refer to announcement dated 27 July 2009 for the use of proceeds.

In associate with the repurchase of Senior Notes in September 2009, the Company has allotted and issued 222,295,064 and 229,586,468 new ordinary shares at issue prices of S\$0.0787 and S\$0.1200 each to Sinopower and the Senior Notes holders respectively. The Company has also issue a 2% convertible bond in aggregate amount of RMB275,994,230 due 2016 to Sinopower,

Pursuant to the Management Share Option Plan, various directors and key executives have exercised their share options for which the Company has issued 2,752,500 new shares in June 2009. Please refer to the Company's prospectus dated 5 November 2007 and Annual Report 2008..

Further, the Company repurchased total number of 55,168,000 shares from open market through a series of transactions at prices from S\$0.135 to S\$0.140 in December 2009. The total number of 55,768,000 treasury shares held by the Company as at 31 December 2009.

	As at 31 December 2009	As at 31 December 2008
	No. of Shares	No. of Shares
Share to be issued upon full conversion of the SRE CB3 (note A)	754,145,894	-
Share to be issued upon exercise of all entitlements the release of all under the Management Grant Share Option Plan	24,772,500	27,525,000
Total	778,918,394	27,525,000

Note:

A: In September 2009, the Company issued CB3 to Sinopower Investment Limited, for further details, please refer to the Circular dated 13 August 2009.

For details on the Management Share Option Plan, please refer to the Company's prospectus dated 5 November 2007 and Annual Report 2008.

Except the Management shares and CB3, the Company has no other outstanding convertible instruments as at 31 December 2009.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 31 December 2009	As at 31 December 2008
	No. of Shares	No. of Shares
Total number of issued shares excluding treasury shares as at the beginning of the period	2,005,425,000	1,401,025,000
Issue of new shares	1,131,881,532	605,000,000
Exercise of Management Options	2,752,500	-
Less: No. of treasury shares	(55,168,000)	(600,000)
Total number of issued shares excluding treasury shares as at the end of the period	3,084,891,032	2,005,425,000

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

During 2009, the Company repurchased total of 55,168,000 shares from the open market, which are currently held as treasury shares. None of shares have been cancelled by the Company.

**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared with the most recently audited financial statements for the financial year ended 31 December 2008, except that the Group has adopted all the new and amended IFRS and IFRIC interpretations effective in 2009.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

IAS40 – Investment Property has been amended to bring within its scope investment property under construction. Consequently such property is measured at fair value when completed investment properties are measured at fair value. The Group has amended its policy accordingly. The policy has been applied prospectively from 1 January 2009. A gain on the valuation of investment property under construction of RMB 39 million has been recognized in the year ended 31 December 2009.

**6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

		Group	
Earning per ordinary share for the year based on profit attributable to shareholders after deducting any provision for preference dividends		Year ended 31 December 2009	Year ended 31 December 2008
(i)	Based on the weighted average number of ordinary shares on issue (RMB)	0.0640	(0.5335)
(ii)	On a fully diluted basis (RMB)	0.0597	(0.5335)

The calculation of basic earnings per share amounts is based on the profit attributable to ordinary equity holders of the parent for the year ended 31 December 2009 and the year ended 31 December 2008.

A diluted earnings/loss per share amount is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting income statement effects of dilutive convertible bonds, if any) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. Employee share options are treated as options and outstanding from the date of grant, since they are dilutive, they have been included in the dilutive earnings per share calculation for the years ended 31 December 2009 (anti-dilutive on 31 December 2008 and excluded in the dilutive loss per share calculation). The calculation of diluted earnings per share for the year ended 31 December 2009 assumes the conversion of CB3 which would have a dilutive effect on the earnings per share.

The following reflects the profit and share data used in the basic and diluted earnings per share computations:

	Year ended 31 December 2009	Year ended 31 December 2008
	RMB'000	RMB'000
Profit/(loss) attributable to ordinary equity holders of the Company from continuing operation	166,630	(845,543)
Less: Net effect of dilute convertible bond	2,943	-
Profit/(loss) attributable to ordinary equity holders of the parent adjusted for effect of dilutive convertible bond	169,573	(845,543)
Weighted average number of ordinary shares outstanding	2,603,796,888	1,584,838,699
Add: Net effect of dilutive potential ordinary shares of MSOP	994,897	-
Add: Net effect of dilutive potential ordinary shares of CB3	235,541,457	-

Number of ordinary shares used to calculate the diluted earnings per share	2,840,333,242	1,584,838,699
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In April 2008, the Company has resolved to adopt CNTD Share Option Scheme (“Scheme”) and CNTD Performance Share Plan (“Plan”). The Scheme and Plan are to provide an opportunity for the eligible employees to participate the Company’s financial success. The vesting of shares is contingent upon certain performance targets and conditions, which are so determined to ensure alignment of interests with shareholders. During 2009, there has been no vesting of shares pursuant to the Scheme and Plan.

**7 Net asset value (for the issuer and the group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.**

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares of the issuer as at the end of the period reported on (RMB, after share split)	Group		Company	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
	0.9106	1.0864	0.9603	1.3235

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Operating Results**

While the weak market sentiment in 2008 was carried forward into the first quarter of 2009, we witnessed a significant recovery in demand for land parcels stepping into the second quarter. Revenue and operating profits have increased 93% and 156% respectively when compared to 2008.

During the balance of the year, revenue arising from sale of two land plots from our Shanghai project and two land plots from the Wuxi project was recognized. In particular, the Shanghai plot sold in September 2009 achieved a historical record average price of RMB13,692 per square meter, which represents 231% increase from the April sale.

The details of the sales are summarised as follows:

Project	Site area	Plot ratio	Contract price (RMB'mil)	Average price by site area (RMB psm)
Luodian, Shanghai	96,842 sq.m.	1.2X	422.40	4,362
Luodian, Shanghai	102,246 sq.m.	1.5X	1,399.95	13,692
Hongshan, Wuxi	135,073 sq.m.	<0.8X	202.61	1,500
Hongshan, Wuxi	48,620 sq.m.	<0.8X	76.9	1,582

Pursuant to new government policy and an agreement reached with local government in July 2009, SGLD needs to pay a total of approximately RMB600 million additional relocation compensation costs (to incumbent residents) which were not originally anticipated.

In addition, Shanghai Municipal Government approved a revised site master plan of Luodian New Town. The revised plan mainly added few more public facilities to be built (by SGLD), e.g. roads, schools and kindergarten. Hence, the Group increased the estimated cost budget for such public facilities. The total increase of budget cost due to this change in plan is about RMB284 million.

As a result, the unit cost for land development (estimated based on budgeted cost of services over relevant area) was increased from RMB1,192 to RMB2,057 per square metre prospectively in 2009. Since more public facilities are needed to be constructed, portion of revenue from land sold allocated to completed public facilities (and related cost of sales) are reduced. The changes resulted in the Group's pre-tax profit was reduced by RMB 70 million..

In 2009, the hotel at Luodian suffered from price competition in Shanghai. Revenue was reduced marginally from RMB34 million in 2008 to RMB31 million in 2009. This, however, was accompanied by reduction of RMB4.4 million in operating expense. Net loss from the hotel of RMB4 million was recorded for the year.

The golf operations were RMB6.3 million less in revenue owing to the scheduled improvement of some of the fairways and greens operating profit was down marginally by RMB2.5 million.

Our leasing division has shown a significant improvement during the year. The total rental income has increased from negligible RMB593,000 in 2008 to RMB6.4 million in 2009.

#### Non-operating activities

Our reported earnings is helped by a one-off gain of RMB24.7 million arising from the completion of the repurchase of the senior notes dated September 2009. Another addition to the bottom line is an increase in fair value of investment properties under construction totalling RMB39 million as a result of prospective adoption of IAS40 this year.

These, however, are partially offset by net revaluation loss of RMB14.1 million mainly attributable to the Wuxi retail street Phase 1 and impairment loss of RMB8.8 million to the International Convention Center at Luodian, Shanghai.

The Wuxi retail street gradually rolled out its leasing campaign during the second half of the year. The first full year contribution will commence in 2010 and the market response is yet to develop fully.

During the year, under review, the Group has collected a sum of RMB 5.9 million as tax rebate from the Wuxi New Zone government. This represents an exceptional gain and, however, is not recurrent in nature.

#### Financing cost

After the completion of the repurchase of the Senior Notes (see Note 1b (ii)), interest expenses have been reduced substantially. During the year, we have recorded total net finance costs of RMB104 million, which comprise RMB181 million arising from various debt instruments (RMB97 million) and project financings (RMB84 million) partially offset by interests capitalised of RMB77 million. This compares with net finance costs of RMB194 million for 2008.

#### Taxation

Given the reported net loss in the past 2 years, the Group has recorded tax credit for the years ended 31 December 2007 and 2008. In 2009, however, net profit before tax of RMB342 million gave rise to net income tax of RMB98.8 million.

#### Liquidity

The significant increase in revenue resulted in a corresponding increase of approximately RMB400million worth of operating cash, from which our Wuxi project utilized RMB98million to acquire land use rights of a commercial plot for hotel development. Overall, cash and bank balance grew significantly over the year to RMB1.5billion from RMB138million as at the end of last year.

The Group has secured new loan facilities to further construction and development. During 2009, RMB1,090 million of new bank borrowings was drawn down. For details, see Note 1d (i).

Taking into consideration of the repurchase of a substantial portion of the outstanding senior notes, the financial leverage ratio (as measured by net interest bearing indebtedness plus payables / total equity holders' capital and net debt) was reduced to 53.6% from 62.3% last year.

**9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10 A commentary at the date of this announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Starting from the second quarter, the optimistic sentiment has continued to propel property and land sales across the country. According to the National Bureau of Statistics of China's and The People's Bank of China,

property related bank loans have posted 30.7% year-on-year. This manifested sharp rise in property prices and even record breaking sales in some selected projects located in the first tier cities.

In the first week of 2010, both the State Council and Ministry of Housing and Urban-Rural Development issued various policy directives highlighting the State Government's determination to contain excessive property price appreciation. The physical property market has turned quiet, as evidenced by recent reported property sales.

The Company believes the market uncertainties would impact on the upcoming land sales and, hence, increase unpredictability of our revenue and profit.

## 11 **Dividend**

### (a) **Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? **No**

### (b) **Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? **No**

### (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**

Not applicable

### (d) **Date payable**

Not applicable

### (e) **Books closure date**

Not applicable

## 12 **If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared or recommended for the financial year ended 31 December 2009.

## 13 **Proceeds from Placements**

As at 31 December 2009, the Company has fully utilized the net proceeds of RMB403.6 million from the Company's placement proceeds as follows:

- (i) RMB 340.3 million for repurchase of Senior notes
- (ii) Approximately RMB 60.4 million for repayment of interest accrued under the Senior Notes.

## **PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

## 14 **Segmented revenue and results for business or geographical segments (of group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**Year ended 31 December 2009**

	Development of land infrastructure	Property leasing	Hotel operations	Golf operations	Others	Adjustments and eliminations	Total
<b>Segment results</b>							
External sales	991,132	6,061	29,744	56,176	4,242	-	1,087,355
Inter-segment sales	-	-	-	-	5,533	(5,533) <sup>1</sup>	-
Total segment sales	<u>991,132</u>	<u>6,061</u>	<u>29,744</u>	<u>56,176</u>	<u>9,775</u>	<u>(5,533)</u>	<u>1,087,355</u>
<b>Other segment items included in the income statements</b>							
Depreciation	(8,082)	-	(29,901)	(26,032)	(1,460)	-	(65,475)
Amortisation	(220)	-	(3,028)	(5,302)	-	-	(8,550)
Gain on the Repurchase of Senior Notes	-	-	-	-	24,744	-	24,744
Impairment loss on property, plant and equipment	-	-	(8,810)	-	-	-	(8,810)
Fair value loss on completed investment properties	-	(14,163)	-	-	-	-	(14,163)
Fair value gain on investment properties under construction	-	39,036	-	-	-	-	39,036
<b>Segment profit/(loss)</b>	<u>519,357</u>	<u>(13,334)</u>	<u>(45,829)</u>	<u>(10,779)</u>	<u>(2,794)</u>	<u>(104,352)<sup>2</sup></u>	<u>342,269</u>
<b>Segment assets</b>	<u>5,160,670</u>	<u>748,192</u>	<u>726,764</u>	<u>867,069</u>	<u>988,923</u>	<u>128,807<sup>3</sup></u>	<u>8,620,425</u>
<b>Segment liabilities</b>	<u>2,250,744</u>	<u>91,299</u>	<u>38,258</u>	<u>635,983</u>	<u>279,362</u>	<u>2,515,622<sup>4</sup></u>	<u>5,811,268</u>
<b>Other disclosures</b>							
Capital expenditure <sup>5</sup>	<u>8,760</u>	<u>98,087</u>	<u>97,099</u>	<u>51,941</u>	<u>86</u>	<u>-</u>	<u>255,973</u>

<sup>1</sup> Inter-segment sales are eliminated on consolidation.

<sup>2</sup> Profit for each operating segment does not include finance costs (RMB104,352 thousand).

<sup>3</sup> Segment assets do not include investments in associated companies (RMB200 thousand) and deferred tax assets (RMB128,607 thousand) as these assets are managed on a group basis.

<sup>4</sup> Segment liabilities do not include current tax payables (RMB358,622 thousand) and loans (RMB2,157,000 thousand) as these liabilities are managed on a group basis.

<sup>5</sup> Capital expenditure consists of additions of prepaid land lease payment (non-current portion), property, plant and equipment, completed investment properties and investment properties under construction.



**Year ended 31 December 2008**

	Development of land infrastructure	Property leasing	Hotel operations	Golf operations	Others	Adjustments and eliminations	Total
<b>Segment results</b>							
Total segment sales	466,446	558	32,194	61,210	3,688	-	564,096
Inter-segment sales	-	-	-	-	6,552	(6,552) <sup>1</sup>	-
External sales	466,446	558	32,194	61,210	10,240	(6,552)	564,096
<b>Results</b>							
Depreciation	(5,461)	-	(34,450)	(24,548)	(1,390)	-	(65,849)
Amortisation	(513)	-	(3,028)	(5,302)	-	-	(8,843)
Loss on CB2 other than interest cost, net	-	-	-	-	(287,826)	-	(287,826)
Impairment loss on property, plant and equipment	-	-	(136,773)	-	-	-	(136,773)
Fair value loss on completed investment properties	-	(488,160)	-	-	-	-	(488,160)
<b>Segment profit/(loss)</b>	<b>131,471</b>	<b>(487,261)</b>	<b>(185,875)</b>	<b>(10,720)</b>	<b>(387,184)</b>	<b>(193,696)<sup>2</sup></b>	<b>(1,133,265)</b>
<b>Operating assets</b>	<b>3,429,983</b>	<b>538,507</b>	<b>629,653</b>	<b>841,162</b>	<b>830,801</b>	<b>130,016<sup>3</sup></b>	<b>6,400,122</b>
<b>Operating liabilities</b>	<b>1,466,748</b>	<b>137,504</b>	<b>53,023</b>	<b>675,515</b>	<b>593,132</b>	<b>1,398,165<sup>4</sup></b>	<b>4,324,087</b>
<b>Other disclosures</b>							
Capital expenditure <sup>5</sup>	28,108	94,574	39,643	107,685	9,507	-	279,517

<sup>1</sup> Inter-segment sales are eliminated on consolidation.

<sup>2</sup> Profit for each operating segment does not include finance costs (RMB193,696 thousand).

<sup>3</sup> Segment assets do not include investments in associated companies (RMB200 thousand) and deferred tax assets (RMB129,816 thousand) as these assets are managed on a group basis.

<sup>4</sup> Segment liabilities do not include current tax payables (RMB261,165 thousand) and loans (RMB1,137,000 thousand) as these liabilities are managed on a group basis.

<sup>5</sup> Capital expenditure consists of additions of prepaid land lease payment (non-current portion), property, plant and equipment, completed investment properties and investment properties under construction.

**15 In the review of performance, the factors, leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Similar to 2008, the Shanghai project continued to be the predominant earnings driver for the Company. It is noteworthy, however, that we have recognised two land plots from the Wuxi project in FY2009. The achieved average price was RMB1,541 per square meter in terms of gross site area and revenue amounting to RMB 114 million was resulted. Should the sale continue, it would bring in operating cash to further development and start to contribute more meaningful geographical diversification with respect to earnings to the Company.

In December 2009, the Company has entered into an agreement with our joint venture partner, Changchun Auto Industry Development Zone Administrative Committee to cease the land infrastructure development of our Changchun project. Pursuant to the agreement, the local government will refund our equity contribution, certain related expenses plus some time-adjusted compensation at 10% per annum. We expect to receive over the course of the next 12 months of approximately RMB200 million, of which RMB10 million has been collected in Dec 2009. The transaction is not expected to contribute any meaningful profit but means turning our investment into cash when the receivables are collected.

The master plan of the Shenyang project remains in the process of modification and, therefore, the project is unlikely to contribute significantly in these couple of years.

The operating results of the commercial assets in Luodian, namely hotel and golf courses were largely in line with last year. The Company does not expect any significant changes in the near future.

**16 A breakdown of sales**

	Year ended 31 December 2009 Group RMB'000	Year ended 31 December 2008 Group RMB'000	Increase/ (Decrease) %
Sales reported for first half year	319,348	481,320	(33.65)
Operating profit/loss after tax before deducting minority interests reported for first half year	23,310	33,449	(30.31)
Sales reported for second half year	838,451	133,561	527.77
Operating profit/loss after tax before deducting minority interests reported for second half year	220,150	(918,220)	123.98

**17 A breakdown of the total annual dividend (in Singapore dollar value) for the issuer's latest full year and its previous full year.**

No dividends were declared during relevant periods stated above.

**18 Interested Persons Transactions ("IPTs")**

The following are details of the IPTs entered into by the Group in financial year ended 31 December 2009:

Name of interested person	Year ended 31 December 2009	
	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (RMB'000)

	(RMB'000)	
Sinopower Investment Limited	47,000	520,246

On 2 November 2009, the Company provided interest-free loans with total principal amount of RMB47 million, which are payable upon demand to a subsidiary of Sinopower. At that time, the aggregate value of all transactions entered into with Sinopower was below 3% of the Company's latest audited net tangible assets. No specific shareholders' mandate, therefore, was obtained for these transactions.

During 2009, we have obtained shareholders' mandate for two transactions as follows:

On 5 May 2009, the Company issued 680 million new ordinary shares to Sinopower.

In September 2009, the Company further repurchased principal of RMB382,810,000 of the same Senior Notes by issuing 229,586,468 new ordinary shares to several institutional investors, 222,295,064 new ordinary shares and principal amount of 275,994,230 convertible bonds to Sinopower, major shareholder of the Company (see Company circular dated 13 August 2009).

## **19     Subsequent events**

Not applicable

By order of the Board

Li Yao Min  
Chief Executive Officer/ Executive Director

26 February 2010