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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 62.36% owned subsidiary of SRE Group Limited, has on 2 July 2010 released to the SGX-ST announcement (the “Announcement”) in relation to the acquisition of “New Town (China) Trading Co., Limited” as a wholly-owned subsidiary of CNTD. The following is reproduction of the Announcement for information purpose only.

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

Hong Kong, 2 July 2010

As at the date hereof, the Board comprises six executive directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong, Mr. Shi Pin Ren 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



CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中国新城镇发展有限公司

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

(Company Registration Number: 1003373)

ACQUISITION OF SHARES IN NEW TOWN (CHINA) TRADING CO., LIMITED 新城（中国）商贸有限公司

1. Introduction

- 1.1 The Board of Directors of China New Town Development Company Limited (the "**Company**") wishes to announce that the Company has on 8 June 2010 acquired from Mr Lee Wai Man one (1) ordinary share with no par value which represents the entire issued and paid-up share capital of New Town (China) Trading Co., Limited (新城（中国）商贸有限公司) ("**New Town**") (the "**Acquisition**"). Accordingly, New Town has on 8 June 2010 become a wholly-owned subsidiary of the Company.
- 1.2 The purchase consideration of US\$1.00 for the Acquisition was determined on a willing-buyer willing-seller basis and funded through internal resources.

2. Information on New Town

New Town (formerly known as Cheerson Limited (捷成有限公司)) was incorporated in the British Virgin Islands on 31 July 2007 as a BVI Business Company limited by shares. New Town is currently dormant and it is intended that New Town be a special-purpose vehicle and investment holding company for investments in future projects in the People's Republic of China.

3. Non-Discloseable Transaction under the Listing Manual of the SGX-ST

As each of the relative figures as computed on the applicable bases as set out in Rule 1006 of the Listing Manual is less than 5%, the Acquisition is a "Non-discloseable Transaction" under Rule 1008 of the Listing Manual.

4. Financial Effects

The Acquisition is not expected to have any material effect on the consolidated net tangible assets and earnings per share of the Company and Group for the current financial year ending 31 December 2010.

5. Interest of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition.

BY ORDER OF THE BOARD

Song Yi Qing
Chief Financial Officer / Executive Director
2.7.2010