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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 made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

China New Town Development Company Limited (“**CNTD**”), a company listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and an approximately 61.54% owned subsidiary of SRE Group Limited (the “**Company**”), has on 19 July 2010 published on the website of the SGX-ST an announcement that it has submitted to the SGX-ST a draft circular which will be despatched to its shareholders in due course to convene an extraordinary general meeting for the approval of, among others, the proposed listing of its ordinary shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) by way of introduction (the “**Introduction**”), the proposed termination of its existing share option scheme (the “**Existing CNTD Scheme**”) and the performance share plan (the “**Performance Share Plan**”) adopted by CNTD on 23 April 2008, the proposed adoption by CNTD of a new share option scheme (the “**New CNTD Scheme**”) and the proposed adoption by CNTD of a new set of articles of association.

The rules of the Existing CNTD Scheme and of the Performance Share Plan do not fully comply with the provisions under Chapter 17 of the Listing Rules which prescribe various requirements for share option schemes of issuers listed on the Stock Exchange or their subsidiaries. Since CNTD became a subsidiary of the Company in December 2009, and also in contemplation of the Introduction, CNTD proposes to adopt the New CNTD Scheme and to terminate the Existing CNTD Scheme and the Performance Share Plan.

The New CNTD Scheme constitutes a share option scheme governed by Chapter 17 of the Listing Rules. As CNTD is a subsidiary of the Company, the adoption of the New CNTD Scheme will be subject to, among other conditions, the approval by the shareholders of the Company (“**Shareholders**”) in accordance with the Listing Rules.

* For identification purpose only

The Company proposes to convene a special general meeting of the Shareholders at which an ordinary resolution will be proposed to approve the New CNTD Scheme, and a circular for this purpose is intended to be dispatched to the Shareholders in due course.

Shareholders and potential investors should note that the Introduction involves fairly extensive preparatory work and the time frame for such preparatory work is difficult to ascertain. Moreover, there is no certainty or assurance that the Introduction will materialise and if it proceeds, it will be subject to, among others, approval of the Stock Exchange and the approval of the shareholders of CNTD. There is also no assurance that the listing approval from the Stock Exchange will be granted to CNTD and/or the approval of the shareholders of CNTD will be obtained for the Introduction. As the Introduction may or may not proceed, Shareholders and investors are advised to exercise caution when dealing in the securities of the Company.

The following is the reproduction of the announcement published by CNTD on SGX-ST as referred to above for information purpose only.

By Order of the Board
SRE GROUP LIMITED
Shi Jian
Chairman

Hong Kong, 19 July 2010

As as the date of this announcement, 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.



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)

PROPOSED DUAL PRIMARY LISTING ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF INTRODUCTION

- SUBMISSION OF CIRCULAR TO THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED
 - ADOPTION OF THE NEW 2010 CNTD SHARE OPTION SCHEME
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1. Submission of the Circular

The board of directors (the "**Board**") of China New Town Development Company Limited (the "**Company**") wishes to inform the shareholders of the Company (the "**Shareholders**") that in connection with the proposed dual primary listing of the ordinary shares in the capital of the Company (the "**Shares**") on the Main Board of The Stock Exchange of Hong Kong Limited (the "**SEHK**") by way of introduction (the "**Proposed HK Listing**"), the Company has today submitted a draft circular (the "**Circular**") to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

Subject to, among others, clearance from the SGX-ST for the issue of the Circular, the Circular will be despatched to Shareholders in due course to convene an extraordinary general meeting (the "**EGM**") for the approval of, among others, the Proposed HK Listing, the proposed termination of the existing CNTD Share Option Scheme (the "**Scheme**") and CNTD Performance Share Plan (the "**Plan**"), the proposed adoption of a new 2010 CNTD Share Option Scheme (the "**New Scheme**") and the proposed adoption by the Company of a new set of Articles of Association.

2. The Plan, the Scheme and the New Scheme

The rules of the Scheme and the Plan do not fully comply with the provisions under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**HK Listing Rules**"), which prescribe various requirements for share option schemes of issuers listed on the SEHK or their subsidiaries. Since the Company became a subsidiary of SRE Group Limited ("**SRE Group**") in December 2009, and in contemplation of the Proposed HK Listing, the Company proposes to adopt the New Scheme and to terminate the Scheme and the Plan.

The New Scheme will comply with applicable rules under Chapter 8 of the SGX-ST Listing Manual and Chapter 17 of the HK Listing Rules. The adoption of the New Scheme is subject to, *inter alia*, the approval of the Shareholders at the EGM and the approval of the shareholders of SRE Group.

In connection with the New Scheme, the Company has also submitted an application to the SGX-ST for in-principle approval for the listing of, and permission to deal in, all the new Shares to be issued pursuant to the exercise of share options granted under the New Scheme (the "**In-principle Approval**").

A further announcement will be made by the Company in the event that the In-principle Approval from the SGX-ST is obtained.

The Board wishes to highlight to the Shareholders that the Proposed HK Listing involves fairly extensive preparatory work and the time frame for such preparatory work

is difficult to ascertain. Moreover, there is no certainty or assurance that the Proposed HK Listing will materialise and if it proceeds, it will be subject to, among others, approval of the SEHK and the approval of the Shareholders. There is also no assurance that approval of the SEHK will be granted and/or the approval of the Shareholders will be obtained for the Proposed HK Listing. Information relating to the Proposed HK Listing in this Announcement is also subject to change. Shareholders and other investors are therefore advised to exercise caution when dealing in the Shares.

In the event that Shareholders and other investors are in doubt when dealing in the Shares, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

The Company will announce any material updates when appropriate.

BY ORDER OF THE BOARD

Li Yao Min
Chief Executive Officer
19 July 2010