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SRE GROUP LTD.

**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 61.54% owned subsidiary of SRE Group Limited, has on 28 March 2011 released to the SGX-ST an announcement (the “Announcement”) in relation to announcement of price sensitive information 1) successfully obtaining all permits for the Lake Malaren Silicon Valley Project (south phase); and 2) adjusting the proceeds percentage of Luodian Project. 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, 28 March 2011

*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. Zhuo Fumin.*

\* For identification purpose only

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*The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained, or opinions expressed in this announcement.*



## **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.sj

### **ANNOUNCEMENT OF PRICE SENSITIVE INFORMATION**

**in relation to**

- 1) successfully obtaining all permits for the Lake Malaren Silicon Valley Project (south phase); and**
- 2) adjusting the proceeds percentage of Luodian Project**

This announcement is made in accordance with Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Rule 703(1) of the Listing Manual of The Singapore Exchange Securities Trading Limited.

China New Town Development Company Limited (or the “Company”) wishes to announce that, the People’s Government of Shanghai Baoshan District (or “Baoshan District Government”), in support of our integrated primary land development and secondary real estate development business and based on the progress and profit outlook of our Luodian Project, reached agreement with Shanghai Golden Luodian Development Co. Ltd. (or “SGLD”, a non-wholly owned subsidiary of the Company responsible the development of the Luodian Project) regarding the adjustment of the Proceeds Percentage of Luodian Project. The Company has previously disclosed in the listing document, dated 18 October 2010, that the Proceeds Percentage is subject to change if there is a change in law, regulation or government policy. Meanwhile, under the support of Baoshan District Government, we have obtained all relevant permits for developing the South Phase of Lake Malaren Silicon Valley Office Headquarters Project (or the “Project”) in our Shanghai Luodian Project. We are confident that we will obtain relevant permits for the remaining North Phase within first half of this year, so that development of the Project could be fully launched this year.

The Project, located in our Luodian Project, enjoys a superior location on the Lake Malaren Golf Courses. It is a key property development project for the Company and is expected to generate significant cash flow starting from 2011. In the current challenging operating environment for real estate development industry, where there are a lot of policy uncertainties, we are pleased by the smooth launching of the Project. This is indeed the Government's support and recognition of the Company's prolonged dedication to the development of Luodian New Town, as well as contribution to the society.

The Lake Malaren Silicon Valley Office Headquarters Project is an additional revenue source to SGLD on top of its long established business of new town land development. We believe that, the profit and cash flow stream generated by the Project in the next few years will minimise the impact of downward adjustment in the Proceeds Percentage that we are entitled to on the land sale proceeds in our Luodian Project.

### **Adopting an Integrated Model of Land and Property Development in Luodian**

With the support of Shanghai Baoshan District Government on our integrated business model, we had obtained all relevant permits for engaging in the development of the South Phase of Lake Malaren Silicon Valley Office Headquarter Project in our Shanghai Luodian Project. We are also in the process of obtaining permits for the remaining North Phase within first half of this year, so that the development of the Project could be fully launched this year.

The Project is located within our Shanghai Luodian Project with a luxury view of 2 PGA standard 18-holes golf courses and surrounded by Lake Malaren Golf Course and Crowne Plaza Lake Malaren Hotel. The total site area of approximately 242,500 sq.m (~0.4times plot ratio, ~97,000 sq.m. in total gross floor area, entirely for commercial use), will be developed into low-density commercial office units which can be used as corporate headquarters. The Project will have approximately 240 units. A standard unit ranges from 360 sq.m. to 460 sq.m.. The Company has the land use rights to the relevant land plots. Since the Project is for commercial use, it is not subject to the recent curbing policies targeting at the residential properties market, in particular, no restrictions over mortgage or purchasing.

The Project, with all permits successfully obtained, will be fully launched in 2011 and is expected to bring cash flow for the Company as soon as this year. Properties of the Project will be gradually released into the market in the next several years, coinciding with the 5 year international golf tournament co-hosted by the Company and IMG at Lake Malaren Golf Course. We're committed to bringing the tournaments to the PGA tour standards and believed it will benefit our Shanghai Luodian new town.

The Project is considered as the Company's ordinary course of business and no financial projection is to be disclosed in this announcement due to commercial reason. Shareholders and potential investors are advised to exercise caution when dealing in our shares.

### **Adjustment in the Proceeds Percentage of Luodian Project**

SGLD and the People's Government of Shanghai Baoshan District have reached new agreement regarding the Proceeds Percentage that SGLD is entitled to on the land sale proceeds in the Luodian New Town. As a result, the percentage that SGLD is entitled to on the land sale proceeds in the Luodian Project will be reduced by 15% to approximately 50%

from 1 January 2011 onwards. The foregone proceeds will be retained by the local government to help finance construction of affordable housing in line with policies of the country.

None of the Directors of the Company has any interest, direct or indirect, in the above matters.

*Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.*

By order of the Board  
**China New Town Development Company Limited**  
**Shi Jian**  
*Chairman*

Singapore and Hong Kong, 28 March 2011

*As at the date of this announcement, the executive directors are Mr. Shi Jian (Chairman), Mr. Li Yao Min, Ms. Gu Biya, Ms. Song Yiqing, Mr. Mao Yiping, Mr. Yang Yonggang and Mr. Shi Janson Bing, the non-independent non-executive director is Mr. Yue Wai Leung Stan, and the independent non-executive directors are Mr. Henry Tan Song Kok, Mr. Loh Weng Whye, Mr. Lam Bing Lun Philip and Mr. Kong Siu Chee.*