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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
RESPONSES TO SGX'S QUERY REGARDING THE 2011 ANNUAL REPORT**

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 68.07% owned subsidiary of SRE Group Limited, has on 9 April 2012 released to the SGX-ST an announcement (the "Announcement") in relation to responses to SGX's query regarding the 2011 annual report. 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, 9 April 2012

As at the date hereof, the Board comprises seven executive directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong, Mr. Shi Pin Ren, Mr. Zhang Hongfei and Mr. Shi Lizhou; two non-executive directors, namely Mr. Cheung Wing Yui and Mr. Jin Bing Rong and four independent non-executive directors, namely Mr. Jiang Xie Fu, Mr. E Hock Yap, Mr. Zhuo Fumin and Mr. Yuan Pu.

* 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

OVERSEAS REGULATORY ANNOUNCEMENT

RESPONSES TO SGX'S QUERY REGARDING THE 2011 ANNUAL REPORT

This announcement is made by China New Town Development Company Limited (the "**Company**") in compliance with the item 3.4.2 of Practice Note 7.2 under the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**") and the overseas regulatory disclosure requirement under the Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of China New Town Development Company Limited (the "**Company**") would like to respond to the following queries raised by the SGX-ST dated 9 April 2012 ("**SGX Query**") as follows:

SGX Query 1:

As set out on page 28 of the Annual Report, we note that the Group has appointed different external auditors for its subsidiaries and significant associated companies. In accordance with Listing Rule 716, please disclose whether the Board and the Audit Committee are satisfied that the appointments would not compromise the standard and effectiveness of the audit of the Group and the basis for their opinion.

Company's Response to SGX Query 1:

The company's subsidiaries in the PRC in different cities and different districts have engaged local accounting firms which carry out audits in accordance with PRC accounting and reporting standards for annual PRC statutory audit. These audits are mainly for annual business registration and tax reporting purposes.

The company engages an international accounting firm, Ernst and Young, to perform audit for the consolidated financial statements of the Company and its subsidiaries in accordance

with international financial reporting standards. Ernst and Young audited these individual subsidiaries mentioned for group consolidation purposes.

Accordingly, the AC and the Board are of the view that this is appropriate and do not compromise the integrity of the accounting and reporting system of the Group.

SGX Query 2:

On a separate note, it is stated on page 11 of the Annual Report that Mr Terence Ho Siu Fung was appointed as the audit partner-in-charge on 20 November 2007. However, in the compliance checklist, it is indicated that Mr Terence Ho Siu Fung has been appointed as the audit partner since Year 2011. Please clarify the inconsistency.

Company's Response to SGX Query 2:

On page 11 of the Annual Report, 20 November 2007 represents the date we appointed Ernst & Young.

Mr Terence Ho Siu Fung has been appointed as the audit partner since Year 2011.

By order of the Board
China New Town Development Company Limited
Song Yiqing
Chief Financial Officer / Executive Director

Singapore & Hong Kong, 9 April 2012

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