

[For Immediate Release]



**CNTD and Mingfa Group Jointly Invest in and Develop Wu Shang Project
at Tiexin Bridge, Yuhuatai District, Nanjing City**

* * * *

**To Build a High-end Smart Commercial and Office Complex
Integrates Primary Land Development and Secondary Real Estate
Development Business to Realize Long-term Stable Rental Income and
Potential Appreciation**

(Hong Kong, 23 November 2017) – **China New Town Development Company Limited** (the “**Company**” or “**CNTD**,” HKEX: 1278.HK) is pleased to announce that CDB Nanjing Investment Development Co., Ltd. (“CDB Nanjing”), a wholly-owned subsidiary of the Company, has signed a cooperation agreement with Mingfa Group Nanjing Real Estate Development Company Limited (“Mingfa Group”) for the development at Tiexin Bridge, Yuhuatai District in Nanjing City into a high-end smart commercial and office complex.

According to the agreement, CDB Nanjing and Mingfa Group will establish a joint venture (“JV”) with a total registered capital of RMB50 million, with CDB Nanjing and Mingfa Group owning 49% and 51% equity interests respectively. The JV will be mainly engaged in the development, construction and sale of a land parcel with disposal area of 23,475.91 sq. m. in Wu Shang, Tiexin Bridge, Yuhuatai District, Nanjing City, the PRC.

The land parcel was acquired by Mingfa Group on 20 September 2017 at a bidding price of RMB810 million. The land parcel is for commercial and office use and the terms of land use rights are 40 years. The land parcel is adjacent to Software Valley, one of the most important industrial bases in Nanjing, and is also the largest research and development base for the communications software industry and the first RMB100 billion-level software industrial base in China, with an excellent industrial environment and rising demand for high-quality commercial and office properties.

~More~

As the Company of the view that the land parcel has high potential value for development, the Company then discussed with Mingfa Group to subsequently jointly develop an integrated complex comprising high-end offices, commercial buildings and apartments with a total planned construction area of nearly 120,000 sq. m. Also, according to the requirements of land auction, an office facility of at least 20,000 sq. m. and commercial buildings covering 35,000 sq. m. are to be held and operated by the developer in the long term. Consequently, after the construction of the properties on the land parcel, not only can the Company enjoy revenues from the rental income and sales proceeds, but also hold good commercial and office properties for long-term investment, which can enhance the Company's property portfolio quality and access to long-term stable rental income and appreciation potential, thereby creating better investment value for the shareholders.

CDB Nanjing and Mingfa Group shall each pay an advance to the JV by means of an unsecured shareholders' loan in the principal amount of RMB340 million which will be used for payment of the consideration for acquisition of the land use rights for the land parcel. Both parties shall also pay an advance to the JV by means of unsecured shareholders' loans in the amount of not more than RMB40 million afterwards, for the purpose of settlement of the preliminary expenses of the JV and the underground connection fees. Upon the JV obtaining the State-owned construction land use rights certificate for the land parcel (國有土地使用權屬證明), Mingfa Group shall transfer 1% equity interest in the JV to CDB Nanjing, such that each of CDB Nanjing and Mingfa Group would hold 50% equity interest in the JV.

As the provincial capital of Jiangsu Province and the only megacity in East China, Nanjing City benefits from a high level of economic development, strong purchasing power of residents and significant regional market appeal, combining to represent a potential boost to the Company's development. The Transactions are its first large-scale investment and operation in properties in Two Bridges since the Company's investment in the Two Bridge Projects in 2014, and reflect its development strategy of expanding from primary land development to the development and operation of downstream properties by carrying out a comprehensive benchmark project in the region. The successful implementation of the primary and secondary development synergies of this project fully demonstrates the feasibility of the strategy which can be replicated in the future.

~End~

About China New Town Development Company Limited (“CNTD”)
(HKEX: 1278.HK)

China New Town is the only listing platform for the urbanisation business of China Development Bank (“CDB”), China’s largest financial institution engaged in the business of urban development. Since China Development Bank Capital Corporation (“CDB Capital”) became the controlling shareholder of the Company in 2014, the Company has capitalised on this strong shareholder background and its expertise in urbanisation policy to re-optimize its business model, expanding the scope of its business from primary land development exclusively to include investment, development and operation of urbanisation projects across China. The Company has participated in numerous projects including the Junzhuang Project in Beijing Mentougou District, Shanghai Luodian New Town, Nanjing Yuhuatai Twin Bridges and Yangzhou Airport City. It also found strategic cooperative partners in including the National IC Industry Fund, Vanke and Shenzhen Capital Group, etc. As at 30 September 2017, the Company had a portfolio of RMB1.795 billion fixed income investments in aggregate, with annualized average ROI at 12.4%, reflecting its improving financial status. In the first half of 2017, profit attributable to equity holders of the parent was approximately RMB117 million.

Looking ahead, riding on the resource and brand advantages of its controlling shareholder CDB and CDB’s subsidiaries and member companies, the Company will focus on China’s core economic regions such as the Yangtze River Delta and Beijing-Tianjin-Hebei region and will continue to broaden and enrich its fixed income investment portfolio for urbanisation. It will also devote itself to develop and create urbanisation projects in relation to education, elderly care, tourism and medical and healthcare through collaboration with quality partners such as Vanke, with the aim to reinforce its leading position and brand in the industry.

For Enquiries:

Strategic Financial Relations (China) Limited

Ms. Winnie Lau Tel: (852) 2864 4876

Ms. Karen Li Tel: (852) 2864 4837

Ms. Carven Tsui Tel: (852) 2114 4947

Mr. Tommy Chan Tel: (852) 2864 4838

Mr. David Ye Tel: (852) 2864 4893

Email: sprg-chinanewtown@sprg.com.hk