

[For Immediate Release]



CHINA NEW TOWN DEVELOPMENT CO. LTD.
中国新城镇发展有限公司

China New Town Invests in Danyang Xinmeng River Project To Dig Out More Quality Investment Opportunities through Public-Private-Partnership (PPP)

(Hong Kong and Singapore, 18 December 2015) — **China New Town Development Company Limited** – the future blueprint planner and leading developer of integrated new towns in China (the “Company”, “CNTD”, the “Group”; HKSE: 1278.HK; SGX: D4N.SI), is pleased to announce that the Company, on 18 December 2015, has entered into a Cooperative Investment Agreement (the “Agreement”) with Danyang Investment Group Company Limited (丹陽投資集團有限公司, “Danyang Investment”) and Danyang Chengtai Development Company Limited (丹陽成泰發展有限公司, “Danyang Chengtai”), pursuant to which the parties shall engage in the development and operation of Danyang Xinmeng River’s extension and deepening Project (丹陽市新孟河延伸拓浚工程項目, the “Project”). The Project fully illustrates the Group continues to dig out more quality investment opportunities through the PPP model.

The Company agrees to contribute in aggregate additional capital of RMB200 million to Danyang Tiansheng Water Conservancy Development Company Limited (丹陽市天晟水利建設發展有限公司, “Tiansheng Water Conservancy” or the “Project Company”) in the form of registered capital to fund the Project development through its designated wholly-owned subsidiaries. Immediately following the Capital Contribution, the Group shall be interested in an aggregate of 33.3% shares of Tiansheng Water Conservancy, which shall then become an associate company of the Company. In addition, the Project shall enjoy a guaranteed 12% annualized investment return quarterly during the one year investment period. At the end of the investment period, Danyang Chengtai commits to fully purchase at par the equity stake in the Project Company held by the Company preset return rate.

Since July 2015, the Group participated in Danyang city’s water conservancy development as a private sector investor through the PPP model, the Project has been another investment successfully launched in Danyang, representing the extension of business based on this and benefits from the excellent relationship established between the Group and our business partners and their recognition of the Group’s contributions, as well as the evidence of the Group’s capabilities in originating new business opportunities from existing business network.

The PPP model is an emerging investment-financing model for local government, a key initiative under the support of national policy. The Ministry of Finance and National Reform and Development Commission consecutively published policy guidelines in support of the PPP model, while leading financial institutions, especially China Development Bank (“CDB”), provided solid financing packages in support. Similar to the previous project, the Project is a priority infrastructure project highly supported by Danyang Municipal Government and is supported by a dedicated project finance package by China Development Bank. In addition, the investment returns over the project investment period is included in the Danyang Government’s annual fiscal budget, and Danyang Investment will provide joint and several liability guarantee, thereby the investment is of high safety, as well as CDB’s business presence through “investment-lending” integration.

Danyang is located right at the corridor of the Yangtze River Delta – Shanghai economic zone, and is one of the most rapidly growing and fiscally sound economies in Jiangsu Province. The Project fully demonstrated a progressive step, as the strategic objective of the Company being based on the Yangtze River Delta. Yangtze River Delta, one of China’s economically vibrant and potential regions in China, as well as one of the Company’s target areas for business development, contains a large number of opportunities regarding urbanization and infrastructure, bringing diversified opportunities for the Group.

The spokesperson of China New Town Development says, “We believe the Company will continue to leverage off the business network of CDB and China Development Bank Capital Corporation (“CDB Capital”), the Company’s controlling shareholders, to accomplish its blue print in urbanization. Therefore, the Company will significantly reduce the investment risks and substantially enhance the investment return of the Group, with a view towards laying solid foundation for profit and greater values for our shareholders.”

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About China New Town Development Co. Ltd.

(HKSE: 1278.HK; SGX: D4N.SI)

China New Town Development Co. Ltd. (the “Company”) was dual listed on the SGX and HKEX. With its new town development founded in 2002, the Company has been engaged in the development of Shanghai Luodian New Town, Wuxi Hongshan New Town and Shenyang Lixiang New Town. Among them, the Luodian New Town has entered maturity phase and received international and domestic recognition for its innovative new town design and execution. The Luodian New Town was granted the prestigious status of “United Nations Development Program Pilot Town” by the United Nations Development Program and “National Development and Reform Pilot Small Town” by the National Development and Reform Commission (NDRC). China Development Bank Capital

Corporation Ltd. (“CDB Capital”) completed its subscription of the Company’s 54.3% shares on March 28th 2014. CDB Capital thereafter became the actual controlling shareholder of the Company. CDB Capital is a wholly owned subsidiary of China Development Bank. Its establishment was approved by the State Council. With a registered capital of RMB 50.9 billion, CDB Capital is a unique integrated investment platform covering both domestic and offshore markets. Its investments cover areas the strategic new model township developments, overseas investments, and funds. Integrated new model township development of the Company is one of the core businesses and operation platforms of CDB Capital, committed to various investment businesses for the new model township development. After the acquisition, the Company has successfully launched regarding the Nanjing Yuhuatai Two Bridges Project, Land Parcel A5 Project, Jiangsu Danyang Water Engineering PPP Project, and entered into strategic cooperation agreements with National IC Industry Fund and Shenzhen Venture Capital Group Co., Ltd., the leading venture firm in China. The Company expects to develop and operate industrial park projects through new integrated model nationwide with a view to establishing CDB Capital’s brand in the field of new-type urbanization.

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