

[For Immediate Release]



CNTD's Land Disposal, Tourism and Education Businesses Boast Guidepost Projects

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Actively Optimizes “Investment + Operation” Strategic Layout

(Hong Kong/Shenzhen, 19 October 2017) After **China New Town Development Company Limited** (“the Company” or “CNTD”, HKSE: 1278.HK) delisted from the Singapore Stock Exchange voluntarily in mid-February 2017 while maintaining primary listing on the Main Board of Hong Kong Stock Exchange, its shareholding and capital structures have gradually optimized, which has helped release its investment value. At the full support of its controlling shareholder China Development Bank Capital Corporation (“CDB Capital”) and China Development Bank (“CDB”), CNTD’s operating results have kept climbing and an “investment + operation” strategic business model has been formed, with land disposal and development of downstream operations, among others, making good progress.

Operating results keep climbing Investment portfolio grows in steady strides

During the first half of 2017, CNTD achieved a remarkable performance. Operating income reached a peak, surging 2.67 times to RMB397 million compared with the corresponding period of last year. Profit attributable to owners of the parent reached approximately RMB117 million. As at 30 September 2017, the Company had a portfolio of RMB1.795 billion fixed income investments in aggregate, securing a total contractually guaranteed annual return before tax on investment of approximately RMB222 million, representing an average annualized pre-tax return on investment of about 12.4%.

Since after CNTD decided to actively develop downstream operations in 2016, putting its development focus on “quality education, tourism, industrial parks”, a number of strategic cooperative projects have go ahead confirmed in the recent years, such as that with National IC Industry Fund, looking to pursue the businesses of development, operation and holding of properties in industrial parks. In October 2016, the Company announced the cooperation with Beijing Vanke Enterprises Co. Ltd. on the Junzhuang Project in Mentougou District, Beijing. It intends to build at the prime location in the first-tier city an eco-tourism zone that integrates leisure and resort elements, appreciation of nature and healthcare, parent-child experience and learning, and the creative industry. This August, the Company signed a strategic cooperation agreement with MGM Resorts International (“MGM”) to set up a non-gaming tourism fund for investing in related projects. The aforementioned are evidence of the Company pushing forcefully ahead with its “education, tourism, industrial park” development emphasis. The Company has also built a strong portfolio of quality property and industrial park projects and expects them to materialize gradually, presenting it with enormous development opportunities in terms of investment and project operation.

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Moreover, the Company has made good progress with projects on hand. Disposal of the land parcel on the Eastern side of Luodian New Town, Baoshan District in Shanghai has resumed, which is expected to generate income and cash flow for the Company in the next few years.

Cooperation agreement with MGM lays foundation for tourism industry development

On 7 August 2017, CNTD announced that it had entered into a Memorandum of Understanding with MGM, to establish an industry fund focusing on non-gaming tourism, leisure and cultural development. The Company and MGM intend to subscribe for US\$200 million and US\$100 million in the Fund respectively. After the entering into the agreement and the establishment of the Fund, the parties agree to complete the initial contribution of 10% of their respective committed capital. The rest of funding will be gradually contributed subject to the actual investment progress of projects. The Fund's mandate is to invest in the non-gaming tourism projects, mainly within China, while also seeking investment opportunities in strategically core cities in countries along the "One Belt One Road". The Company has identified tourism as a strategically important downstream sector of urbanization, with excellent prospects. On top of that, entering into an MOU with MGM represents another solid step of CNTD in the tourism industry and establishes its solid foundation for development of the tourism industry.

Looking ahead, it will keep growing its fixed-income investment mix to generate stable cash flow from distinct sources to the Company, and at the same time, capitalize on its business network and land bank advantages to speed up investment in and operation of such downstream urbanization operations as education, tourism and industrial parks. It will strategically secure at lower cost opportunities to invest in large integrated land development in core cities, and also actively look for opportunities to hold quality investment properties in core areas of major cities. Such endeavors will consolidate the Company's presence as an urban resources integrator and a one-stop urban development solution provider.

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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 institutions 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.

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