
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular (the “Circular”) or as to the course of action you should take, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in China New Town Development Company Limited (the “Company”), you should immediately forward this Circular and the attached form of proxy to the purchaser or transferee or to the licensed securities dealer, registered institution in securities, bank or other agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

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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)

(Company Registration Number: 1003373)

(Stock Code: 1278)

PROPOSALS FOR

- (1) PAYMENT OF FINAL DIVIDEND;**
- (2) RE-ELECTION OF RETIRING DIRECTORS;**
- (3) GRANT OF THE SHARE BUY-BACK MANDATE;**
- (4) GRANT OF THE SHARE ISSUE MANDATE; AND**
- (5) EXTENSION OF THE SHARE ISSUE MANDATE;**

AND

NOTICE OF ANNUAL GENERAL MEETING

Capitalised terms used in the lower portion of this cover and the cover inside page shall have the same respective meanings as those defined in the section headed “Definitions” of this Circular.

The notice convening the AGM to be held at Conference Room 207, 2/F Gallery, New World Beijing Hotel, 8 Qianian Street, Chongwenmen, Dongcheng District, Beijing, the PRC on Friday, 21 June 2019 at 2:30 p.m. is set out on pages 19 to 23 of this Circular. Shareholders who are unable to attend the AGM in person and wish to appoint a proxy/proxies to attend and vote on their behalf are requested to complete and return the form of proxy accompanying the Circular in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the AGM or its adjournment. Completion and return of the form of proxy shall not preclude Shareholders from subsequently attending in person and voting at the AGM or its adjournment should you so wish. If you attend and vote at the AGM, the authority of your proxy will be revoked.

30 April 2019

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EXPECTED TIMETABLE

Dispatch of this Circular and AGM Notice Tuesday, 30 April 2019

Last time for lodging transfer forms of Shares
to qualify for entitlements to attend and
vote at the AGM. 4:30 p.m. on Monday, 17 June 2019

Closure of Register of Members for the purpose of
determining the voting rights for the AGM
(both days inclusive) from Tuesday, 18 June 2019 to
Friday, 21 June 2019

Latest time for lodging forms of proxy for the AGM
(in any event not later than 48 hours before the time
appointed for holding the AGM or its adjournment). 2:30 p.m.
on Wednesday, 19 June 2019

Date and time of the AGM 2:30 p.m.
on Friday, 21 June 2019

Last day of trading in Shares cum entitlements
to the Final Dividend Wednesday, 26 June 2019

Latest time for lodging transfer forms of Shares
to qualify for entitlements to the Final Dividend 4:30 p.m.
on Friday, 28 June 2019

Closure of Register of Members for the purpose of
determining the entitlements to the Final Dividend
(both days inclusive) from Tuesday, 2 July 2019
to Thursday, 4 July 2019

Record Date for determination of entitlement
to the Final Dividend Thursday, 4 July 2019

Dispatch of cheques for the Final Dividend. Friday, 19 July 2019

DEFINITIONS

For the purposes of this Circular, the following definitions apply throughout where the context admits unless otherwise stated:

“2018 AGM”	the annual general meeting of the Company held on 22 June 2018
“AGM”	the annual general meeting of the Company to be held on Friday, 21 June 2019 at 2:30 p.m. at Conference Room 207, 2/F Gallery, New World Beijing Hotel, 8 Qian Street, Chongwenmen, Dongcheng District, Beijing, the PRC, notice of which is set out on pages 19 to 23 of this Circular
“AGM Notice”	the notice for convening the AGM set out in pages 19 to 23 of this Circular
“Articles”	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“BVI Act”	the BVI Business Companies Act, 2004 (including the regulations made thereunder), as amended, supplemented or otherwise modified from time to time
“BVS”	book value per Share
“CDB”	China Development Bank Corporation, a state-owned strategic financial institution incorporated by the State Council of the PRC
“CDBC”	China Development Bank Capital Corporation Limited, a wholly-owned subsidiary of CDB
“CDBIH”	China Development Bank International Holdings Limited, a wholly-owned subsidiary of CDBC
“Circular”	this circular dated 30 April 2019
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Company”	China New Town Development Company Limited, a company incorporated in the BVI with limited liability, the issued shares of which are listed and traded on the SEHK (Stock Code: 1278)
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company for the time being
“EPS”	earnings per share
“Final Dividend”	the proposed final dividend of HK\$0.006 per Share for the Year payable to the Shareholders whose names appear on the Register of Members on Record Date
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“INED(s)”	the independent non-executive Director(s) for the time being
“Latest Practicable Date”	the latest practicable date prior to the printing of this Circular for the purpose of ascertaining certain information contained in this Circular, being 24 April 2019
“Listing Rules”	the Rules Governing the Listing of Securities on the SEHK, as amended, supplemented or otherwise modified from time to time
“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China which, for the purpose of this Circular, excludes Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Record Date”	Thursday, 4 July 2019
“Register of Members”	the register of members of the Company maintained by the Registrar in Hong Kong
“Registrar”	the branch share registrar of the Company, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Remuneration Committee”	the remuneration committee of the Board
“ROE”	return on equity
“SEHK”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share Buy-back Mandate”	the general mandate to be granted by the Shareholders at the AGM to authorize the Directors to purchase, redeem or otherwise acquire Shares
“Share Issue Mandate”	the general mandate to be granted by the Shareholders at the AGM to authorize the Directors to allot, issue and deal with Shares
“Shareholder(s)”	the duly registered holder(s) of the Share(s) from time to time
“Share(s)”	ordinary share(s) of no par value of the Company
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs as amended, supplemented or otherwise modified from time to time and administrated by the Securities and Futures Commission of Hong Kong
“Year”	the year ended 31 December 2018
“%”	per cent or percentage

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and the neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the SFO, the Listing Rules or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the SFO, the Listing Rules or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Circular shall be a reference to Hong Kong time unless otherwise stated.

Any discrepancy with the tables in this Circular between the listed amounts and the totals thereof is due to rounding.

This document is in English and Chinese versions. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.



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)

(Company Registration Number: 1003373)

(Stock Code: 1278)

Executive Directors:

Mr. Liu Heqiang (*Chief Executive Officer*)
Ms. Yang Meiyu
Mr. Ren Xiaowei
Mr. Shi Janson Bing

Registered Office:

2/F, Palm Grove House
P.O. Box 3340
Road Town, Tortola
British Virgin Islands

Non-executive Directors:

Mr. Zuo Kun (*Chairman*)
Mr. Li Yao Min (*Vice Chairman*)
Mr. Wei Dongzheng
Mr. Wang Jiangang

*Headquarters and principal place of
business in Hong Kong:*

8203B-04A
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

INEDs:

Mr. Henry Tan Song Kok (*Lead INED*)
Mr. Kong Siu Chee
Mr. Zhang Hao
Mr. E Hock Yap

Hong Kong, 30 April 2019

To the Shareholders

Dear Sir/Madam,

PROPOSALS FOR
(1) PAYMENT OF FINAL DIVIDEND;
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) GRANT OF THE SHARE BUY-BACK MANDATE;
(4) GRANT OF THE SHARE ISSUE MANDATE; AND
(5) EXTENSION OF THE SHARE ISSUE MANDATE;
AND
NOTICE OF AGM

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this Circular is to provide you with the AGM Notice and further information on the resolutions to be proposed at the AGM to approve (i) the payment of a Final Dividend; (ii) the re-election of the retiring Directors; (iii) the grant of the Share Buy-back Mandate; (iv) the grant of the Share Issue Mandate; and (v) extension of the Share Issue Mandate.

2. PAYMENT OF FINAL DIVIDEND

The Directors recommended a Final Dividend.

Subject to the approval of the Shareholders at the forthcoming AGM, the Final Dividend will be paid on Friday, 19 July 2019.

3. RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, there were four executive Directors, namely Mr. Liu Heqiang, Ms. Yang Meiyu (“**Ms. Yang**”), Mr. Ren Xiaowei and Mr. Shi Janson Bing (“**Mr. Shi**”); four non-executive Directors, namely Mr. Zuo Kun (“**Mr. Zuo**”), Mr. Li Yao Min, Mr. Wei Dongzheng (“**Mr. Wei**”) and Mr. Wang Jiangang (“**Mr. Wang**”); and four INEDs, namely Mr. Henry Tan Song Kok (“**Mr. Tan**”), Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. E Hock Yap.

Pursuant to Articles 86(1) and 86(2) of the Articles, Ms. Yang, Mr. Shi, Mr. Zuo and Mr. Tan will retire from office by rotation and being eligible, have offered themselves for re-election at the AGM.

Pursuant to Article 85(7) of the Articles, Mr. Wei and Mr. Wang who were appointed as Directors with effect from 21 March 2019 shall retire from office and being eligible, have offered themselves for re-election at the AGM.

Pursuant to the code provision set out in the paragraph A.4.3 of Appendix 14 to the Listing Rules, any further appointment of INED serving more than 9 years should be subject to a separate resolution to be approved by shareholders. Mr. Tan is an INED serving on the Board for more than 9 years. However, he has never held any executive or management position in the Group nor has he throughout such period been under the employment of any member of the Group. The Directors noted the positive contributions of Mr. Tan to the development of the Company’s strategy and policies through independent, constructive and informed contributions supported by his skill, expertise and qualification and from his active participation at meetings. Mr. Tan had given his annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules to the Company and the Nomination Committee has assessed and reviewed each of the annual written confirmation of independence of the INEDs based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that all the INEDs including Mr. Tan remain independent. Hence, the Board considers that the long services of Mr. Tan would not affect his exercise of independent judgment and therefore recommends Mr. Tan to be re-elected as an INED at the AGM.

LETTER FROM THE BOARD

Further, the Nomination Committee has also assessed and evaluated the performance of each of the retiring Directors during the Year based on the nomination policy of the Company which was disclosed in the annual report of the Company and found their performance satisfactory. Therefore, upon the nomination by the Nomination Committee, the Board has recommended that the retiring Directors, namely Ms. Yang, Mr. Shi, Mr. Zuo, Mr. Tan, Mr. Wei and Mr. Wang, stand for re-election as Directors at the AGM. Each of Ms. Yang, Mr. Shi, Mr. Zuo, Mr. Tan, Mr. Wei and Mr. Wang abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders. The Board believes that the continuous appointment of the retiring Directors contributes to the stability and diversity of the Board.

The particulars required to be disclosed under the Listing Rules in relation to the retiring Directors proposed for re-election are set out in Appendix I to this Circular.

4. GRANT OF THE SHARE BUY-BACK MANDATE

The Company's existing mandate to buy back Shares was approved by its then Shareholders at the 2018 AGM. Unless otherwise renewed, the existing mandate to buy back Shares will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed that the Directors be given the Share Buy-back Mandate. Under the Share Buy-back Mandate, the maximum number of Shares that the Company may buy back shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing of the ordinary resolution in relation thereof. The Company's authority is restricted to buy back the Shares on the market in accordance with the Listing Rules. The mandate allows the Company to buy back Shares only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required the BVI Act, applicable laws or the Company's memorandum and Articles to be held; and (iii) the date on which the authority set is in the resolution is revoked or varied by way of an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed ordinary resolution for the grant of the Share Buy-back Mandate at the AGM in accordance with the Listing Rules is set out in Appendix II of this Circular.

5. GRANT AND EXTENSION OF THE SHARE ISSUE MANDATE

The Company's existing mandate to issue Shares was approved by its then Shareholders at the 2018 AGM. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will also be proposed that the Directors be given the Share Issue Mandate in order to ensure flexibility and discretion to the Directors to issue up to 1,945,249,283 new Shares, being the Shares not exceeding in aggregate 20% of

LETTER FROM THE BOARD

the total number of Shares in issue as at the date of the passing of the relevant resolution (assuming that no further Shares are issued and allotted or bought back and cancelled by the Company after the Latest Practicable Date and prior to the AGM).

In addition, an ordinary resolution will also be proposed to extend the Share Issue Mandate by adding to it the number of such Shares to be bought back under the Share Buy-back Mandate.

6. AGM AND PROXY

- 6.1 A notice convening the AGM is set out in pages 19 to 23 of this Circular. At the AGM, resolutions will be proposed to approve, among other things, the payment of a Final Dividend, the re-election of the retiring Directors, the grant of the Share Buy-back Mandate, the grant of the Share Issue Mandate and the extension of the Share Issue Mandate.
- 6.2 Shareholders who are unable to attend the AGM in person and wish to appoint a proxy/proxies to attend and vote on their behalf are requested to complete, sign and return the attached form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 48 hours before the time appointed for the holding of the AGM or its adjournment. The completion and return of a form of proxy by a Shareholder does not preclude him/her from attending in person and voting at the AGM in place of his/her proxy/proxies if he/she finds that he/she is able to do so. In the event of attendance by such Shareholder, the form of proxy of such Shareholder shall be deemed to be revoked. No further action is required on the part of the Shareholders.

7. CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Tuesday, 18 June 2019 to Friday, 21 June 2019, both days inclusive, during which period no transfer of Shares will be effected in order to determine the entitlement of the Shareholders to attend and vote at the AGM. All share transfers accompanied by the relevant share certificates must be lodged with the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 17 June 2019.

Subject to the passing of the ordinary resolution regarding the payment of the Final Dividend at the AGM, the Register of Members will be closed from Tuesday, 2 July 2019 to Thursday, 4 July 2019 (both days inclusive), during such period no transfer of Shares will be registered for the purpose of determining the entitlement of the Shareholders to receive the Final Dividend. All transfer of the Shares accompanied by the relevant share certificates must be lodged with the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 28 June 2019.

LETTER FROM THE BOARD

8. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the AGM will demand for a poll for all resolutions put forward at the AGM and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

9. DIRECTORS' RECOMMENDATIONS

- 9.1 The Directors are pleased to recommend the re-election of the retiring Directors at the AGM, details of whom are set out in Appendix I to this Circular.
- 9.2 The Directors are of the opinion that the payment of the Final Dividend, the re-election of the retiring Directors, the grant of the Share Buy-back Mandate, the grant of the Share Issue Mandate and the extension of the Share Issue Mandate are in the best interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the resolutions relating to the payment of the Final Dividend, the re-election of the retiring Directors, the grant of the Share Buy-back Mandate, the grant of the Share Issue Mandate and the extension of the Share Issue Mandate to be proposed at the AGM.

10. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Circular misleading.

Yours faithfully
For and on behalf of the Board
China New Town Development Company Limited
Liu Heqiang
Chief Executive Officer and Executive Director

PARTICULARS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED

The following are the particulars of the retiring Directors proposed to be re-elected at the AGM in accordance with the Articles.

Executive Directors (the “ED”)**Ms. Yang Meiyu (楊美玉)**

Ms. Yang Meiyu, aged 36, was appointed as an ED on 28 March 2014. Ms. Yang graduated from Peking University with a master's degree in finance. Ms. Yang joined CDBC in December 2009, where she was responsible for urban development related investment and served as the manager, senior manager and assistant to general manager of the Direct Investment Division III of CDBC, a controlling shareholder of the Company, respectively, and the vice general manager of the Management Department of a subsidiary from April 2015 to August 2016. Currently, she also acts as directors and supervisors of various subsidiaries of CDBC. Prior to joining CDBC, Ms. Yang worked as an investment manager at China Reits Investment, where she was involved in various fund raising and land development projects. Ms. Yang is the vice president of the Company and is responsible for corporate financing, operation and investors' relation management. Ms. Yang is also the directors of several subsidiaries of the Company, such as Weblink International Limited, Meek O Investment Limited and Protex Investment Limited.

Save as disclosed above, Ms. Yang does not (i) hold any directorships in other listed public companies in Hong Kong and overseas during the past three years; (ii) hold any other position with the Company and other members of the Group or other major appointments and professional qualifications; and (iii) have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, she did not have any interest in the Shares within the meaning of Part XV of the SFO. Ms. Yang has entered into a service contract with the Company with a term of service of three (3) years commencing on 28 March 2019. Nevertheless, her appointment will be subject to the provisions of retirement and re-election at the annual general meetings of the Company pursuant to the Articles or any other applicable laws. Ms. Yang is currently entitled to a fixed annual remuneration of RMB971,358 payable by the Company, which, however, may be reviewed from time to time at the discretion of the Board by reference to her experience and expertise, responsibilities and prevailing market conditions. The aggregate emolument of Ms. Yang for the year ended 31 December 2018 amounted to RMB1,046,000. Ms. Yang's service contract will be terminated by either party by giving not less than six (6) months' notice to the other or in accordance with other terms of the service contract.

Save as disclosed above, there are no other matters concerning Ms. Yang that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Shi Janson Bing (施冰)

Mr. Shi Janson Bing, aged 35, was appointed as an ED on 12 August 2016. Mr. Shi graduated from the University of Southern California, the United States and obtained a bachelor's degree in accounting in May 2007. Mr. Shi joined the Group in December 2007 and was an ED from 12 December 2007 to 28 March 2014. Mr. Shi is the son of Mr. Shi Jian, the de facto owner of SRE Investment Holding Limited, which has 15.1% shareholding of the Company. Mr. Shi is responsible for strategic cooperation of the Group. He was an executive director of SRE Group Limited (stock code: 1207), a company listed on main board of the SEHK from 17 July 2015 to 12 July 2018.

Save as disclosed above, Mr. Shi does not (i) hold any directorships in other listed public companies in Hong Kong and overseas during the past three years; (ii) hold any other position with the Company and other members of the Group or other major appointments and professional qualifications; and (iii) have any relationship with any Directors, senior management or substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Shi does not have any interest in the Shares within the meaning of Part XV of the SFO. Mr. Shi has entered into a service agreement with the Company on 12 August 2018 with a term of one (1) year commencing on the same day (subject to retirement by rotation and re-election in accordance with the Articles) unless otherwise terminated by either party by giving not less than one (1) month's notice to the other or in accordance with other terms of the service agreement. He is entitled to a director's fee at HK\$800,000 per annum payable by the Company under the service agreement, which may be reviewed from time to time at the discretion of the Board by reference to his experience and expertise, responsibilities and prevailing market conditions. The aggregate emolument of Mr. Shi for the year ended 31 December 2018 amounted to HK\$800,000.

Save as disclosed above, there are no other matters concerning Mr. Shi that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Non-executive Director (the "NED")**Mr. Zuo Kun (左坤)**

Mr. Zuo Kun, aged 44, was appointed as a NED and the vice chairman of the Board (the "**Vice Chairman**") on 28 March 2014. He was redesignated from the Vice Chairman to the chairman of the Board on 21 March 2019. Mr. Zuo holds a master's degree in politics and economics from Lanzhou University in the PRC. Mr. Zuo is currently the vice president of CDBC, a controlling shareholder of the Company. Mr. Zuo has extensive experience in the investment and financial industry. Mr. Zuo joined CDBC in 2009 and has been the vice president of CDBC since March 2011. From 2001 to September 2009, Mr. Zuo had been working at, in a chronological order, the International Finance Bureau, Lanzhou Branch, and executive office of CDB.

Save as disclosed above, Mr. Zuo does not (i) hold any directorships in listed public companies in Hong Kong and overseas during the past three (3) years; (ii) does not hold any other position with the Company and other members of the Group or other major appointments and professional qualifications; and (iii) have any relationship with any Directors, senior management or substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Zuo did not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Zuo has entered into a service contract with the Company with a term of service of three (3) years commencing on 28 March 2019 unless otherwise terminated by either party by giving not less than one (1) month's notice to the other or in accordance with other terms of the letter of appointment. Nevertheless, his appointment will be subject to the provisions of retirement and re-election at the annual general meetings of the Company pursuant to the Articles or any other applicable laws. Mr. Zuo is currently not entitled to any director's fee or salary payable by the Company, which, however, may be reviewed from time to time at the discretion of the Board.

Save as disclosed above, there is no further information required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter relating to the re-election of Mr. Zuo that need to be brought to the attention of the Shareholders.

INED

Mr. Henry Tan Song Kok (陳頌國)

Mr. Henry Tan Song Kok, aged 54, was appointed as an INED on 25 September 2007. He is the Lead INED and the chairman of the Audit Committee and a member of each of the Nomination Committee and the Remuneration Committee. He is the managing director of Nexia TS Public Accounting Corporation and Nexia TS Pte Ltd. He was the past Asia Pacific Regional Chairman and board member of Nexia International. He holds directorship for several companies. He is a director of YHI Corporation (S) Pte Ltd, BH Global Corporation Limited and Yinda Infocomm Limited. He is the chairman of the Nanyang Business School Alumni Advisory Board of Nanyang Technological University. Previously, he was a director of Raffles Education Corporation Limited and Ascendas Fund Management (S) Limited (Manager of Ascendas Real Estate Investment Trust). Mr. Tan graduated with a First Class Honours Degree in Accountancy from the National University of Singapore. He is a Fellow of the Institute of Singapore Chartered Accountants, Institute of Chartered Accountants of Australia and New Zealand, CPA Australia and Insolvency Practitioners Association of Singapore Ltd and Singapore Institute of Directors and a member of Institute of Internal Auditors, Inc (Singapore Chapter) and Singapore Institute of Accredited Tax Professional Limited.

Save as disclosed above, Mr. Tan does not (i) hold any directorships in other listed public companies in Hong Kong and overseas during the past three (3) years; (ii) hold any other position with the Company and other members of the Group or other major appointments and professional qualifications; and (iii) have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Tan does not have any relationship with any Directors, senior management or substantial shareholder or controlling shareholder of the Company.

Pursuant to his appointment letter with the Company dated 22 October 2018, Mr. Tan has been appointed as an INED for a term of one (1) year commencing on the same day (subject to retirement by rotation and re-election in accordance with the Articles) unless otherwise terminated by either party by giving not less than one (1) month's notice to the other or in accordance with other terms of the appointment letter. He is entitled to a remuneration comprise a director's fee of SGD80,000 per annum. The aggregate emolument of Mr. Tan for the year ended 31 December 2018 amounted to SGD82,800. Mr. Tan's remuneration was determined by reference to the Company's performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr. Tan's re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NEDs

Mr. Wei Dongzheng (韋東政)

Mr. Wei Dongzheng, aged 46, was appointed as a NED on 21 March 2019. He has more than 25 years of experience in financial, information technology and management. Mr. Wei graduated from Guanghua School of Management in Peking University in the PRC with an executive master's degree in business administration. Mr. Wei is currently an official cadre of CDBC who is assigned to Guokaiyuanrong Asset Management Co., Ltd. as deputy general manager. CDBC is the controlling shareholder of the Company. He joined CDBC in 2009 and had served as general manager of integrated business department. From December 1998 to December 2009, Mr. Wei served in Nanning Branch and Guangxi Branch of CDB. CDBC is a wholly-owned subsidiary of CDB. Before joining of CDB, he worked at the information centre of the main bureau of the General Office of the Party Committee of Guangxi Zhuang Autonomous Region and the Information Department of Guangxi Branch of China Investment Bank.

Mr. Wei does not hold any directorships in listed public companies in Hong Kong and overseas during the past three years. Save as disclosed, Mr. Wei does not hold any other position with the Company and other members of the Group or other major appointments and professional qualifications nor does he have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Wei did not have any interest in the Shares within the meaning of Part XV of the SFO. Mr. Wei has entered into a letter of appointment with the Company for a term of service of three years commencing on 21 March 2019 unless otherwise terminated by either party by giving not less than one month's notice to the other or in accordance with other terms of the letter of appointment. Pursuant to the letter of appointment, Mr. Wei is not entitled to a director's fee or any other remuneration. Mr. Wei will retire and being eligible, has offered himself for re-election at the AGM.

Save as disclosed above, there is no further information required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter relating to the re-election of Mr. Wei that need to be brought to the attention of the Shareholders.

Mr. Wang Jiangang (王建剛)

Mr. Wang Jiangang, aged 37, was appointed as a NED on 21 March 2019. He has more than 10 years of legal experience. He obtained a master's degree in international law from the International Law Department of Foreign Affairs College. Mr. Wang is currently a deputy general manager of investment management department and head of risk and legal compliance department of CDBC. CDBC is the controlling shareholder of the Company. He joined CDBC in 2010 and successively held the positions of deputy general manager of risk management department and head of legal affairs department. Prior to joining CDBC, he had worked at the bankruptcy reorganisation department and litigation and arbitration department of Beijing Jindu Law Firm.

Mr. Wang does not hold any directorships in listed public companies in Hong Kong and overseas during the past three years. Save as disclosed, Mr. Wang does not hold any other position with the Company and other members of the Group or other major appointments and professional qualifications nor does he have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Wang did not have any interest in the Shares within the meaning of Part XV of the SFO. Mr. Wang has entered into a letter of appointment with the Company for a term of service of three years commencing on 21 March 2019 unless otherwise terminated by either party by giving not less than one month's notice to the other or in accordance with other terms of the letter of appointment. Pursuant to the letter of appointment, Mr. Wang is not entitled a director's fee or any other remuneration. Mr. Wang will retire and being eligible, has offered himself for re-election at the AGM.

Save as disclosed above, there is no further information required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter relating to the re-election of Mr. Wang that need to be brought to the attention of the Shareholders.

This appendix serves as an explanatory statement as required by the Listing Rules to be sent to Shareholders to provide you with certain information relating to the Share Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the Company had 9,726,246,417 issued Shares. Subject to the grant of the Share Buy-back Mandate by the Shareholders at the AGM and on the basis that no further Shares are issued or bought back and cancelled prior to the AGM, the Company would be allowed under the Share Buy-back Mandate to buy back up to a maximum of 972,624,641 Shares, representing not more than 10% of the total issued Shares as at the date of the AGM.

2. REASONS FOR SHARE BUY-BACK

The grant of the Share Buy-back Mandate authorising the Company to purchase, redeem or acquire its Shares would give the Company the flexibility to undertake purchases of its Shares up to the 10% limit described at any time during the period when the Share Buy-back Mandate is in force. The rationale for the Company to undertake the purchase of its issued Shares is as follows:

- (a) in managing the business of the Group, the management of the Company will strive to increase Shareholders' value by improving, amongst other things, the ROE of the Company. In addition to growth and expansion of the business, purchases of the Shares may be considered as one of the ways through which the ROE of the Company may be enhanced;
- (b) in line with the international practice, the Share Buy-back Mandate will provide the Company with greater flexibility in managing its funds and maximising returns to Shareholders. To the extent that the Company has surplus funds which are in excess of its financial needs, taking into account its growth and expansion plans, the Share Buy-back Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner by way of purchasing its issued Shares at prices which are viewed as favourable;
- (c) the Share Buy-back Mandate will provide the Company with the flexibility to undertake purchases of its Shares at any time, subject to market conditions, during the period when the Share Buy-back Mandate is in force;
- (d) share purchases may help mitigate short-term market volatility (by way of stabilising the supply and demand of the issued Shares), offset the effects of short-term speculation, support the fundamental value of the issued Shares and bolster Shareholders' confidence; and

- (e) all things being equal, purchases of Shares pursuant to the Share Buy-back Mandate will result in a lower number of issued Shares being used for the purpose of computing EPS and BVS. Therefore, share purchases under the Share Buy-back Mandate will improve the Company's EPS and BVS, which in turn is expected to have a positive impact on the fundamental value of its issued Shares.

3. FUNDING OF SHARE BUY-BACK

In purchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association of the Company, the Articles and the applicable laws of the BVI and the Listing Rules for such purpose.

The BVI Act does not specify the funds out of which a company incorporated in the BVI as a business company may use to pay the purchase price. Such company may purchase its own shares so long as it is in accordance with the provisions of the BVI Act or such other provisions for the purchase as may be specified in the memorandum of association or articles of association of the company, and the directors of the company are satisfied on reasonable grounds that the company will, immediately after the purchase, redemption or acquisition, satisfy the solvency test. The BVI Act provides for certain situations in which the solvency test need not be satisfied. For instance, where the company redeems the shares pursuant to a right of a shareholder to have his shares redeemed or exchanged for money or other property of the company.

In purchasing Shares pursuant to the Share Buy-back Mandate, the Directors will principally consider the availability of internal resources. There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the Company's annual report for the Year in the event that the Share Buy-back Mandate were to be carried out in full at any time during the proposed purchase period. However, the Directors do not propose to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Main Board of SEHK during each of the previous twelve months before the Latest Practicable Date were as follows:

	Share Price	
	Highest HK\$	Lowest HK\$
2018		
April	0.295	0.270
May	0.290	0.270
June	0.290	0.260
July	0.265	0.235
August	0.280	0.200
September	0.240	0.220
October	0.233	0.175
November	0.200	0.155
December	0.205	0.170
2019		
January	0.210	0.181
February	0.209	0.171
March	0.210	0.181
April (up to the Latest Practicable Date)	0.200	0.176

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the SEHK that so far as the same may be applicable, they will exercise the powers of the Company to make purchases pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and any applicable laws of the BVI. None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Share Buy-back Mandate if such is approved by the Shareholders.

No core connected persons have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Share Buy-back Mandate is approved by the Shareholders.

6. TAKEOVERS CODE IMPLICATIONS

If on the exercise by the Directors of the Company's power to buy back Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of

Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

According to the register of interests in Shares and short positions maintained by the Company under section 336 of the SFO, as at the Latest Practicable Date, the following Shareholders were interested or deemed to be interested in 5% or more the issued Shares:

Name of substantial shareholders	Capacity	Direct interest	Number of Shares held		Total	Approximate percentage of the issued share capital	Approximate percentage of the issued share capital if Share Buy-back Mandate is exercised in full
			Corporate interest	Other interests			
CDBIH ⁽¹⁾	Beneficial owner	5,347,921,071	—	—	5,347,921,071	54.98%	61.09%
CDBC ⁽¹⁾	Interests of a controlled corporation	—	5,347,921,071	—	5,347,921,071	54.98%	61.09%
CDB ⁽¹⁾	Interests of controlled corporations	—	5,347,921,071	—	5,347,921,071	54.98%	61.09%
SRE Investment Holding Limited ("SREI")	Beneficial owner	1,468,356,862	—	—	1,468,356,862	15.10%	16.77%
Shi Jian ("Mr. Shi") ⁽²⁾	Beneficial owner and interests of a controlled corporation	6,104,938	1,468,356,862	—	1,474,461,800	15.16%	16.84%
Jia Yun Investment Limited ("Jia Yun") ⁽³⁾	Person having a security interest in Shares	—	—	1,027,849,803	1,027,849,803	10.57%	11.74%
Jiabo Investment Limited ("Jiabo") ⁽³⁾	Interests of a controlled corporation	—	1,027,849,803	—	1,027,849,803	10.57%	11.74%
China Minsheng Investment Corp., Ltd. ("China Minsheng") ⁽³⁾	Interests of controlled corporations	—	1,027,849,803	—	1,027,849,803	10.57%	11.74%
China Minsheng Jiaye Investment Co., Ltd. ("China Minsheng Jiaye") ⁽³⁾	Interests of controlled corporations	—	1,027,849,803	—	1,027,849,803	10.57%	11.74%
Jiasheng (Holding) Investment Limited ("Jiasheng") ⁽³⁾	Interests of controlled corporations	—	1,027,849,803	—	1,027,849,803	10.57%	11.74%
Jiashun (Holding) Investment Limited ("Jiashun") ⁽³⁾	Interests of controlled corporations	—	1,027,849,803	—	1,027,849,803	10.57%	11.74%
Jiaxin Investment (Shanghai) Co., Ltd. ("Jiaxin")	Interests of controlled corporations	—	1,027,849,803	—	1,027,849,803	10.57%	11.74%

Notes:

- (1) CDBIH is a wholly-owned subsidiary of CDBC and CDBC, in turn, is wholly owned by CDB. Both CDB and CDBC are, therefore, deemed under Part XV of the SFO to be interested in the 5,347,921,071 Shares held by CDBIH.
- (2) Pursuant to Part XV of the SFO, Mr. Shi is deemed to be interested in a total of 1,474,461,800 Shares for the following reasons: (i) Mr. Shi holds 6,104,938 Shares directly; and (ii) Mr. Shi is deemed to be interested in 1,468,356,862 Shares held by SREI by virtue of the fact that he and his wife, Ms. Si Xiao Dong together beneficially own 81% of the issued share capital of SREI as a controlling shareholder.
- (3) Jia Yun acquired the security interests of 1,027,849,803 Shares from SREI on 28 December 2017. Jia Yun is a wholly-owned subsidiary of Jiabo, which in turn, is a wholly-owned subsidiary of Jiashun. Jiashun is a wholly-owned subsidiary of Jiasheng and Jiasheng is in turn a wholly-owned subsidiary of Jiaxin. Jiaxin is a wholly-owned subsidiary of China Minsheng Jiaye, which in turn, is a wholly-owned subsidiary of China Minsheng. All of Jia Yun, Jiabo, Jiashun, Jiasheng, Jiaxin, China Minsheng Jiaye and China Minsheng are, therefore, deemed under Part XV of the SFO to be interested in the 1,027,849,803 Shares of security interest held by Jia Yun.

On the basis that the shareholdings held by the Shareholders named above and the number of Shares in issue would remain the same, an exercise of the Share Buy-back Mandate in full will not result in any of them becoming obliged to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

Based on the above, the Directors are not aware of any consequence which may arise under the Takeovers Code as a consequence of any buy back of the Shares made under the Share Buy-back Mandate. Assuming that there is no change in the issued Shares between the Latest Practicable Date and the date of buy-back, the exercise of the Share Buy-back Mandate whether in whole or in part will result in less than 25% of the total issued Shares being held by the public. As required by Rule 8.08 of the Listing Rules, the 25% minimum public float must be maintained by the Company. The Directors do not intend to buy back Shares which would result in a public shareholding of less than the prescribed minimum percentage of Shares in public hands.

7. SHARES BUY-BACK MADE BY THE COMPANY

The Company has not purchased any Shares (whether on the SEHK or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



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)

(Company Registration Number: 1003373)

(Stock Code: 1278)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the members of China New Town Development Company Limited (the “**Company**” and the “**AGM**”, respectively) will be held at Conference Room 207, 2/F Gallery, New World Beijing Hotel, 8 Qinian Street, Chongwenmen, Dongcheng District, Beijing, the People’s Republic of China on Friday, 21 June 2019 at 2:30 p.m. Please be on time to avoid disrupting the AGM as the AGM will commence at the stipulated time. The AGM is convened for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditor for the year ended 31 December 2018 (the “**Year**”).
2. To approve the payment of a final dividend of HK\$0.006 per share of the Company for the Year.
3. (a) To re-elect the following directors of the Company (the “**Directors**”) retiring by rotation pursuant to articles 86(1) and 86(2) of the articles of association of the Company (the “**AoA**”):
 - (i) Ms. Yang Meiyu as an executive Director (the “**ED**”);
 - (ii) Mr. Shi Janson Bing as an ED;
 - (iii) Mr. Zuo Kun as a non-executive Director (the “**NED**”); and
 - (iv) Mr. Henry Tan Song Kok as an independent non-executive Director.
- (b) To re-elect the following Directors retiring by rotation pursuant to article 85(7) of the AoA:
 - (i) Mr. Wei Dongzheng as a NED; and
 - (ii) Mr. Wang Jiangang as a NED.

NOTICE OF ANNUAL GENERAL MEETING

- (c) To authorize the board of Directors (the “**Board**”) to fix the remuneration of the Directors for the year ending 31 December 2019.
- 4. To re-appoint Messrs. Ernst & Young as the independent auditor of the Company to hold office until the conclusion of the next annual general meeting and to authorize the Board to fix its remuneration.

ORDINARY RESOLUTIONS

- 5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) of this Resolution below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares in the share capital of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Commission**”) and the Stock Exchange for this purpose, subject to and in accordance with the BVI Business Companies Act, 2004 (as amended, supplemented or otherwise modified from time to time) (the “**BVI Act**”) and all other applicable laws, the Hong Kong Code on Share Buy-backs administered by the Commission and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution above shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to buy back its Shares at a price determined by the Directors;
- (c) the total number of Shares to be bought back by the Directors pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10 per cent. of the total number of Shares in issue as at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company (the “**AGM**”);

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next AGM is required by the BVI Act, applicable laws or the Company's memorandum and articles of association to be held; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in a general meeting."
6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

"THAT:

- (a) subject to paragraph (c) of this Resolution below, the exercise by the directors of the Company (the "**Directors**") during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional new shares in the share capital of the Company (the "**Shares**") and to make or grant offers, agreements, options and rights of exchange or conversion, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution above shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (c) the total number of Shares allotted or issued or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) of this resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of options granted under any share option scheme or similar arrangement adopted by the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the memorandum and articles of association of the Company from time to time, shall not exceed 20 per cent. of the total number of Shares in issue as at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

"Relevant Period" shall have the same meaning ascribed to it under resolution no. 5 as set out in the notice convening the annual general meeting of the Company, of which this Resolution forms part; and

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to the holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to the fractional entitlements, or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong).”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of Resolution nos. 5 and 6 as set out in the notice convening the annual general meeting of the Company (the “**Notice**”) of which this Resolution forms part, the general mandate granted to the directors of the Company pursuant to the Resolution no. 6 as set out in the Notice of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the total number of shares of the Company (the “**Shares**”) to be bought back by the Company under the authority granted pursuant to the resolution no. 5 as set out in the Notice of which this Resolution forms part, provided that such amount shall not exceed 10 per cent. of the total number of Shares in issue as at the date of passing of this Resolution.”

By Order of the Board
China New Town Development Company Limited
Kwok Siu Man
Company Secretary

Hong Kong, 30 April 2019

Registered Office:

2/F, Palm Grove House
P.O. Box 3340
Road Town, Tortola
British Virgin Islands

*Headquarters and principal place
of business in Hong Kong:*

8203B-04A
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Notes:

1. Any shareholder of the Company (the “**Shareholder**” or the “**Member**”) entitled to attend and vote at the AGM convened by the Notice or its adjourned meeting (as the case may be) is entitled to appoint one (or, if he/she/it holds two or more Shares) or more than one proxy to attend and, on a poll, vote on his/her/its behalf subject to the provisions of the AoA. A proxy need not be a Shareholder.
2. If a Shareholder wishes to appoint a proxy or proxies, then the enclosed form of proxy must be completed, signed and deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 48 hours before the time appointed for holding the AGM and its adjourned meeting.

NOTICE OF ANNUAL GENERAL MEETING

3. Where a Shareholder appoints more than one proxy, he/she/it shall specify the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion is specified, the proxy whose name appears first shall be deemed to represent 100 per cent. of the shareholding of the Shareholder and the proxy whose name appears second shall be deemed to be appointed in the alternate.
4. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorized officer.
5. For determining Shareholders' entitlement to attend and vote at the AGM, the register of Members will be closed from Tuesday, 18 June 2019 to Friday, 21 June 2019 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending the forthcoming AGM, the non-registered Shareholders must lodge all transfer documents, accompanied by the relevant share certificates, with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 17 June 2019.
6. Subject to the passing of Resolution 2 as set out in the Notice and for determining Shareholders' entitlement to receive the proposed final dividend, the register of Members will be closed from Tuesday, 2 July 2019 to Thursday, 4 July 2019, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for receiving the final dividend, the non-registered Shareholders must lodge all transfer documents, accompanied by the relevant share certificates, with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 28 June 2019.
7. Personal Data Privacy: By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or its adjournment, a Shareholder (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including its adjournment) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including its adjournment), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.

As at the date of this notice, the Board comprises four executive Directors, namely Mr. Liu Heqiang (Chief Executive Officer), Ms. Yang Meiyu, Mr. Ren Xiaowei and Mr. Shi Janson Bing; four non-executive Directors, namely Mr. Zuo Kun (Chairman), Mr. Li Yao Min (Vice Chairman), Mr. Wei Dongzheng and Mr. Wang Jiangang; and four independent non-executive Directors, namely Mr. Henry Tan Song Kok, Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. E Hock Yap.