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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)

(Stock Code: 1278)

VOLUNTARY ANNOUNCEMENT

in relation to the New Cooperation Agreement for the Luodian New Town Project

Reference is made to the announcements of China New Town Development Company Limited (the “**Company**”) dated 30 December 2018 and 31 December 2019 (the “**Announcements**”). Capitalized terms used in this announcement shall have the same meanings as defined in the Announcements, unless the context requires otherwise.

Pursuant to the Cooperation Agreement, Shanghai Golden Luodian Development Co., Ltd. (“**Jinluodian**”), a non-wholly owned subsidiary of the Company shall complete the construction of the remaining municipal infrastructure and public ancillary facilities in the Western Zone by 20 August 2023, and cooperate with the People’s Government of Luodian Town, Baoshan District, Shanghai, (the “**Local Government**”) to complete the transfer of the project. The Local Government has agreed to reimburse Jinluodian the fees of the demolition and relocation in the Eastern Zone in the total amount of RMB1,522,580,000, part of which will be used for relevant construction and development. Meanwhile, the Local Government has also entrusted Jinluodian as the agent for the primary land development project in the Eastern Zone to be responsible for the construction and management therein. The parties have entered into the Primary Development Project Management Contract for Land in the Eastern Zone of Luodian New Town (the “**Entrusted Management Contract**”) in July 2019, which provides the related matters that the Local Government has entrusted Jinluodian as the agent for the construction in the Eastern Zone of the Luodian New Town. At present, Jinluodian has received the full amount agreed in the Cooperation Agreement.

The Board of Directors (the “**Board**”) of the Company is pleased to announce that, recently, Jinluodian has entered into the Construction Cooperation Agreement for Nine-Year School and Kindergarten Project in the Eastern Zone of Luodian New Town (the “**New Cooperation Agreement**”) with the Local Government.

Pursuant to the New Cooperation Agreement, after investigating the development of the project area and the needs of the residents thereof, both parties agreed and confirmed that Jinluodian will cease to undertake the construction responsibility of a high school in the Western Zone of the Project under the Cooperation Agreement, and the Local Government has agreed to use the construction funds of the high school for the construction of a nine-year school and a kindergarten in the Eastern Zone of the project, which will be implemented and managed by Jinluodian, and will be transferred to the Local Government upon completion. Taking into account the construction cycle of the eastern schools. Both parties agreed that the cooperation under the New Cooperation Agreement will start from the date of signing and end on 20 August 2028. Any extension of the cooperation will be subject to further negotiation between the parties.

At the same time, the two parties agreed on the payment arrangement for the management fee of RMB25 million previously payable by the Local Government to Jinluodian under the Entrusted Management Contract. The specific time and amount of payment is as follows: RMB15 million to be paid within 20 days after the signing of the New Cooperation Agreement, RMB5 million to be paid by 31 March 2024, and RMB5 million to be paid by 31 March 2025.

At present, the construction of the municipal and ancillary facilities of Jinluodian in the Western Zone of Luodian New Town has been basically completed and handed over to the Local Government (except for the high school which is subject to changes as stipulated in the New Cooperation Agreement). The signing of the New Cooperation Agreement is mainly for the adjustment of the cooperation matters between the two parties under the original Cooperation Agreement. Jinluodian shall act as the leading implementer and manager of the construction of the school and the kindergarten in the Eastern Zone, with the construction being funded by the construction expenditure of the high school in the Western Zone as agreed in the Cooperation Agreement, which does not involve any additional investment by the Group in the Luodian New Town project.

By Order of the Board
China New Town Development Company Limited
Hu Zhiwei
President

Hong Kong, 7 September 2023

As at the date of this announcement, the executive Directors, namely Mr. Hu Zhiwei (President), Ms. Yang Meiyu (Chief Executive Officer), Mr. Shi Janson Bing and Mr. Liu Fangqing; the non-executive Directors, namely Mr. Liu Yuhai (Chairman), Mr. Li Yao Min (Vice Chairman), Mr. Wang Hongxu and Mr. Feng Xiaoliang; and the independent non-executive Directors, namely Mr. Henry Tan Song Kok, Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. Lo Wai Hung.