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SRE GROUP LTD.

SRE GROUP LIMITED

上置集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is issued pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

China New Town Development Company Limited (“CNTD”), a company listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) and a 62.36% owned subsidiary of SRE Group Limited, has on 3 May 2010 released to the SGX-ST announcement (the “Announcement”) in relation to additional information for annual report for the financial year ended 31 December 2009. The following is reproduction of the Announcement for information purpose only.

On behalf of the Board of Directors of
SRE Group Limited
Shi Jian
Chairman

Hong Kong, 3 May 2010

As at the date hereof, the Board comprises five executive directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong and Mr. Yue Wai Leung, Stan; two non-executive directors, namely Mr. Cheung Wing Yui and Mr. Jin Bing Rong and three independent non-executive directors, namely Mr. Jiang Xie Fu, Mr. E Hock Yap and Mr. Pan Long Qing.

* For identification purpose only



CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中国新城镇发展有限公司

(Incorporated as a business company limited by shares under the laws of the British Virgin Islands)
(Company Registration Number: 1003373)

**ADDITIONAL INFORMATION FOR
ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009**

In response to The Singapore Exchange Limited's letter dated 29 April 2010, the Directors of China New Town Development Company Limited (the "Company") wish to provide the following additional information in relation to the Company's Annual Report released on 14 April 2010.

SGX's Queries

We note on page 25 of the annual report that of the 11 significant subsidiaries identified, the Company engaged a total of 7 different accounting firms. In respect of this, please disclose the Audit Committee's (the "AC") view on the following:

Question 1

How is such a wide array of accounting firms beneficial to the Company's accounting and reporting system?

Responses

The company's subsidiaries in the PRC have adopted their accounting and reporting systems in accordance with PRC standard. These subsidiaries located in different cities and different districts have engaged local district's accounting firms which carry out audits in accordance with PRC accounting and reporting standards for annual PRC statutory audit. These audits are mainly for annual business registration and tax reporting purposes.

The company engages an international accounting firm, Ernst and Young, to perform audit for the Company and its subsidiaries in accordance with international accounting standards for group reporting. Ernst and Young audited these individual subsidiaries mentioned for group consolidation purposes.

Accordingly, the AC and the Board are of the view that this is appropriate and do not compromise the integrity of the accounting and reporting system of the Group.

Question 2

Why is the AC of the view that such an arrangement would not compromise the integrity of the Company's accounting and reporting system and the basis for its views?

Responses

AC is of the view that such an arrangement is appropriate and do not compromise the integrity of the accounting and reporting system of the Group. Please refer to the "Accountability" and "Audit Committee" under Corporate Governance Report on page 40 to 41 of Annual Report 2009 and the responses to Question 1.

Question 3

What are the procedures in place that enable the AC to have a good overall view of the accounting and reporting systems and assure themselves of the completeness of the information available to auditors?

Responses

AC is of the view that it has a good overall view of the accounting and reporting systems and the information available to auditor is complete. Please refer to the “Accountability” and “Audit Committee” under Corporate Governance Report on page 40 to 41 of Annual Report 2009 and the responses to Question 1.

Question 4

Are there any internal control measures in place to enable the AC to satisfy themselves of the proper functioning of the accounting and reporting function as a whole? If so, what are these measures?

Responses

AC is of the view that it is satisfied with the proper functioning of the accounting and reporting function as a whole. Please refer to “Internal Control” and “Internal Audit” under Corporate Governance Report on page 41 to 42 of the Annual Report 2009 and the responses to Question 1.

By order of the Board

Li Yao Min

Chief Executive Officer

3 May 2010