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This presentation contains projections and forward-looking statements regarding the Group's objectives and expectations with respect to property development plans, and its opportunities and business prospects. Such forward-looking statements are not guarantees of future performance of the Group and are subject to factors that could cause actual results and company plans and objectives to differ materially from those expressed in the forward-looking statements. These factors include, but are not limited to, timing and price of sales of land in public bidding process; adverse changes in the Chinese economy and property market; fluctuations in the availability and pricing of residential and commercial properties; performance of construction and other contractors; and competition. The Group undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.

CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

(Company Registration No. 1003373)

(Incorporated in the British Virgin Islands)

Unaudited Financial Statements for the Full Year Ended 31 December 2007

PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) **An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

1(a)(i) **Income Statement for the Financial Year ("FY") ended 31 December 2007**

Group	Year ended	29 June 2006 to
	31 December 2007	31 December 2006
	RMB'000	RMB'000
Revenue	363,194	647,983
Cost of sales	(203,061)	(302,626)
Gross profit	160,133	345,357
Other income	72,919	201
Selling and distribution costs	(37,752)	(20,286)
Administrative expenses	(106,455)	(27,239)
Other expenses	(45,567)	(1,830)
Increase in fair values of convertible bonds	(79,445)	-
Increase in fair values of investment properties	38,948	30,000
Operating profit	2,781	326,203

Group	Year ended	29 June 2006 to
	31 December 2007	31 December 2006
	RMB'000	RMB'000
Finance costs	(293,564)	(55,498)
Profit/(loss) before tax	(290,783)	270,705
Income tax	18,772	(91,380)
Profit/(loss) after tax	(272,011)	179,325
Attributable to:		
Equity holders of the Company	(287,353)	130,100
Minority interests	15,342	49,225
	(272,011)	179,325
Dividends	-	-

1(a)(ii) Notes to the income statement

a) Revenue, other income and other expenses

Revenue

	Year ended	29 June 2006 to
	31 December 2007	31 December 2006
	RMB'000	RMB'000
Development of land infrastructure:		
- development of land	94,102	191,008
- construction of ancillary public facilities	190,891	434,783
Hotel operations	33,978	31,201
Golf course operations	59,673	28,192
Golf club membership fees	13,113	5,039
Investment property leasing	5,533	2,729
Others	1,630	1,094
Less: Business tax and surcharges	(35,726)	(46,063)
	363,194	647,983

Other income

	Year ended	29 June 2006 to
	31 December 2007	31 December 2006
	RMB'000	RMB'000
Government grant - interest subsidy	46,486	-
Interest income	26,052	201
Gain from sale of investment properties	338	-
Others	43	-
	72,919	201

Other expenses

	Year ended 31 December 2007	29 June 2006 to 31 December 2006
	RMB'000	RMB'000
Foreign exchange loss, net	44,012	1,140
Bank charges	1,345	690
Others	210	-
	<u>45,567</u>	<u>1,830</u>

b) Expenses by nature

	Year ended 31 December 2007	29 June 2006 to 31 December 2006
	RMB'000	RMB'000
Cost of development of land infrastructure	121,484	258,323
Depreciation of property, plant and equipment	57,750	27,790
Amortisation of prepaid land lease payments	8,330	4,165
Employee benefits	66,509	26,100
Cost of inventories	11,271	8,091
Utility expenses	14,306	7,764
Property tax	7,465	3,618
Commission to agency for sale of golf club membership	918	353
Transaction costs for issuance of existing shares	19,437	-
Others	39,798	13,947
	<u>347,268</u>	<u>350,151</u>
Total cost of sales, selling and distribution costs and administrative expenses	<u>347,268</u>	<u>350,151</u>

c) Finance costs

	Year ended 31 December 2007	29 June 2006 to 31 December 2006
	RMB'000	RMB'000
Interest on bank and borrowings	113,699	63,981
Interest on convertible bonds	215,496	-
Less: Interest capitalised	(35,631)	(8,483)
	<u>293,564</u>	<u>55,498</u>

China New Town Development Company Limited (the "Company") was incorporated on 4 January 2006 in the British Virgin Islands (the "BVI") and there was no operation in the Company prior to 20 December 2006, when the Company was used as the investment holding company to hold the Group's investments pursuant to the reorganization in preparation for the Company's IPO. The reorganization in December 2006 was deemed to be a business combination between entities under common control and the pooling of interests method of accounting is used to account for the business combination, which requires that the financial statements of the Company be presented from 29 June 2006, i.e. the date when joint control exists.

Variances in results between the year ended 31 December 2007 and the period from 29 June 2006 to 31 December 2006 are not presented as such comparisons are not meaningful.

1(b)(i) **A balance sheet (for the issuer and group), together with a comparative statement as at the end of immediately preceding financial year.**

Balance Sheets as at 31 December 2007

	Group		Company	
	31 December 2007	31 December 2006	31 December 2007	31 December 2006
(In RMB'000)				
Non-current assets				
Investments in subsidiaries	-	-	3,386,846	2,024,561
Investments in associated companies	200	200	-	-
Property, plant and equipment	1,276,038	1,220,954	164	80
Investment properties	845,000	780,000	-	-
Property under development for long-term investment	85,336	-	-	-
Prepaid land lease payments	326,070	334,400	-	-
Non-current trade receivables	78,043	162,253	-	-
Deferred tax assets	3,157	1,979	-	-
Other assets	40,768	31,498	-	3,422
	<u>2,654,612</u>	<u>2,531,284</u>	<u>3,387,010</u>	<u>2,028,063</u>
Current assets				
Land infrastructure under development for sale	2,633,604	1,529,289	-	-
Inventories	3,781	2,890	-	-
Amounts due from subsidiaries	-	-	48,494	-
Amounts due from related parties	1,755	3,246	-	1,491
Prepayments and other receivables	27,193	24,586	166	14,234
Trade receivables	553,017	473,009	-	-
Cash and bank balances	1,750,256	169,211	1,037,563	5,950
Total current assets	<u>4,969,606</u>	<u>2,202,231</u>	<u>1,086,223</u>	<u>21,675</u>
Total assets	<u><u>7,624,218</u></u>	<u><u>4,733,515</u></u>	<u><u>4,473,233</u></u>	<u><u>2,049,738</u></u>
Equity				
Equity attributable to equity holders of the Company:				
Share capital	1,978,872	78	1,978,872	78
Other reserves	348,184	224,032	1,681,597	1,557,445
Retained earnings(Accumulated losses)	(157,253)	130,100	(308,962)	(539)
Minority interests	500,908	309,683	-	-
Total equity	<u>2,670,711</u>	<u>663,893</u>	<u>3,351,507</u>	<u>1,556,984</u>
Non-current liabilities				
Interest-bearing bank borrowings	1,640,000	1,990,000	-	-
Convertible bonds - host debts	-	56,773	-	56,773
Convertible bonds - embedded derivatives	-	410,264	-	410,264
Deferred income from sale of golf club membership	487,224	339,180	-	-
Deferred tax liabilities	103,788	133,908	-	-
Other non-current liabilities	-	144,590	-	-
	<u>2,231,012</u>	<u>3,074,715</u>	<u>-</u>	<u>467,037</u>

(In RMB'000)	Group		Company	
	31 December 2007	31 December 2006	31 December 2007	31 December 2006
Current liabilities				
Trade payables	832,167	483,417	-	-
Other payables and accruals	105,458	96,428	8,966	-
Amounts due to related parties	1,017	40,685	-	25,717
Advances from customers	2,571	3,505	-	-
Interest-bearing bank borrowings	-	100,000	-	-
Other borrowings	350,000	-	-	-
Deferred income arising from construction of ancillary public facilities	141,849	106,725	-	-
Convertible bonds - host debts	1,101,860	-	1,101,860	-
Convertible bonds - embedded derivatives	10,900	-	10,900	-
Current income tax liabilities	176,673	164,147	-	-
Total current liabilities	2,722,495	994,907	1,121,726	25,717
Total liabilities	4,953,507	4,069,622	1,121,726	492,754
Total equity and liabilities	7,624,218	4,733,515	4,473,233	2,049,738

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

i) Borrowings

Group	31 December 2007 RMB'000	31 December 2006 RMB'000
Bank loans – collateralised	1,000,000	1,000,000
Bank loans – guaranteed	-	100,000
Bank loans – unsecured	640,000	990,000
	1,640,000	2,090,000
Borrowings from government - unsecured	350,000	-
	1,990,000	2,090,000

a) Amount repayable in one year or less, or on demand

b) Amount repayable after one year

The bank borrowings are repayable as follows:

	31 December 2007 RMB'000	31 December 2006 RMB'000
Within one year	350,000	100,000
In the second year	1,640,000	1,990,000
	1,990,000	2,090,000

c) Whether the amounts are secured or unsecured.

See table above.

d) Details of any collaterals.

As at 31 December 2006, long-term bank borrowings of RMB1,000 million were collateralised by pledges of the Group's property, plant and equipment, investment properties and prepaid land lease payments, whose net carrying amounts at 31 December 2006 were RMB254,811 thousand, RMB780,000 thousand and RMB323,400 thousand, respectively.

As at 31 December 2007, bank borrowings of RMB1,000 million were collateralised by pledges of the Group's property, plant and equipment, investment properties and prepaid land lease payments, whose net carrying amounts at 31 December 2007 were RMB243,492 thousand, RMB845,000 thousand and RMB315,070 thousand, respectively.

ii) Convertible bonds

(In RMB'000)	As at 31 December 2007		
	CB1	CB2	Total
Embedded derivatives (at fair value through profit or loss)	-	10,900	10,900
Host debts (carried at amortised cost)	-	1,101,860	1,101,860
	<u>-</u>	<u>1,112,760</u>	<u>1,112,760</u>

(In RMB'000)	As at 31 December 2006		
	CB1	CB2	Total
Embedded derivatives (at fair value through profit or loss)	56,773	-	56,773
Host debts (carried at amortised cost)	410,264	-	410,264
	<u>467,037</u>	<u>-</u>	<u>467,037</u>

The movements of the carrying amounts of host debts in CB1 and CB2 in the year ended 31 December 2007 are as follows:

(In RMB'000)	Year ended 31 December 2007		
	CB1	CB2	Total
Carrying amount of host debt at beginning of year	56,773	-	56,773
Carrying amount of host debt on initial recognition upon issuance (fair value upon issuance net of attributable transaction cost of 50,492 thousands)	-	1,038,364	1,038,364
Foreign exchange gain	(1,405)	-	(1,405)
Interest expense	14,270	201,227	215,497
Change in the carrying amount change due to the change in terms	3,291	1,212	4,503
Conversion to shares	(72,929)	(107,953)	(180,882)
Interest paid	-	(30,990)	(30,990)
Carrying amounts of host debts at end of year	<u>-</u>	<u>1,101,860</u>	<u>1,101,860</u>

The fair value movements for derivatives embedded in CB1 and CB2 for the year ended 31 December 2007 are as follows:

(In RMB'000)	Year ended 31 December 2007		
	CB1	CB2	Total
At beginning of year	410,264	-	410,264
Initial recognition upon issuance of bonds	-	150,745	150,745
Fair value decrease	(11,212)	(148,132)	(159,344)
Loss on change in terms			
- increase in carrying value of convertible bonds	(2,152)	197,109	194,957
- write-off of unamortized transaction cost	-	39,329	39,329
Transfer to equity (equity component after change in terms)	(396,900)	(224,000)	(620,900)
Conversion to shares	-	(4,151)	(4,151)
At end of year	-	10,900	10,900

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Cash Flow Statement

	Year ended 31 December 2007	29 June 2006 to 31 December 2006
	RMB'000	RMB'000
Cash flows from operating activities		
Profit/(loss) before tax	(290,783)	270,705
Adjustments for:		
Depreciation of property, plant and equipment	57,750	27,790
Amortisation of prepaid land lease payments	8,330	4,165
Loss on disposal of property, plant and equipment	207	-
Gain on disposal of investment properties	(338)	-
Fair value gain on investment properties	(38,948)	(30,000)
Loss on convertible bonds other than interest cost, net	79,445	-
Foreign exchange loss	44,012	-
Share options granted	8,516	-
Interest income	(26,052)	(201)
Interest expense	293,564	55,498
	135,703	327,957
(Increase)/Decrease in restricted bank deposits	(25)	508
(Increase)/Decrease in land infrastructure under development for sale	(1,113,051)	204,676
(Increase)/Decrease in inventories	(891)	72
(Increase)/Decrease in amounts due from related parties	1,491	(1,424)
Increase in prepayments and other current assets	(21,748)	(17,465)
Increase in trade receivables	132,624	(396,212)
Increase in deferred income	3,454	11,200
Increase/(Decrease) in trade and other payables	363,842	(53,687)
Increase/(Decrease) in amounts due to related parties	(39,668)	19,835
Net cash inflow/(outflow) from operating activities	(538,269)	95,460

	<u>Year ended</u> <u>31 December 2007</u>	<u>29 June 2006 to</u> <u>31 December 2006</u>
Cash flows from investing activities		
Purchases/constructions of property, plant and equipment	(123,334)	(37,526)
Proceeds from disposal of property, plant and equipment	674	-
Land use right payments	-	(2,186)
Payment for properties under development for long-term investments/investment properties	(153,589)	(288)
Interest received	26,052	201
Net cash outflow from investing activities	<u>(250,197)</u>	<u>(39,799)</u>
Cash flows from financing activities		
Proceeds from public listing	1,376,290	-
Proceeds from issuance of convertible bonds	1,165,457	-
Capital contributions from minority owners of subsidiaries	175,883	-
Repayment of borrowings	(450,000)	-
Loans from related parties	350,000	70,000
Repayment of loans to related parties	-	(70,000)
Restricted cash for convertible bonds coupon	(31,673)	-
Interest paid	(114,838)	(63,633)
Payment of transaction cost for new shares	(87,287)	-
Net cash inflow/(outflow) from financing activities	<u>2,383,832</u>	<u>(63,633)</u>
Net increase/(decrease) in cash and cash equivalents	1,595,366	(7,972)
Net foreign exchange difference	(46,019)	-
Cash and cash equivalents at beginning of year/period	<u>169,148</u>	<u>177,120</u>
Cash and cash equivalents at end of year/period	<u><u>1,718,495</u></u>	<u><u>169,148</u></u>

1(d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Statements of changes in equity

Group

(In RMB'000)	Equity attributable to equity holders of the Company					Total equity
	Share Capital	Other reserves	Retained earnings (accumulated losses)	Total	Minority interests	
As at 29 June 2006	78	691,069	-	691,147	260,458	951,605
Profit for the period	-	-	130,100	130,100	49,225	179,325
Issuance of convertible bonds upon reorganisation	-	(467,037)	-	(467,037)	-	(467,037)
As at 31 December 2006	78	224,032	130,100	354,210	309,683	663,893
Profit/(Loss) for the year	-	-	(287,353)	(287,353)	15,342	(272,011)
Grant of equity-settled share options to management	-	8,516	-	8,516	-	8,516
Capital contributions from minority owners of subsidiaries	-	-	-	-	175,883	175,883
Increase in share capital from shares issued at initial public offering of Company	1,376,290	-	-	1,376,290	-	1,376,290
Convertible bonds - equity components	-	620,900	-	620,900	-	620,900
Imputed equity contribution upon CB1 conversion	469,828	(396,900)	-	72,928	-	72,928
Imputed equity contribution upon CB2 conversion	132,676	(20,572)	-	112,104	-	112,104
Transaction costs for issuance of new shares	-	(87,792)	-	(87,792)	-	(87,792)
As at 31 December 2007	<u>1,978,872</u>	<u>348,184</u>	<u>(157,253)</u>	<u>2,169,803</u>	<u>500,908</u>	<u>2,670,711</u>

The Company

	Share capital	Other reserves	Accumulated losses	Total
As at 29 June 2006	78	-	-	78
Issue of shares	-	-	-	-
Loss for the period	-	-	(539)	(539)
Imputed equity contribution upon reorganisation	-	1,557,445	-	1,557,445
As at 31 December 2006	78	1,557,445	(539)	1,556,984
Loss for the year	-	-	(308,423)	(308,423)
Grant of equity-settled share options to management	-	8,516	-	8,516
Increase in share capital from shares issued at initial public offering of Company	1,376,290	-	-	1,376,290
Convertible bonds - equity components	-	620,900	-	620,900
Imputed equity contribution upon CB1 conversion	469,828	(396,900)	-	72,928
Imputed equity contribution upon CB2 conversion	132,676	(20,572)	-	112,104
Transaction costs for issuance of new shares	-	(87,792)	-	(87,792)
As at 31 December 2007	<u>1,978,872</u>	<u>1,681,597</u>	<u>(308,962)</u>	<u>3,351,507</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The Company was listed on the Mainboard of the Singapore Exchange Securities Trading Limited on 14 November 2007 with total issued and paid-up share capital of the Company comprising 1,401,025,000 shares. The movements in the Company's share capital during the year ended 31 December 2007 are as follow:

	Year ended 31 December 2007	
	Number of shares (Thousands)	Amount
Share capital at the beginning of the year	10	78
Share split (sub-division of each existing share into 75,000 shares)	750,000	78
Increases during the year:		
Ordinary shares issued	-	-
Ordinary shares issued upon public listing at SG\$0.83 per share	323,350	1,376,290
Ordinary shares converted from CB1	265,125	469,828
Ordinary shares converted from CB2	62,550	132,676
Share capital at the end of the year	1,401,025	1,978,872

The number of shares that may be issued on conversion of all the outstanding convertibles are 646,275,000 shares (after the sub-division of one existing share into 75,000 shares), comprising of (i) 27,750,000 shares pursuant to the issuance of the management grant; and (ii) 618,525,000 shares pursuant to the issuance of the convertible bonds, upon the full exercise of respective holders' right to convert the management grant and convertible bonds respectively. For further details on the management grant and convertible bonds, please refer to the Company's prospectus dated 5 November 2007.

Except as disclosed above, the Company had no other outstanding convertibles as at 31 December 2007 and 31 December 2006.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 December 2007	As at 31 December 2006
	Number of shares (Thousands)	Number of shares (Thousands)
Total number of issued shares excluding treasury shares	1,401,025	10

1(d)(iv) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

2 **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the auditors.

3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared with the most recently audited financial statements for the period from 29 June 2006 to 31 December 2006 and the six months ended 30 June 2007 as included in the Prospectus of the Company during its IPO.

5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company have adopted all the new and revised IFRSs that are relevant in the current financial period. The adoption of these new/revised FRSs has no material effect on the financial statements.

6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

		Group	
	Earning per ordinary share for the year based on profit attributable to shareholders after deducting any provision for preference dividends	Year ended 31 December 2007	29 June 2006 to 31 December 2006
(i)	Based on weighted average number of ordinary shares on issue (RMB)	(0.3430)	0.1735
(ii)	On a fully diluted basis (RMB)	(0.3430)	0.1699

The calculation of basic earnings(loss) per share amounts is based on the profit(loss) attributable to ordinary equity holders of the Company for the period ended 31 December 2006 and the year ended 31 December 2007.

A diluted earnings(loss) per share amounts is calculated by dividing the profit(loss) attributable to ordinary equity holders of the Company (after adjusting income statement effects of dilutive convertible bonds) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The calculation of diluted earnings(loss) per share does not assume conversion of CB2

and/or employee share options that would have an antidilutive effect on earnings(loss) per share for the period ended 31 December 2006 and year ended 31 December 2007.

The following reflects the income and share data used in the basic and diluted earnings/(loss) per share computations:

	Year ended 31 December 2007	29 June 2006 to 31 December 2006
	RMB'000	RMB'000
Profit/(Loss) attributable to ordinary equity holders of the Company	(287,353)	130,100
Weighted average number of ordinary shares outstanding	837,882,945	750,000,000
Add: Weighted average number of ordinary shares resulting from conversion of the dilutive convertible bond	-	15,764,189
Number of ordinary shares used to calculate the diluted earnings per share	837,882,945	765,764,189

Management Stock Option Plan is treated as options and outstanding from the date of grant. Since it is anti-dilutive, then it has not been included in the dilutive EPS calculation.

There have been no other transactions involving ordinary shares or potential ordinary shares between 31 December 2007 and the date when the financial statements were approved and authorised for issue, that would affect the calculation of the above earnings/(loss) per share.

7 Net asset value (for the issuer and the group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	31 December 2007	31 December 2006	31 December 2007	31 December 2006
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares of the issuer as at the end of the period reported on (RMB, after share split)	1.9063	0.4723	2.3922	2.0760

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Operating Results

Our results of operations are primarily driven by the frequency and achieved selling prices of public auction of land use rights. Owing to the strict implementation of austerity measures throughout 2007, land auction schedule across the country has significantly slowed down. Although we delivered five land plots to the respective land reserve centers for public listing, the sale could not be completed before the year end. Much revenue and, hence, operating profits have been deferred to the 1st quarter of 2008 ("1Q08"). In addition, revaluation of the pre-IPO convertible bonds ("CBs") gave rise to Rmb194 million of one-off non-cash accounting loss (partly compensated by diminution in value of the attached put option), which greatly affected the reported profits for the year.

Despite the delay in land supply, demand for developable land parcels in our projects remained resilient. In Shanghai, for instance, we managed to hand over two residential plots for public listing in January and December 2007 respectively. The second plot on the back of significant bidding interests fetched an average price of approximately Rmb3,500 per square meter ("psm") in terms of gross floor area ("GFA"), which compares favourably with the price that was fetched from the sale of the first plot at Rmb2,980 psm achieved in January 2007. However, the purchaser of the second plot did not complete the land purchase agreement until January 2008 and revenue in connection with the sale of this land plot of approximately Rmb330 million has been deferred to 1Q08.

In Wuxi, after only a short span of eight months from the commencement of construction, we have already delivered one commercial and one residential plot of land for listing. Total revenue attributable to the project company in respect of these two parcels of land amounted to approximately Rmb194.2 million; revenue from the commercial plot and residential plot are RMB125 million and RMB69.2 million respectively. The commercial parcel of land was purchased by the project company itself for the development of the Wu Culture Street, a commercial development; hence no revenue would be generated from the sale of this parcel of land. On the other hand, as the resettlement of the incumbent residents on the residential plot of land had not been completed as of 31 December 2007, related revenues were therefore not recognised during the year ended 31 December 2007. In addition, only a portion of the RMB69.2 million that is relating to the sale of the residential land plot would be recognised during 1Q08, the portion of revenue that is attributable to construction of public facilities would be deferred till the respective components of the public facilities are completed.

In Shenyang, we have delivered two residential plots (total site area of approximately 265,000 sq.m.) in late November 2007 to the local land reserve center at a reserve price of Rmb600 psm as originally planned. But, the local government delayed the bidding process of the land plots to March 2008. Accordingly, revenue from the sale of these land plots would be delayed till the land auctions take place.

We were successfully listed on the SGX on 14 November 2007. In preparation for the listing, we in September agreed with the holders of the CBs to modify the terms and conditions such that the modified equity conversion options of the instruments would be classified as equity of the Company. The amendments were made so that fair value changes of the conversion options would not be accounted for in the income statement after the date when the terms are amended.

After the amendment, the revised CBs comprises three components: a straight-debt portion (financial liability), an embedded put option (financial liability) as revised (i.e. the right of the bondholders to put back the revised CBs at 135% of the principal amount during the period from 15 September to 15 October 2008 if they are not yet converted) and an equity instrument (the conversion option, i.e. a call option granting the holder the right, for a specified period of time before the Maturity Date, to convert it into a fixed number of ordinary shares of the Company, i.e. 681 million shares).

As a result, the Company incurred a loss of RMB236 million (including increase in fair value of CBs and a write-off of an unamortised transaction cost) on the date of amendment. Such non-cash loss will not recur going forward.

Liquidity

During the year, we have repaid Rmb450 million of the Shanghai project loan and subsequently reached agreements with the lender to renew the loan of principal amount of Rmb1.64 billion for 18 months. Execution of documentation will take place when the loan falls due in March 2008.

Through issue of the CBs in February and the initial public offering in November, we have raised a total proceed of over Rmb2.5 billion. Up to 31 December 2007, we have funded approximately Rmb1.2 billion into the Wuxi and Shenyang projects. Further, we injected Rmb176 million as start-up capital for the Changchun Automobile City Site One Project (total site area of 2.99 sq.km.) in December. Applications to the Ministry of Commerce for further enlarging registered capital for all these three projects under construction are currently in process. Once approved, we will utilize the remaining cash balance of over Rmb1 billion for further construction.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10 A commentary at the date of this announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

With the slow down of economy in the US and the government stricter implementation of austerity measures, the China property market across the country slowed down in activities and pricing. While the credit market in China remains tight, anecdotal evidence shows that various governments have recently softened their stance in control of land supply. Project financing is limited but banks remain very supportive to our new town development projects as illustrated by the renewal of the Rmb1.6 billion facility for our Shanghai project. It is most evident of the governments' rekindled initiatives of expediting new town development in various 2nd cities including Tianjin and Haikou and the major cities like Beijing and Shanghai. More thorough review of the existing Land Administrative Laws is actively underway. With standardization of the governing laws and industry practice, we believe our business model will gain increasing popularity among various township governments.

Two residential plots in our Shanghai project, one commercial plot in Wuxi and two residential plots in Shenyang carried forward from last year have been scheduled for public listing in March 2008. General demand for developable land parcels remains resilient. Recent achieved land prices have shown no material weakness. Upon successful completion of sales, profitability is expected to recover significantly in 2008.

The put option attached to the CBs will expire on 15 October 2008. Even if the holders of the CBs choose not to exercise the put option, they retain the rights to redeem the CBs at 135% at maturity. The valuation as of 31 December 2007 amounts to merely Rmb 11 million. Therefore, we expect the exercise of the put option is highly unlikely. After expiry, the finance cost arising from the CBs will be significantly reduced from 23% per annum to 5% per annum. Moreover, as both the Wuxi and Shenyang projects were at early stage of development, most of the planned construction works have not commenced and much of the finance cost incurred could not be capitalized during 2007. The amount of capitalization, however, will increase substantially as more capital is put to work. The reported finance cost is likely to decrease significantly going forward.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? **No**

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial period reported on?

No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12 If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the year ended 31 December 2007.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

	Year ended 31 December 2007					Total
	Development of land infrastructure	Property leasing	Hotel operations	Golf course operations	Other operations	
Segment results						
Total segment sales	267,454	5,255	32,546	57,008	4,312	366,575
Intersegment sales	-	-	(281)	(119)	(2,981)	(3,381)
External sales	267,454	5,255	32,265	56,889	1,331	363,194
Operating profit/(loss) / segment profit/(loss)	154,281	46,535	(51,087)	(1,552)	(145,396)	2,781
Finance costs						(293,564)
Loss before tax						(290,783)
Income tax expense						18,772
Loss for the year						(272,011)
Other segment items included in the income statement						
Depreciation	1,914	-	33,749	21,206	881	57,750
Amortisation	-	-	3,028	5,302	-	8,330
Fair value loss on convertible bonds	-	-	-	-	79,445	79,445
Fair value gain on investment properties	-	38,948	-	-	-	38,948
Segment assets and liabilities						
Segment assets	3,755,142	942,265	744,131	729,962	1,449,361	7,620,861
Investments in associated companies						200
Deferred tax assets						3,157
Total assets						<u>7,624,218</u>

Segment liabilities	877,000	52,681	38,186	587,666	1,127,513	2,683,046
Deferred income tax liabilities						103,788
Unallocated liabilities						<u>2,166,673</u>
Total liabilities						<u>4,953,507</u>
Capital expenditure	<u>30,626</u>	<u>113,739</u>	<u>62,093</u>	<u>20,285</u>	<u>711</u>	<u>227,454</u>
29 June 2006 to 31 December 2006						
	Development of land infrastructure	Property leasing	Hotel operations	Golf course operations	Other operations	Total
Segment results						
Total segment sales	588,205	2,592	31,460	26,709	2,099	651,065
Intersegment sales	-	-	(1,875)	(7)	(1,200)	(3,082)
External sales	<u>588,205</u>	<u>2,592</u>	<u>29,585</u>	<u>26,702</u>	<u>899</u>	<u>647,983</u>
Operating profit/(loss) / segment profit/(loss)	318,667	32,592	(13,355)	(8,245)	(3,456)	326,203
Finance costs						<u>(55,498)</u>
Profit before tax						270,705
Income tax expense						<u>(91,380)</u>
Profit for the period						<u>179,325</u>
Other segment items included in the income statement						
Depreciation	612	-	15,539	10,489	1,150	27,790
Amortisation	-	-	1,514	2,651	-	4,165
Fair value gain on investment properties	-	30,000	-	-	-	30,000
Segment assets and liabilities						
Segment assets	2,310,143	780,000	812,267	794,900	34,026	4,731,336
Investments in associated companies						200
Deferred tax assets						<u>1,979</u>
Total assets						<u>4,733,515</u>
Segment liabilities	630,969	20,241	64,241	454,272	471,159	1,640,882
Unallocated liabilities						<u>2,428,740</u>
Total liabilities						<u>4,069,622</u>
Capital expenditure	<u>11,248</u>	<u>-</u>	<u>8,944</u>	<u>336</u>	<u>346</u>	<u>20,874</u>

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

During 2007, the Shanghai project accounted for most of the business activities as the Wuxi and Shenyang stayed in the planning stage for most of the year. Therefore, an analysis by geographical segment is not meaningful.

Our hotel, golf course operations and property leasing for 2007 accounted for 26.0% of total revenue, which compares with 9.1% in 2006. Such significant increase is mostly due to the lower than expected revenue contribution from land sales during the year. In absolute dollar terms, revenue from all commercial property grew by 60.3%. Operating loss from commercial property reduced from Rmb11.0 million to Rmb6.1 million.

15 **A breakdown of sales.**

	Year ended 31 December 2007	29 June 2006 to 31 December 2006
	RMB'000	RMB'000
Sales reported for first half year	360,341	N/A
Operating profit/loss after tax before deducting minority interests reported for first half year	130,219	N/A
Sales reported for second half year	38,579	694,046
Operating profit/loss after tax before deducting minority interests reported for second half year	<u>(205,542)</u>	<u>216,508</u>

16 **A breakdown of the total annual dividend (in Singapore dollar value) for the issuer's latest full year and its previous full year.**

No dividends were declared during the relevant periods stated above.

17 **Interested Persons Transactions ("IPTs")**

The following are details of the IPTs entered into by the Group in financial year ended 31 December 2007:

Name of interested person	Year ended 31 December 2007	
	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (RMB'000)	Aggregate value of all IPTs conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (RMB'000)
Shanghai Anderson Fuxing Land Co.,Ltd.	321,198	-

18 **Subsequent Events**

In January 2008, the Shanghai Housing and Land Resources Bureau completed the sale of a parcel of residential land developed by the Company, located at Shanghai Luodian New Town, measuring approximately 82,600 square metres with plot ratio of 1.2 times (the "Land") to Shanghai Jingrui Property (Group) Company Limited, a third-party property developer. The sale of the Land was by way of a public auction at a final price of RMB368 million. However, as the purchaser of this parcel of land did not complete the land purchase agreement until January 2008, revenue in connection with the sale of this land plot has been deferred to 1Q 2008. In connection with this transaction, the Group's portion of the revenue and its gross profit are RMB330 million and RMB239 million respectively.

In addition, one residential land plot in Wuxi was listed for sale by the government in December 2007 at a price of RMB76.9 million. As the resettlement of incumbent residents was only completed in the first quarter of 2008, related revenue in connection with this land sale will only be recognised in 1Q 2008 in accordance with the Group's accounting policy.

The initial public offering of the Company's shares was jointly sponsored by Citigroup Global Markets Singapore Pte. Ltd. and Deutsche Bank AG, Singapore Branch.

By order of the Board

Kuok Yew Lee
Company Secretary

27 February 2008