
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your shares in New City (China) Development Limited (the “**Company**”), you should at once hand this circular and accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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NEW CITY (CHINA) DEVELOPMENT LIMITED

新城市(中國)建設有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0456)

**PROPOSED RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES,
PROPOSED CHANGE OF NAME AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the board of directors of the Company is set out on page 3 to 6 of this circular.

A notice convening the annual general meeting of the Company to be held at Plaza III, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 9 May 2012 at 3:00 p.m or any adjournment thereof is set out on pages 13 to 16 of this circular.

Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the branch share registrars of New City (China) Development Limited, Union Registrars Limited at 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wan Chai, Hong Kong, as soon as practicable and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

5 April 2012

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Plaza III, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 9 May 2012 at 3:00 p.m., the notice of which is set out in pages 13 to 16 of this circular, and any adjournment thereof
“Articles” or “Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	New City (China) Development Limited, a company incorporated in the Cayman Islands with limited liability and whose issued Shares are listed on the Stock Exchange
“Companies Law”	The Companies Law of the Cayman Islands Cap. 22 (Law 3 of 1961, as consolidated and revised)
“Director(s)”	the director(s) of the Company for the time being
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to allot, issue or otherwise deal with the Shares not exceeding 20% of the issued share capital of the Company in issue as at the date of the passing of the resolution approving this issue mandate
“Hong Kong”	the Hong Kong Special Administrative Region of the Peoples’ Republic of China
“Latest Practicable Date”	29 March 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to repurchase the Shares up to maximum of 10% of the issued share capital of the Company in issue as at the date of the passing of the relevant resolution approving this repurchase mandate

DEFINITIONS

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	Holders of the Share(s) in issue
“Share(s)”	existing ordinary share(s) of HK\$0.004 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$ and cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE BOARD

NEW CITY (CHINA) DEVELOPMENT LIMITED

新城市(中國)建設有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0456)

Executive Directors:

Mr. Han Junran (*Chairman*)
Mr. Fu Yiu Kwong
Mr. Luo Min

Registered office:

Scotia Centre, 4th Floor
P.O. Box 2804, George Town
Grand Cayman, Cayman Islands

Independent non-executive Directors:

Mr. Seto Man Fai
Mr. Chan Yiu Tung, Anthony
Mr. Zheng Qing

*Head office and principal place of
business in Hong Kong*

11/F, Effectual Building,
16 Hennessy Road,
Wan Chai, Hong Kong

5 April 2012

To the Shareholders

**PROPOSED RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES,
PROPOSED CHANGE OF NAME AND
NOTICE OF ANNUAL GENERAL MEETING**

Dear Sir or Madam

1. INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM for the approval of (i) the re-election of Directors; (ii) granting of Issue Mandate; (iii) granting of Repurchase Mandate; (iv) granting to the Directors a general and unconditional mandate to the effect that the total number of Shares which may be allotted and issued under the Issue Mandate may be increased by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate; and (v) proposed change of name.

2. RE-ELECTION OF DIRECTORS

In accordance with the Article 87(1) of the Company's Articles of Association, Mr. Chan Yiu Tung, Anthony and Mr. Seto Man Fai will be retired from office by rotation and be eligible for re-election at the AGM. Detail of Mr. Chan Yiu Tung, Anthony and Mr. Seto Man Fai are set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. GENERAL MANDATE TO ISSUE SHARES

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,544,787,999 Shares.

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Issue Mandate, i.e. a general and unconditional mandate to allot, issue and deal with the Shares up to 508,957,600 Shares representing 20% of the aggregate nominal share capital of the Company in issue as at the date of passing of the relevant of resolution. In addition, an ordinary resolution will also be proposed to authorise the increase in the total number of new Shares which may be allotted and issued under the Issue Mandate by an additional number representing such number of Shares actually repurchased by the Company under the Repurchase Mandate.

4. GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will also be proposed to grant the Directors the Repurchase Mandate, i.e. a general and unconditional mandate to exercise all powers of the Company to repurchase its own Shares up to maximum of 10% of the nominal share capital of the Company in issue as at the date of passing of the relevant resolution.

Under the Listing Rules, the Company is required to give to its Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Director of the Repurchase Mandate. An explanatory statement for such purpose is contained in the Appendix II to this circular.

5. PROPOSED CHANGE OF COMPANY NAME

As announced by the Company in its announcement dated 21 March 2012 and 29 March 2012, the Directors proposed to change the name of the Company to “New City Development Group Limited” and to adopt the Chinese name “新城市建設發展集團有限公司” as the formal Chinese name of the Company (“Change of Name”).

Reasons for the Change of Name

The Directors believe that the Change of Name will provide the Company with a new corporate identity in line with the new branding of the Company and its subsidiaries (collectively “Group”) which will further bring new corporate image and profile to the Company while facilitating the future business development of the Company, and is in the interests of the Company and Shareholders as a whole.

Conditions for the Change of Name

The Change of Name is subject to the following conditions being fulfilled:

- (a) the passing of a special resolution(s) by the Shareholders at the Annual General Meeting; and

LETTER FROM THE BOARD

- (b) the Registrar of Companies in Cayman Islands approving the use of the new name by the Company.

Status of the existing certificates for securities of the Company

The Change of Name will take effect from the date on which the new name is entered onto the register by the Registrar of Companies in Cayman Islands in place of the existing name. Upon the Change of Name becoming effective, all the existing share certificates bearing the current name of “New City (China) Development Limited” will continue to be evidence of title to shares of the Company and will continue to be valid for trading, settlement and registration purposes and the rights of the Shareholders will not be affected as a result of the Change of Name. There will not be any free exchange of the existing share certificates of the Company for new share certificates under new name of the Company. If the proposed Change of Name becomes effective, any issue of share certificates thereafter will be in the new name of the Company and the securities of the Company will be traded on the Stock Exchange in the new name of the Company.

6. AGM

A notice convening the AGM is set out on page 13 to 16 of this circular. A form of proxy for use at the AGM is also enclosed herewith. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, at the Company’s share registrar, Union Registrars Limited at 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof.

7. PROCEDURES TO DEMAND A POLL

Pursuant to Article 66 of the Articles of Association of the Company, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is required (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three members present in person or in the case a member being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or

LETTER FROM THE BOARD

- (d) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (e) if required by the rules of the designated stock Exchange, by any director or directors who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at such meeting.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a member.

8. RECOMMENDATION

The Board considers that the granting of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and proposed change of company name are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders should vote in favour of all the resolutions to be proposed at the AGM.

9. GENERAL INFORMATION

Your attention is drawn to the explanatory statement set out in the Appendix II to this circular.

Yours faithfully,
By order of the Board
New City (China) Development Limited
Han Junran
Chairman

Hong Kong, 5 April 2012

The biographical details of the directors to be re-elected at the AGM are set out below:–

Mr. Chan Yiu Tung, Anthony, aged 53, graduated from University of Toronto in 1982. Mr. Chan has over 20 years experience in the construction and property investment field and is currently the managing director of two construction companies in Hong Kong. Mr. Chan is currently the Supervisor of KYT Excel Foundation Primary School and Manager of Building Contractor's Association School and member of various organizations including Lions Club of Hong Kong West (President during the years 1996/97 and 2001/02), The Hong Kong Construction Association Ltd (Hon. Secretary), H.K. General Building Contractors Association Ltd (President), Kwong Yuet Tong Hong Kong (Council Member) Association of Hong Kong Nanjing Fellows Ltd (Director), The Chinese General Chamber of Commerce (Shamshuipo) (Council Member), Commercial & Industrial Committee of DAB (Council Member), Guangzhou Overseas Friendship-Liaison Association (Council Member), Yan Oi Tong (Directors for the years 2005/06, 2006/07, 2007/08 and 2008/09), Mr. Chan was appointed as Independent Non-Executive Director of the Company in August 2002.

Mr. Chan has entered into a service contract with the Company on 1 August 2002 and is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. According to the service contract, Mr. Chan will be entitled to a salary of HK\$10,000 per month which is determined by reference to his duties and responsibilities to the Company.

Save as disclosed above, as at the date of this circular, (i) Mr. Chan does not have any relationship with any Directors, senior management, and substantial shareholders or controlling shareholders of the Company; (ii) Mr. Chan does not hold any directorship in any other listed companies in the three years prior to the date of this circular; (iii) Mr. Chan does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance; (iv) there are no other matters that should be disclosed pursuant to any requirements of Rules 13.51(2)(h) to (v) of the Listing Rules; and (v) there are no other matters that are required to be brought to the attention of the shareholders.

Mr. Seto Man Fai, aged 44, graduated from the Chinese University of Hong Kong with a bachelor's degree in accounting. He is a member of American Institute of Certified Public Accountants, a practicing accountant in New York State of the United States of America, a fellow of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He is also an associate of the Institute of Chartered Accountants in England and Wales. Mr. Seto has extensive experiences in accounting, auditing and corporate finance. Mr. Seto is currently the partner of an accounting firm in New York in the USA and an accounting firm in Hong Kong. Mr. Seto was appointed as a director of China Packaging Group Company Limited from September 2009 to October 2009.

Mr. Seto has entered into a service contract with the Company on 21 October 2009 and is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. According to the service contract, Mr. Seto will be entitled to a salary of HK\$10,000 per month which is determined by reference to his duties and responsibilities to the Company.

Save as disclosed above, as at the date of this circular, (i) Mr. Seto does not have any relationship with any Directors, senior management, and substantial shareholders or controlling shareholders of the Company; (ii) Mr. Seto does not hold any directorship in any other listed companies in the three years prior to the date of this circular; (iii) Mr. Seto does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance; (iv) there are no other matters that should be disclosed pursuant to any requirements of Rules 13.51(2)(h) to (v) of the Listing Rules; and (v) there are no other matters that are required to be brought to the attention of the shareholders.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you relating the Repurchase Mandate to be proposed at the AGM.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognized by the Hong Kong Securities and Futures Commission subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such a company must be fully paid up and all repurchase of shares by such a company must be fully paid up and all repurchase of shares by such a company must be approved in advance by an ordinary resolution of shareholders, either by way of Repurchase Mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,544,787,999 Shares.

Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 254,478,800 Shares represent 10% of the issued share capital of the Company.

3. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders to seek a general authority from the Shareholders to enable the Directors to repurchase the Share on the Stock Exchange. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earning per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

4. FUNDING OF REPURCHASE

Repurchase would be financed entirely from available cash flow or working capital facilities of the Company or its subsidiaries which will be funds legally available for such purposes in accordance with the Articles of Association of the Company and the applicable laws in the Cayman Islands. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may only be paid from the distributable profits of the Company and/or the proceeds of a new issue of shares made for the purpose.

There might be material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2011 in the event that the Repurchase

Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Director do not propose to exercise the Repurchase 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.

5. SHARE PRICES

Trading in the Shares has been suspended on the Stock Exchange since 30 December 2003. As all the resumption conditions have been fulfilled, the Company was approved by the Stock Exchange for the resumption of trading of the Shares of the Company on 23 February 2012 . The highest and lowest prices at which the Shares were traded on the Stock Exchange from the resumption date and up to the Latest Practicable Date were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2012		
February (from 23 February 2012 to 29 February 2012)	0.35	0.23
March (from 1 March 2012 to 29 March 2012)	0.35	0.24

6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will only exercise the power of the Company to make repurchase of its Shares pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum of association and Articles of the Company.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), has any present intention, in the event that the Repurchase Mandate is approved at the AGM by the Shareholders, to sell Shares to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell any Shares to the Company or its subsidiaries, nor has any such connected person undertaken not to do so, in the event that the Repurchase Mandate is passed.

7. TAKEOVERS CODE

If on exercise of the power to repurchase Share pursuant to the Repurchase 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 Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the interests of the Shareholders as recorded in the register of the Company kept under Section 336 of the SFO and the interests of the directors as recorded in the register of the Company kept under Section 352 of the SFO are as follow:

- (i) Junyi Investments Limited held 1,036,200,000 Shares, representing 40.72% of the issued share capital of the Company and Mr. Han Junran held 100% of the issued share capital of Junyi Investments Limited. For the purposes of the SFO, both Junyi Investments Limited and Mr. Han Junran deemed to be interested in 1,036,200,000 Shares of the Company.
- (ii) Trinty Grace Limited held 496,500,000 Shares, representing 19.54% of the issued share capital of the Company. Mr. Zhou Xi Quan held 100% of the issued share capital of Trinty Grace Limited. For the purposes of the SFO, both Trinty Grace Limited and Mr. Zhou Xi Quan were deemed to be interested in 496,500,000 Shares of the Company.
- (iii) Grandfield Holdings Limited (Grandfield) held 198,600,000 Shares, representing 7.82% of the issued share capital of the Company. Grandfield Holdings Limited was a company wholly-owned by Beijing Chengda Shunyi Shangmao Company Limited (Beijing Chengda) and Ms. Zhong Hui Yin and Mr. Xu Tao held 30% and 70% of the issued share capital of Beijing Chengda respectively. For the purposes of SFO, Grandfield, Beijing Chengda, Ms. Zhong Hui Yin and Mr. Xu Tao were deemed to be interested in 198,600,000 shares of the Company.

To the best of the knowledge and belief of the Company, no other person, together with his/her associates, was beneficially interested in Shares representing 5% or more of the issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate to be proposed at the AGM, the total interests of Junyi Investments Limited, Trinty Grace Limited and Granfield Holdings Limited, would be increased to approximately 45.24%, 21.68% and 8.67% of the total issued share capital of the Company respectively.

The Directors are not aware of any Shareholder or a group of shareholders acting in concert who will become obliged to make a mandatory offer under the Takeovers Code as a result of a repurchase pursuant to the Repurchase Mandate, except that Junyi Investments Limited (in which Mr. Han Junran, an executive Director and the chairman of the Company, is beneficially interested in the entire issued share capital) may be required to make a mandatory offer if as a result of the exercise of the Repurchase Mandate, the interests of Junyi Investments Limited in the Company over a 12-month period is increased by more than 2%. However, the Directors have no present intention to exercise the mandate granted

under the Repurchase Mandate to an extent as may result in any mandatory offer being made under the Takeovers Code or may result in less than 25% of the issued share capital of the Company being held by the public.

8. SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise) during the six calendar months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING

NEW CITY (CHINA) DEVELOPMENT LIMITED

新城市(中國)建設有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0456)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of New City (China) Development Limited (the “**Company**”) will be held at Plaza III, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 9 May 2012 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements of the Company and the Reports of the Directors and the Auditor for the year ended 31 December 2011;
2. To re-elect Director and to authorise the Board of Directors to fix the remuneration of Directors;
3. To re-appoint Ascenda Cachet CPA Limited as auditor of the Company and to authorise the Board of Directors to fix their remuneration;
4. As special business, to consider and, if thought fit, pass the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTIONS

“THAT

- (a) Subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares, which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorization given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for shares, which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the company pursuant to the approval in paragraph (a) above, otherwise than pursuant to a Right Issue (as hereinafter

NOTICE OF ANNUAL GENERAL MEETING

defined) or any issue of shares of the Company on the exercise of the subscription rights attaching to any warrants which may be issued by the Company from time to time or the exercise of the options granted under the share option scheme of the Company or an issue of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, and the said approval shall be limited accordingly; and

(d) for the purpose 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; and
- (iii) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this resolution.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

5. As special business, to consider and, if thought fit, pass the following resolution as ordinary resolution of the Company:

“THAT:

- (a) Subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase securities of the Company on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and which is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate nominal amount of securities authorised to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, and the said approval shall be limited accordingly; and

(c) for the purpose 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;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; and

(iii) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this resolution.

6. As special business, to consider and, if thought fit, pass the following resolution as ordinary resolution of the Company:

“**THAT** conditional on the passing of the Resolutions nos. 4 and 5 of the notice convening this meeting, the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with additional shares pursuant to the resolution set out in Resolution no.4 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution set out in Resolution no. 5 of the notice convening this meeting provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of the said resolution.”

NOTICE OF ANNUAL GENERAL MEETING

7. As special business to consider and, if thought fit, to pass the following resolution as a special resolution of the Company:

SPECIAL RESOLUTION

“**THAT** subject to and conditional upon the approval of the Registrar of Companies in Cayman Islands being obtained, the name of the Company be changed from “New City (China) Development Limited” to “New City Development Group Limited” and the Chinese name “新城市建設發展集團有限公司” be adopted as the formal Chinese name of the Company and the directors of the Company be and are hereby authorized to do all such acts and things and execute all documents and deeds or make such arrangements as they may consider necessary or expedient to give effect to the aforesaid change of name and adoption of formal Chinese name for and on behalf of the Company.”

By order of the Board
New City (China) Development Limited
Cheng Yin Ling
Company Secretary

Hong Kong, 5 April 2012

Notes:

1. Every member entitled to attend and vote at the AGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the AGM. A proxy need not be a member of the Company. A proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
2. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding. Several executors or administrators of a deceased member in whose name any share stands shall be deemed joint holders thereof.
3. A form of proxy for use at the AGM is enclosed herewith.
4. The form of proxy and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of such power of attorney must be lodged at the Company’s Hong Kong branch share registrar, Union Registrars Limited, at 18/F, Fook Lee Commercial Center, Town Place, 33 Lockhart Road, Wan Chai, Hong Kong, not less than 48 hours before the time appointed for holding the AGM or adjourned meeting (as the case may be) and in default the form of proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the AGM or at any adjourned meeting (as the case may be) should they so wish.