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(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

SUPPLEMENTAL ANNOUNCEMENT
UPDATES TO THE INSIDE INFORMATION ANNOUNCEMENT DATED
27 MARCH 2022 AND DISCLOSEABLE TRANSACTION —
PROVISION OF FINANCIAL ASSISTANCE UNDER ENTRUSTED
LOAN ARRANGEMENT

References are made to the announcements of SRE Group Limited (the “**Group**”) dated 27 March 2022 (the “**Announcement**”) and 20 May 2022 (the “**Updates to the Announcement**”, and together with the Announcement, the “**Announcements**”) in respect of the discloseable transaction relating to the provision of financial assistance to Shanghai Jinxin under the entrusted loan arrangement. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

The purpose of this Supplemental Announcement is to provide shareholders of the Company (“**Shareholders**”) with further information concerning the transaction.

FURTHER INFORMATION ON THE ENTRUSTED LOAN AGREEMENT

Pursuant to the Entrusted Loan Agreement, Zhongchong Binjiang Industrial Development Co., Ltd.* (上海中崇濱江實業發展有限公司) (“**Zhongchong Binjiang**”), being the holder of 49% of the equity interest in Shanghai Jinxin, is required to provide a guarantee for 50% of the maximum principal amount of the Entrusted Loan and the corresponding interest and Zhongchong Investment Group Co., Ltd.* (中崇投資集團有限公司) (“**Zhongchong Investment**”), being the holder of 63.7% of the equity interest in Zhongchong Binjiang, is required to provide a pledge of assets covering 50% of the maximum principal amount of the Entrusted Loan and the corresponding interest. As such, the Entrusted Loan Guarantors and Zhongchong Binjiang shall each provide guarantee(s) for 50% of the maximum principal amount of the Entrusted Loan and the corresponding interest, covering 100% of the maximum principal amount of the Entrusted Loan and the corresponding interest, and each of Shanghai SRE Real Estate Development Co., Ltd.* (上海上置房地產發展有限公司)

and Zhongchong Investment shall each provide a pledge of assets for 50% of the maximum principal amount of the Entrusted Loan and the corresponding interest, covering 100% of the maximum principal amount of the Entrusted Loan and the corresponding interest.

INFORMATION OF SHANGHAI XIANGYUAN, ZHONGCHONG BINJIANG, ZHONGCHONG INVESTMENT AND THE ENTRUSTED LOAN GUARANTORS

Shanghai Xiangyuan

Shanghai Xiangyuan is a company established under the laws of The People's Republic of China in June 2018. The principal activity of Shanghai Xiangyuan is the investment in property development projects, including but not limited commercial properties and redevelopment and urban renewal projects. The ultimate beneficial owner of Shanghai Xiangyuan is Yu Faxiang (俞發祥), who is an independent third party of the Company.

Zhongchong Binjiang and Zhongchong Investment

Zhongchong Binjiang is a company established under the laws of The People's Republic of China in February 2016. Zhongchong Investment is a company established under the laws of The People's Republic of China in February 2012. It holds 63.7% of the equity interest in Zhongchong Binjiang. The ultimate beneficial owners of Zhongchong Binjiang and Zhongchong Investment are Fan Bendi (範本弟) and Qiu Yufeng (仇瑜峰), both independent third parties to the Company.

Shunlink Investment Limited (上聯投資有限公司)

Shunlink Investment Limited (上聯投資有限公司) is a company incorporated under the laws of the British Virgin Islands in 2005. It is an investment holding company with its main assets being the 18.42% equity interest in Shanghai Jinxin, and has no other material assets or business activities.

Gaken Investment Limited (嘉勤投資有限公司)

Gaken Investment Limited (嘉勤投資有限公司) is a company registered under the laws of the British Virgin Islands in 2006. It is an investment company with its main assets being the 7.89% equity interest in Shanghai Jinxin, and has no other material assets or business activities.

SRE Jiaye Real Estate Development (Shanghai) Company Limited* (上置嘉業房地產發展(上海)有限公司)

SRE Jiaye Real Estate Development (Shanghai) Company Limited is a company established under the laws of The People's Republic of China in 2015 and holds 5.89% equity interest in Shanghai Jinxin. Its principal activities are property management, asset management, enterprise management consulting, industrial investment, investment consulting, financial consulting and the investment and operation real estate properties.

Shanghai Oasis Garden Real Estate Company Limited* (上海綠洲花園置業有限公司)

Shanghai Oasis Garden Real Estate Company Limited* (上海綠洲花園置業有限公司) is a company established under the laws of The People's Republic of China in 1998 and holds 18.8% of the equity interest in Shanghai Jinxin. Its principal activities are the development and sale of rural and commercial residential properties, property management and the provision of real estate intermediary and consulting services.

Shanghai SRE Real Estate Development Co., Ltd.* (上海上置房地產發展有限公司)

Shanghai SRE Real Estate Development Co., Ltd.* (上海上置房地產發展有限公司) is a company established under the laws of The People's Republic of China in 2008. Its principal activities are the development and construction of residential and commercial properties and the leasing of properties.

DETAILS OF THE SECURITY UNDER THE ENTRUSTED LOAN PLEDGE AGREEMENT

Pursuant to the Entrusted Loan Pledge Agreement, Shanghai SRE Real Estate Development Co., Ltd.* (上海上置房地產發展有限公司) has pledged its property in Shanghai to Shanghai Xiangyuan. The pledged property is owned by Shanghai SRE Real Estate Development Co., Ltd.* (上海上置房地產發展有限公司), a wholly-owned subsidiary of the Company, and is a commercial property located on Long'an East Road, Jinshan District, Shanghai, The People's Republic of China. The aforementioned pledged property (“**Pledged Property**”) is a shop located below the Huafu Seaview residential area and is currently vacant for sale. The estimated value of the Pledged Property is approximately RMB 100 million, estimated with reference to the Group's experiences in sale of properties in nearby areas and observance of market trends, which is an estimated value agreed by the Entrusted Party.

Save as disclosed above, all other information and contents set out in the Announcements remain unchanged.

By Order of the Board
SRE GROUP LIMITED
Hong Zhihua
Chairman

Hong Kong, 26 May 2022

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Hong Zhihua, Mr. Kong Yong, Mr. Xu Ming and Mr. Jiang Qi, two non-executive directors, namely Mr. Lu Jianhua and Mr. Pan Pan, and three independent non-executive directors, namely Mr. Zhuo Fumin, Mr. Chan, Charles Sheung Wai and Mr. Ma Lishan.

** For identification purpose only*