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(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

PROFIT WARNING

This announcement is made by SRE Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the Board’s preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 (“**FY2022**”), the Group is expected to record a loss attributable to Shareholders of around RMB300 million, as compared with a profit of RMB38 million for the corresponding period in 2021 (“**FY2021**”).

The performance of the Group is expected to have a turnaround to loss in FY2022, mainly attributable to (1) a lower revenue and profit recognised from property sales, rentals and operations due to the resurgence of the COVID-19 pandemic and the corresponding preventive and control measures imposed by the local government in the People’s Republic of China in FY2022, especially the COVID-19 lockdowns in Shanghai during the second quarter of FY2022; and (2) a decrease in profit from investment business in FY2022.

The Company is in the process of finalising the results of the Group for the FY2022. The information contained in this announcement is only a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group currently available and is not based on any figures or information that have been audited or reviewed by the auditors of the Company. The Company expects to publish an announcement on the annual results of the Group for the FY2022 before the end of March 2023.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
SRE GROUP LIMITED
Hong Zhihua
Chairman

Hong Kong, 15 March 2023

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. Ma Lishan and Mr. Chui Man Lung, Everett.

** For identification purpose only*