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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) 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 2023 (“**FY2023**”), the Group is expected to record a loss attributable to Shareholders of around RMB1,600 million, as compared with a loss of approximately RMB268 million for the year ended 31 December 2022 (“**FY2022**”).

It is expected that the Group’s loss attributable to the Shareholders for FY2023 will increase significantly, as compared to FY2022, mainly due to (1) as a result of the default of the syndicated bank loan of the Shanghai Daxing Road Project in 2023, there were significant loss from share of results of a joint venture, while significant impairment allowance was provided for other receivables and other financial assets at amortized cost related to the joint venture after the Group’s carefully evaluation; and (2) certain impairment allowance being provided for certain investment properties and other receivables after the Group’s careful evaluation as a result of continuing downturn in domestic real estate market and macro economic environment in 2023.

The Company is in the process of finalising the results of the Group for the FY2023. 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 FY2023 before mid-September 2024.

**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**  
**Xu Ming**  
*Chairman*

Hong Kong, 26 August 2024

*As at the date of this announcement, the Board comprises four executive directors, namely Mr. Xu Ming, Mr. Qin Guohui, Mr. Kong Yong 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*