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(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

QUARTERLY UPDATE ON RESUMPTION AND CONTINUED SUSPENSION OF TRADING

QUARTERLY UPDATE ON RESUMPTION

This announcement is made by the board of directors (the “**Board**”) of SRE Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.24A 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

References are made to the announcements of the Company (i) dated 27 March 2022 in relation to, among other things, the Overdue Payment with regard to the Loan Agreements and Guarantees Provided by the Group (including the Company) pursuant to the Syndicated Loan Extension Agreement; (ii) dated 29 March 2023 in relation to, among other things, the delay in publication of the annual results announcement for the year ended 31 December 2022 and the suspension of trading in the shares of the Company; (iii) dated 3 April 2023 in relation to the suspension of trading in the shares of the Company; (iv) dated 28 April 2023 in relation to the further delay in publication of the audited 2022 annual results, further delay in despatch of the 2022 Annual Report, and the continued suspension of trading in the shares of the Company; (v) dated 25 May 2023 in relation to the Resumption Guidance; (vi) dated 30 June 2023 in relation to the quarterly update pursuant to the Resumption Guidance; (vii) dated 23 August 2023 in relation to inside information and the delay in publication of interim results and despatch of interim report for the six months ended 30 June 2023; (viii) dated 25 August 2023 in relation to the annual results announcement for the year ended 31 December 2022 (the “**2022 Annual Results Announcement**”); (ix) dated 18 September 2023 in relation to the retirement of auditors; (x) dated 28 September 2023 in relation to the quarterly update on resumption, postponement of Annual General Meeting and change of book closure period for the Annual General Meeting; (xi) dated 10 November 2023 in relation to the poll results of the annual general meeting; (xii) dated 27 December 2023 in relation to the appointment of auditor of the Company; (xiii) dated 29 December 2023 in relation to the quarterly update pursuant to the Resumption Guidance and

inside information; (xiv) dated 29 December 2023 in relation to the clarification of appointment of auditors of the Company; (xv) dated 4 March 2024 in relation to the appointment of auditors of the Company; (xvi) dated 28 March 2024 in relation to the quarterly update pursuant to the Resumption Guidance, inside information and delay in publication of annual results announcement and delay in dispatch of annual report for the year ended 31 December 2023; (xvii) dated 17 April 2024 in relation to the unaudited interim results announcement for the six months ended 30 June 2023; (xviii) dated 28 June 2024 in relation to the quarterly update pursuant to the Resumption Guidance, inside information and delay in publication of annual results announcement and delay in dispatch of annual report for the year ended 31 December 2023; and (xix) dated 21 September 2024 in relation to the annual results announcement and annual report for the year ended 31 December 2023 (the “**2023 Annual Results Announcement and Report**”) and the unaudited interim results announcement and interim report for the six months ended 30 June 2024 (the “**2024 Interim Results Announcement and Report**”) (collectively, the “**Announcements**”). Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

Outstanding financial results

The Company has published the 2023 Annual Results Announcement and Report and the 2024 Interim Results Announcement and Report respectively on 23 September 2024. As the date of this Announcement, the Company has no outstanding financial results required to be published by the Company under the Listing Rules.

Updates on business operation

The Group is principally engaged in property and land development, property investment and property management in China.

As at the date of this announcement, the Group is carrying on its normal day-to-day operations. The Group will continue to review its existing businesses from time to time and strive to improve the business operation and financial position of the Group. Further updates in respect of the business operations of the Group will be announced as and when appropriate.

Updates on financial situation and proceedings initiated against the Company

References are made to (i) the Company’s announcement dated 27 March 2022 in relation to, inter alia, the Overdue Payment with regard to the Loan Agreements dated 20 October 2016 and Guarantees Provided by the Group (including the Company) pursuant to the Syndicated Loan Extension Agreement dated 24 December 2021; (ii) Note 2.1 in the 2022 Annual Results Announcement in relation to, inter alia, the default of the Syndicated Loan Extension Agreement, the Banks Lawsuit filed by the relevant lenders and the Settlement Judgement; and (iii) the Company’s announcement dated 29 December 2023 in relation to, inter alia, the inside information regarding the Statement of Claim.

In this connection, as disclosed in the announcement of the Company dated 23 August 2023, according to the result of the inquiries on the official website of public enforcement information (<http://zxgk.court.gov.cn>) of the Supreme People's Court of the People's Republic of China (the “**PRC**”), Shanghai Jinxin and certain subsidiaries of the Group, namely Shunlink Investment Limited* (上聯投資有限公司), Gaken Investment Limited* (嘉勤投資有限公司), SRE Jiaye Real Estate Development (Shanghai) Company Limited* (上置嘉業房地產發展(上海)有限公司) and Shanghai Oasis Garden Real Estate Company Limited* (上海綠洲花園置業有限公司) (the “**Enforcees**”) were listed as enforcees of certain enforcement proceedings.

As further disclosed in the announcement of the Company dated 18 September 2024, the Enforcees have received an enforcement ruling dated 12 September 2024 and numbered (2023) Hu 74 Zhi No.1509* ((2023) 滬74執1509號《執行裁定書》) (the “**Ruling**”) from the Shanghai Financial Court (上海金融法院). It was stated in the Ruling that according to the civil mediation document numbered (2022) Hu 74 Minchu No. 2987* ((2022) 滬74民初 2987號《民事調解書》) (the “**Mediation Document**”), the Enforcees and other relevant parties shall pay to the lenders the principal amount of the loan in the amount of approximately RMB4,451,820,000, together with corresponding interests and management fees and shall also bear the enforcement fee of approximately RMB4,519,220 in respect of the action.

Pursuant to the Ruling, given that the defendants (including Shunlink Investment Limited, Gaken Investment Limited, SRE Jiaye Real Estate Development (Shanghai) Company Limited and Shanghai Oasis Garden Real Estate Company Limited) failed to perform their obligations under the Mediation Document, the Shanghai Financial Court has ruled to force actions on (i) the 18.80% equity interests in Shanghai Jinxin held by Shanghai Oasis Garden Real Estate Company Limited; (ii) the 18.42% equity interests in Shanghai Jinxin held by Shunlink Investment Limited; (iii) the 7.89% equity interests in Shanghai Jinxin held by Gaken Investment Limited; and (iv) the 5.89% equity interests in Shanghai Jinxin held by SRE Jiaye Real Estate Development (Shanghai) Company Limited (the “**Enforcement Action**”). The equity interests in Shanghai Jinxin held by the Enforcees are mainly enforced by way of transfer through judicial auction. The Company noted that an auction announcement (the “**Auction Announcement**”) on the Alibaba Online Judicial Auction Platform (<https://sf.taobao.com/>) (the “**Auction Platform**”) in relation to the Enforcement Action. According to the Auction Announcement, the auction will be conducted from 10:00 a.m. on 30 October 2024 to 10:00 a.m. on 2 November 2024 (unless extended automatically due to bidding). For further details of the auction, please refer to the link of the Auction Platform for full text of the Auction Announcement: https://sf-item.taobao.com/sf_item/839778668427.htm?spm=a213w.7398504.paiList.1.788a26ecYlh2LG&track_id=22ea09f7-4eaa-475a-9599-aac8d7733e76.

The Board of the Company would like to provide a further update to the shareholders and potential investors of the Company regarding the guarantee provided by the Company to the Lenders in respect of the Syndicated Loan of Shanghai Jinxin. The Company has received a civil judgment dated 23 September 2024 and numbered (2023) Hu 74 Minchu No. 875* ((2023) 滬74民初875號《民事判決書》) (the “**Judgement**”) from the Shanghai Financial Court (上海金融法院). It was stated in the Judgement, inter alia, that (i) the Company shall bear joint and several liability for the unpaid portion of the principal amount of RMB4,451,820,000 and overdue interest to the plaintiffs; (ii) the Company has the right to seek compensation from Shanghai Jinxin after making the repayment referred to above; and (iii) the Company shall pay the case fee of RMB 21,874,851.78 (out of the total fee of RMB23,026,159.77 and the rest of which shall be borne by the plaintiffs) to the court in due course.

The Judgment is a first-instance judgement which has not yet taken effect and the Company is actively considering responsive measures, including but not limited to filing an appeal to the competent court. The Company is also seeking legal advice in order to minimize any legal implications and/or consequences. Further announcement(s) will be made by the Company as and when appropriate in accordance with the Listing Rules and/or the SFO to keep shareholders and potential investors informed of any material development of the Judgement.

Resumption plan

The Company is in the progress of devising a resumption plan with actions that it intends to take to remedy the issues causing its trading suspension and to fulfil the Resumption Guidance. As mentioned above, the Company has published the 2023 Annual Results Announcement and Report and the 2024 Interim Results Announcement and Report respectively on 23 September 2024 and continues to strive for satisfaction of the requirements of the Resumption Guidance. The Company will seek to resume trading of its Shares on the Stock Exchange as soon as possible. Further announcements will be made by the Company to update the shareholders of the Company and the public on, among others, the progress of the resumption plan of the Company as and when appropriate.

On 27 September 2024, the Company submitted an application to the Stock Exchange for an extension of the remedial period for the Company to fulfil the conditions set out in the Resumption Guidance.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange was suspended from 9:00 a.m. on 3 April 2023 and will remain suspended until further notice.

Shareholders of the Company and potential investors should exercise caution when dealing in the Shares.

By Order of the Board
SRE Group Limited
Xu Ming
Chairman

Hong Kong, 30 September 2024

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