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SRE GROUP LIMITED

上置集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

VOLUNTARY ANNOUNCEMENT

China New Town Development Company Limited has become a subsidiary of the Company as a result of share repurchases

The Board announces that the Company's indirect shareholding interest in CNTD has increased to approximately 50.07% as a result of share repurchases by CNTD during the period from 11 December 2009 to 29 December 2009 and accordingly, CNTD has become a subsidiary of the Company.

The board of directors (the "**Board**") of SRE Group Limited (the "**Company**") announces that as a result of the repurchases by China New Town Development Company Limited ("**CNTD**") of its 55,168,000 shares during the period from 11 December 2009 to 29 December 2009, the Company's indirect shareholding interest in CNTD has increased from approximately 49.19% to approximately 50.07%. Accordingly, CNTD has become a subsidiary of the Company and the financials of CNTD will be consolidated into the financials of the Company as from the financial year ending 31 December 2009.

Shares of CNTD are listed on the Singapore Exchange Securities Trading Limited.

By order of the Board
SRE Group Limited
Shi Jian
Chairman

Hong Kong, 30 December 2009

As at the date hereof, the Board comprises five executive directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong and Mr. Yue Wai Leung, Stan; two non-executive directors, namely Mr. Cheung Wing Yui and Mr. Jin Bing Rong and three independent non-executive directors, namely Mr. Jiang Xie Fu, Mr. E Hock Yap and Mr. Pan Long Qing.

* For identification purpose only