
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **SRE Group Limited**, you should at once hand this circular with the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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**PROPOSALS FOR GENERAL MANDATES TO REPURCHASE
SHARES AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS, AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of SRE Group Limited to be held at Room 2501, 25th Floor, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 30 May 2013 at 3:00 p.m. is set out on pages 15 to 18 of this circular. A proxy form for your use at the Annual General Meeting and any adjournment thereof is enclosed with this circular. If you do not propose to attend the Annual General Meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

* For identification purpose only

Hong Kong, 26 April 2013

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held at Room 2501, 25th Floor, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 30 May 2013 at 3:00 p.m.
“Associates”	as defined in the Listing Rules
“Board”	the board of directors of the Company
“Business”	the business carried on from time to time by the Group or any of the companies within this Group
“Bye-laws”	the bye-laws of the Company
“Companies Act”	the Companies Act 1981
“Company”	SRE Group Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	19 April 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the notice of Annual General Meeting
“PRC”	the People’s Republic of China
“Repurchase Mandate”	the unconditional general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase, during the period as set out in the Repurchase Resolution, Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution

DEFINITIONS

“Repurchase Resolution”	the proposed ordinary resolution as referred to in Ordinary Resolution no. 4A
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Share(s)
“Share Issue Mandate”	an unconditional general mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares during the period as set out in the ordinary resolution no. 4B, up to maximum of 20% of the issued share capital of the Company as at the date of passing of the resolution approving the Share Issue Mandate
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE BOARD



SRE GROUP LIMITED

上置集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

*As at the date of this circular
the Directors are as follows:*

Mr. Shi Jian (*Chairman*)

Mr. Yu Hai Sheng

(Co-Chairman & Chief Executive Officer)

Mr. Jiang Xu Dong

(Chief Operation Officer and Vice Chairman)

Mr. Wang Zi Xiong

(Chief Financial Officer and Vice Chairman)

Mr. Zhang Hongfei

Mr. Shi Lizhou

Mr. Cheung Wing Yui #

Mr. Jin Bing Rong #

Mr. Jiang Xie Fu*

Mr. Zhuo Fumin*

Mr. Yuan Pu*

Mr. Chan, Charles Sheung Wai*

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place
of business in Hong Kong:*

Room 2501, 25th Floor,

Office Tower,

Convention Plaza,

1 Harbour Road,

Wanchai,

Hong Kong.

Non-executive directors

* *Independent non-executive directors*

Hong Kong, 26 April 2013

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO REPURCHASE
SHARES AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS, AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The Company had at its annual general meeting held on 29 May 2012 given the general mandates to the Directors to exercise the power of the Company to repurchase Shares and to issue Shares. These general mandates will lapse at the conclusion of the

* *For identification purpose only*

LETTER FROM THE BOARD

Annual General Meeting. The Directors therefore propose to seek your approval of the grant of the Repurchase Mandate and the Share Issue Mandate, in accordance with the Listing Rules, to be proposed at the Annual General Meeting.

The purpose of this circular is to provide you with information regarding the proposed Repurchase Mandate, Share Issue Mandate, extension of the Share Issue Mandate, the re-election of retiring directors, and to seek your approval of the relevant Ordinary Resolutions relating to these matters at the Annual General Meeting.

GENERAL MANDATE TO REPURCHASE SHARES

The Company had at its annual general meeting held on 29 May 2012 given a general mandate to the Directors to exercise the powers to repurchase Shares. Such general mandate will lapse at the conclusion of the Annual General Meeting.

An Ordinary Resolution will therefore be proposed at the Annual General Meeting to grant to the Directors the Repurchase Mandate, details of which are set out in Ordinary Resolution no. 4A.

As at the Latest Practicable Date, the issued share capital of the Company comprised 5,664,713,722 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the Repurchase Resolution, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate as at the date of passing the Repurchase Resolution will be 566,471,372 Shares.

An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Mandate is set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE SHARES

The Company had at its annual general meeting held on 29 May 2012 given a general mandate to the Directors to exercise the powers to issue Shares and authorised an extension of the limit of such general mandate by adding to it the number of Shares repurchase by the Company. Such general mandate will lapse at the conclusion of the Annual General Meeting.

Two Ordinary Resolutions will therefore be proposed at the Annual General Meeting to (i) grant to the Directors the Share Issue Mandate; and (ii) authorise an extension of the limit of the Share Issue Mandate so granted by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate, if granted.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in Ordinary Resolution nos. 4B and 4C respectively.

LETTER FROM THE BOARD

RE-ELECTION OF THE RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors were Mr. Shi Jian, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong, Mr. Wang Zi Xiong, Mr. Zhang Hongfei and Mr. Shi Li Zhou; the non-executive Directors are Mr. Cheung Wing Yui and Mr. Jin Bing Rong; and the independent non-executive Directors are Mr. Jiang Xie Fu, Mr. Zhuo Fumin, Mr. Yuan Pu and Mr. Chan, Charles Sheung Wai.

Pursuant to the existing bye-laws 86(2), 87(1) and 87(2) of the Bye-laws, Mr. Yu Hai Sheng, Mr. Jin Bing Rong, Mr. Jiang Xie Fu, Mr. Zhuo Fumin, Mr. Wang Zi Xiong and Mr. Chan, Charles Sheung Wai will be retiring from their respective offices at the Annual General Meeting and eligible for re-election. Particulars of the Directors proposed to be re-elected in the Annual General Meeting are set out in Appendix II to this circular.

On 27 March 2013, the Board assessed and reviewed each individual Director's annual confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules, and affirmed that all non-executive Directors, including Mr. Jiang Xie Fu, Mr. Zhuo Fumin and Mr. Chan, Charles Sheung Wai, remained independent.

ANNUAL GENERAL MEETING

At the Annual General Meeting, the Ordinary Resolutions will be proposed to approve the proposed Repurchase Mandate, Share Issue Mandate, extension of the Share Issue Mandate, and the re-election of retiring directors. The notice of Annual General Meeting is set out on pages 15 to 18 of this circular.

ACTION TO BE TAKEN

A proxy form for use at the Annual General Meeting and any adjournment thereof is enclosed with this circular. If you do not propose to attend the Annual General Meeting, you are requested to complete the accompanying proxy form and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at the Annual General Meeting will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors are pleased to recommend the retiring Directors, particulars of whom are set out in Appendix II to this circular, for re-election in the Annual General Meeting. The Directors consider that the granting of the Repurchase Mandate, the Share Issue Mandate, the extension of the Share Issue Mandate and the re-election of Directors, are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed at the Annual General Meeting to give effect to them.

Yours faithfully
By Order of the Board
Shi Jian
Chairman

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 5,664,713,722 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 566,471,372 Shares representing not more than 10% of the issued share capital of the Company.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders as a whole.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the applicable laws of Bermuda. Pursuant to the Companies Act, the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares, the profits that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on a share repurchase may only be paid out of either the profits that would otherwise be available for dividend or distribution or out of the share premium or contributed surplus accounts of the Company.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the Company's annual report for the year ended 31 December 2012 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARES PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date and for the month of April 2013 up to the Latest Practicable Date were as follows:

	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2012		
March	0.47	0.37
April	0.40	0.36
May	0.37	0.31
June	0.35	0.29
July	0.36	0.30
August	0.35	0.31
September	0.41	0.25
October	0.33	0.26
November	0.40	0.30
December	0.42	0.36
2013		
January	0.48	0.37
February	0.40	0.31
March	0.35	0.29
April (up to the Latest Practicable Date)	0.30	0.27

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the memorandum of association and Bye-laws of the Company and any applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Md. Si Xiao Dong and Mr. Shi Jian (the spouse of Si Xiao Dong), a director of the Company, together with SRE Investment Holding Limited (a company which is together beneficially owned as to 63% by Md. Si Xiao Dong and Mr. Shi Jian) were beneficially interested in an aggregate of 2,950,423,443 Shares, representing approximately 52.08% of the issued share capital of the Company. Based on such shareholdings and in the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the shareholdings of SRE Investment Holding Limited together with its associates in the Company would be increased to approximately 57.87% of the issued share capital of the Company.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any purchases made under the Repurchase Mandate. The Directors will use their best endeavours to ensure that the Repurchase Mandate will not be exercised to the extent that the number of Shares held by the public would be reduced to less than 25 per cent. of the issued share capital of the Company. The Directors have no intention to exercise the Repurchase Mandate which may result in possible mandatory offer being made under the Takeovers Code.

7. SHARES REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The following are the particulars of the Directors proposed to be elected at the Annual General Meeting in accordance with the Bye-laws:

Mr. Yu Hai Sheng, aged 58, is the Co-Chairman of the Board and Chief Executive Officer of the Group. Mr. Yu obtained a Master Degree of Business Administration from the Shanghai University. Mr. Yu joined the Group in 1997. Prior to joining the Group, Mr. Yu had worked as a manager of Shanghai Mechanical Engineering Company, the factory manager of Shanghai Pioneer Mechanical Engineering Factory and the chief of Industrial Planning Bureau of Shanghai Sports Commission. He has ample experience in electrical and mechanical system construction and in business management. He also sits on the boards of various companies of our Group. Mr. Yu is the father of Mr. Yu Songmin, an Assistant President and Deputy Director of China New Town Development Company Limited.

Mr. Yu holds 5% equity interest in SRE Investment Holding Limited, the controlling shareholder of the Company, and otherwise does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholder of the Company.

Save as the directorship with the Company mentioned above, Mr. Yu has not held any other directorships in listed public companies in three years immediately before the appointment. Save as the directorship and the position disclosed above, Mr. Yu does not hold any other positions with the Group.

As at the Latest Practicable Date, Mr. Yu is interested in 6,236,091 Shares within the meaning of Part XV of the SFO. Pursuant to his service agreement with the Company dated 2 June 2010, Mr. Yu has been appointed as an executive Director for a term of three years commencing on 1 July 2010 (subject to retirement by rotation and re-election in accordance with the Bye-laws) unless otherwise terminated by either party by giving not less than six months' notice to the other or in accordance with other terms of the service agreement. He is entitled to a remuneration of HK\$2,500,000 per annum which was reduced by a lump sum of HK\$500,000 versus the amount payable to each of them pursuant to his service agreement, and such adjustment has been extended to 2013Q1 on a pro-rata basis. Mr Yu's remuneration was determined with reference to the Company's performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr. Yu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Jin Bing Rong, aged 64, is a Non-executive Director of the Company and a member of the Audit Committee of the Company. Mr. Jin graduated from Fudan University in Shanghai in 1984 and obtained a master degree in international finance in 1997. Mr. Jin has over 20 years' of experience in the banking industry and was the former president of the Shanghai branch of Agricultural Bank of China. Mr. Jin had been working with the Agricultural Bank of China since 1981 and had served as the President of various branches in Shanghai during his 20-plus years' career with the Bank.

Mr. Jin does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Jin has not held any other directorships in listed public companies in the last three years. Save as the directorship disclosed above, Mr. Jin does not hold any other positions with the Group.

As at the Latest Practicable Date, Mr. Jin does not have any interest in the Shares within the meaning of Part XV of the SFO. Pursuant to the appointment letter dated 11 June 2012, Mr. Jin has been appointed as a Non-executive Director for a term of two years commencing on 1 July 2012 (subject to retirement by rotation and re-election in accordance with the Bye-laws), unless otherwise terminated by either party by giving not less than one month's written notice to the other or otherwise in accordance with the terms of the appointment letter. He is entitled to a remuneration of HK\$330,000 per annum, which was determined with reference to the Company's performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr. Jin has confirmed that there are no other matters in connection with his re-election that need to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Jiang Xie Fu, aged 70, is appointed as an Independent Non-executive Director of the Company on 1 July 2008. He is also the chairman of the audit committee. He was the Vice-Chairman of the Urban & Rural Construction and Environmental Protection Committee of Shanghai People's Congress Standing Committee for the past six years. Besides, he was once the Party Secretary of the Shanghai Municipal Housing, Land and Resource Administration Bureau. He obtained a Bachelor degree in Shanghai Normal University majoring in History.

Mr. Jiang does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Jiang has not held any other directorships in listed public companies in the last three years. Save as the directorship disclosed above, Mr. Jiang does not hold any other positions with the Group.

As at the Latest Practicable Date, Mr. Jiang does not have any interest in the Shares within the meaning of Part XV of the SFO. Pursuant to the appointment letter dated 11 June 2012, Mr. Jiang has been appointed as an Independent Non-executive Director for a term of two years commencing on 1 July 2012 (subject to retirement by rotation and re-election in accordance with the Bye-laws), unless otherwise terminated by either party by giving not less than one month's written notice to the other or otherwise in accordance with the terms of the appointment letter. He is entitled to a remuneration of HK\$330,000 per annum, which was determined with reference to the Company's performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr. Jiang has confirmed that there are no other matters in connection with his re-election that need to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Zhuo Fumin, aged 61, was appointed as an Independent Non-Executive Director of the Group in November 2010. He was also a member of the audit committee, a member of the nomination committee and a member of the remuneration committee of the Company.

Mr. Zhuo graduated from Shanghai Jiaotong University of Engineering Science in 1983 and obtained a master degree in Economics from Fudan University in 1997. Mr. Zhuo has more than 30 years of experience in the field of fund management and capital markets. Between 1987 and 1995, Mr. Zhuo served senior positions such as the assistant officer and the head of the administrative office of the Shanghai Economic System Reform Committee. Between 1995 and 2002, Mr. Zhuo held various senior positions at Shanghai Industrial Investment (Holdings) Co., Ltd., including the chief executive officer and the vice chairman of Shanghai Industrial Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)(stock code: 363) and the chairman and an executive director of SIIC Medical Science and Technology (Group) Limited. From 2002 to 2005, Mr. Zhuo was the chairman and the chief executive officer of Vertex China Investment Co., Ltd., a wholly owned subsidiary of Vertex Management Group which is a global venture capital management company. In 2005, Mr. Zhuo co-founded SIG Capital Limited and was appointed as the Chairman. Since 2008, Mr. Zhuo has been a partner of GGVCapital.

Mr. Zhuo was previously an independent director of China Enterprise Company Limited, a company listed on the Shanghai Stock Exchange (stock code: 600675). Currently, he is a director of Daqo New Energy Corp., a company listed on the New York Stock Exchange (stock code: DQ) and an non-executive director of Besunyen Holdings Company Limited, a company listed on the Stock Exchange (stock code: 926). He also serves as an independent non-executive director of Focus Media Holding Limited, a company listed on NASDAQ (stock code: FMCN) and Shenyin Wanguo (H.K.) Limited, a company listed on the Stock Exchange (stock code: 218).

Save as disclosed above, in the last three years, Mr. Zhuo did not hold any other directorships in public companies listed on any securities market in Hong Kong or overseas. Mr. Zhuo does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Zhuo is interested in 160,000 Shares within the meaning of Part XV of the SFO. Pursuant to the appointment letter dated 29 October 2012, Mr. Zhuo has been appointed as an Independent Non-executive Director for a term commencing on 30 November 2012 and expiring on 30 June 2014 (subject to retirement by rotation and re-election in accordance with the Bye-laws), unless otherwise terminated by either party by giving not less than one month’s written notice to the other or otherwise in accordance with the terms of the appointment letter. He is entitled to a remuneration of HK\$360,000 per annum, which was determined with reference to the Company’s performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr. Zhuo has confirmed that there are no other matters in connection with his re-election that need to be brought to the attention of the Shareholders and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Wang Zi Xiong, aged 59, has been appointed as an executive director and vice chairman of the Board with effect from 1 April 2013. Mr. Wang joined the Group in April 2004 and was appointed as the chief financial officer of the Group on 27 December 2012. Mr. Wang graduated from the Agricultural College of Shanghai Jiaotong University with a college degree in finance in 1986, and is an economist. Mr. Wang started working in the Agricultural Bank of China Shanghai Branch in March 1979, and had been the deputy director of Credit Department of the Agricultural Bank of China Shanghai Branch and the head of the Agricultural Bank of China Jing'an Branch. He has 25 years experience in the financial sector. Mr. Wang was appointed as a president of SRE Investment Holding Limited, the controlling shareholder of the Company, in 2004. Mr. Wang was a director of Shanghai Jinwu Real Estate Company Limited from September 2009 to July 2010 and from February to March 2013. He has also been a director of Shanghai Skyway Hotel Company Limited since November 2008.

Mr. Wang has not held any directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last 3 years. Save as disclosed above, Mr. Wang does not hold any other positions with any member of the Group, any other major appointments or any other professional qualifications. Mr. Wang does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Wang does not have any interest in the Shares within the meaning of Part XV of the SFO. Pursuant to the appointment letter dated 28 March 2013, Mr. Wang has been appointed as an Executive Director for a term commencing on 1 April 2013 until the conclusion of the forthcoming annual general meeting of the Company, unless otherwise terminated in accordance with the terms of such appointment letter. He is entitled to a remuneration of HK\$2,500,000 per annum, which was determined with reference to the Company's performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr Wang has confirmed that there are no other matters in connection with his re-election that need to be brought to the attention of the shareholders of the Company and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Chan, Charles Sheung Wai, aged 58, has been appointed as an independent non-executive director of the Company, the chairman of the Remuneration Committee of the Board and a member of the Audit Committee of the Board with effect from 10 July 2012. Mr. Chan obtained a Bachelor of Commerce degree at the University of Manitoba, Canada in 1977. He is a member of the Chartered Accountants of Canada as well as a member of the Hong Kong Institute of Certified Public Accountants. He started his career as an audit staff at the Canadian office of Arthur Andersen in 1977 and was admitted to partnership in 1988. He subsequently joined the China/Hong Kong office of Arthur Andersen as an audit partner in 1994. For the period from July 2002 to June 2012, he was a partner of the China/Hong Kong Office of PricewaterhouseCoopers. Mr. Chan served as a member of the Listing Committee of The Stock Exchange of Hong Kong Limited during the period from 1998 to 2001 and also served as a member of the Selection Committee for the first Legislative Council of the Hong Kong Special Administrative Region in 1998. From 1996 to 1999, he was a council member of the Hong Kong Society of Certified Public Accountants (the “**Society**”). He had also served as a member of the Accounting Standards Committee of the Society, a member of the Auditing Standards Committee of the Society and the chairman of the China Technical Committee of the Society.

Mr. Chan has not held any directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last 3 years. Save as disclosed above, Mr. Chan does not hold any other positions with any member of the Group, any other major appointments or any other professional qualifications. Mr. Chan does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Chan does not have any interest in the Shares within the meaning of Part XV of the SFO. Pursuant to the appointment letter dated 5 July 2012, Mr. Chan has been appointed as an Independent Non-executive Director for a term commencing on 10 July 2012 and expiring on 30 June 2014 (subject to retirement by rotation and re-election in accordance with the Bye-laws), unless otherwise terminated by either party by giving not less than one month’s written notice to the other or otherwise in accordance with the terms of the appointment letter. He is entitled to a remuneration of HK\$330,000 per annum, which was determined with reference to the Company’s performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr Chan has confirmed that there are no other matters in connection with his re-election that need to be brought to the attention of the shareholders of the Company and there are no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



SRE GROUP LIMITED

上置集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

NOTICE IS HEREBY GIVEN that the annual general meeting of SRE Group Limited (the “Company”) will be held at Room 2501, 25th Floor, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 30 May 2013 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements, the report of the directors and the independent auditor’s report for the year ended 31 December 2012.
2. To re-elect directors and to authorise the board of directors to fix the remuneration of directors.
3. To re-appoint the auditors for the ensuing year and to authorise the board of directors to fix their remuneration.
4. As special business to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

A. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchanges of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchanges on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchanges as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company which the directors are authorised to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined)

* For identification purpose only

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shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

- (c) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company (the “Bye-laws”) or any applicable law to be held; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

B. “THAT:

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with any unissued shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares as scrip dividends in accordance with the Bye-laws from time to time; or (iii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any bonds, warrants, debenture, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company; or (iv) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or any other participants of shares or rights

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to acquire shares in the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
- (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable law to be held; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to the holders of shares in the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

- C. “**THAT** subject to the passing of ordinary resolutions nos. 4A and 4B set out in the notice convening this meeting, the general mandate granted to the directors to allot, issue and deal with any unissued shares and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to ordinary resolution no. 4B set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution no. 4A set out in the notice convening this meeting, provided that such amount of shares shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said resolution.”

For and on behalf of the Board
SRE Group Limited
SHI JIAN
Chairman

Hong Kong, 26 April 2013

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Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude any member from attending and voting in person at the meeting if the member so wishes.
3. Pursuant to rule 13.39(4) of the Rules Governing the Listing of Securities ("the Listing Rules") on the Stock Exchange, all votes of shareholders at the Annual General Meeting will be taken by poll and the Company will announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.
4. With regard to item no. 2 in this notice, the board of directors of the Company proposes that the retiring directors, namely Mr. Yu Hai Sheng, Mr. Jin Bing Rong, Mr. Jiang Xie Fu, Mr. Zhuo Fumin, Mr. Wang Zi Xiong and Mr. Chan, Charles Sheung Wai, be re-elected as directors of the Company. Particulars of the said retiring directors are set out in Appendix II to the circular to shareholders of the Company dated 26 April 2013.
5. With regard to the resolutions referred to in items 4A, 4B and 4C of this notice, the board of directors of the Company proposes to seek its shareholders' approval of the general mandates to repurchase shares in the Company and to issue shares in the Company and a circular in connection with such proposals will be dispatched to the shareholders of the Company.

As at the date hereof, the Board comprises six executive directors, namely Mr. Shi Jian, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong, Mr. Wang Zi Xiong, Mr. Zhang Hongfei and Mr. Shi Lizhou; two non-executive directors, namely Mr. Cheung Wing Yui and Mr. Jin Bing Rong and four independent non-executive directors, namely Mr. Jiang Xie Fu, Mr. Zhuo Fumin, Mr. Yuan Pu and Mr. Chan, Charles Sheung Wai.