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SRE GROUP LIMITED
上置集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1207)

**CHANGE OF CHAIRMAN OF THE BOARD, CHAIRMAN OF NOMINATION
COMMITTEE AND CHIEF EXECUTIVE OFFICER**

The Board announces that with effect from 10 June 2013:-

- (1) Mr. Shi Jian has resigned from his position as the Chairman of the Board and Chairman of the Nomination Committee but remains as an executive director of the Company;
- (2) Mr. Yu Hai Sheng has been appointed as the Chairman of the Board and the Chairman of the Nomination Committee, but ceased to be the chief executive officer; and
- (2) Mr. Jiang Xu Dong has been appointed as the chief executive officer and continues to act as the vice Chairman of the Board, but ceased to be the chief operation officer.

**RESIGNATION OF CHAIRMAN OF THE BOARD AND CHAIRMAN OF THE
NOMINATION COMMITTEE**

The board of directors (the “**Board**”) of SRE Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) announces that Mr. Shi Jian (“**Mr. Shi**”) has resigned from his position as the Chairman of the Board and Chairman of the Nomination Committee but remains as an executive director of the Company with effect from 10 June 2013, so that Mr. Shi can manage to focus more on his work in China New Town Development Company Limited, a company listed on The Stock Exchange of Hong Kong Limited (stock code: 1278).

Mr. Shi has confirmed that he has no disagreement with the Board and there is no other matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company and The Stock Exchange of Hong Kong Limited.

Mr. Shi has entered into a service agreement with the Company for a term of three years commencing from 10 June 2013. Pursuant to the service agreement, Mr. Shi is entitled to a remuneration of HK\$1,000,000 per annum which was determined with reference to market standard. He is also entitled to receive an annual bonus, which amount shall be determined by

the Board from time to time and together with the bonus payable to all executive directors of the Company shall not be more than 10% of the Company's profit after taxation and non-controlling interests.

The Board would like to take this opportunity to express its gratitude and appreciation to Mr. Shi for his valuable contribution to the Company during his tenure of chairmanship.

APPOINTMENT OF CHAIRMAN OF THE BOARD AND CHAIRMAN OF THE NOMINATION COMMITTEE

Following the resignation of Mr. Shi as the Chairman of the Board and Chairman of the Nomination Committee, the Board is pleased to announce that with effect from 10 June 2013, Mr. Yu Hai Sheng ("**Mr. Yu**") has been appointed as the Chairman of the Board and the Chairman of the Nomination Committee, but ceased to be the chief executive officer, so that code provision A.2.1 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**") which stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual is complied with by the Company. Mr. Yu remains as an executive director of the Company.

Mr. Yu, aged 58, obtained a Master of Business Administration Degree from Shanghai University. Prior to joining the Company in 1997, Mr. Yu had been manager of Shanghai Mechanical Engineering Company, factory manager of Shanghai Pioneer Mechanical Engineering Factory and chief of Industrial Planning Bureau of Shanghai Sports Commission. He has ample experience in the installation of electrical, mechanical and networking equipment and management. Mr. Yu had been the chief executive officer of the Group from May 2007 to June 2013, who was responsible for financing, capital operation and housing technology business of the Group. Mr. Yu had also been the co-Chairman of the Board from November 2010 to June 2013.

Save as disclosed above, Mr. Yu has not held any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last 3 years and does not hold any other position with the Company and other members of the Group, or any other major appointments and professional qualifications.

Mr. Yu has entered into a service agreement with the Company for a term of three years commencing from 10 June 2013. Pursuant to the service agreement, Mr. Yu is entitled to a remuneration of HK\$3,000,000 per annum which was determined with reference to market standard. He is also entitled to receive an annual bonus, which amount shall be determined by the Board from time to time and together with the bonus payable to all executive directors of the Company shall not be more than 10% of the Company's profit after taxation and non-controlling interests. Mr. Yu is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company.

As at the date of this announcement, Mr. Yu is beneficially interested in 6,236,091 shares of the Company. Besides, Mr. Yu holds a 5% shareholding in SRE Investment Holding Limited, the controlling shareholder of the Company. Save as disclosed above, Mr. Yu does not have any other relationship with any directors, senior management, substantial or controlling shareholder of the Company.

Mr. Yu has confirmed that he has no disagreement with the Board and there are no other matters that need to be brought to the attention of the shareholders of the Company in relation to his resignation as the chief executive officer, and there is no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

Following the resignation of Mr. Yu as the chief executive officer, the Board is pleased to announce that with effect from 10 June 2013, Mr. Jiang Xu Dong (“**Mr. Jiang**”) has been appointed as the chief executive officer and continues to act as the vice Chairman of the Board, but ceased to be the chief operation officer. Mr. Jiang remains as an executive director of the Company.

Mr. Jiang, aged 48, has over 20 years of experience in property development and operation management. Mr. Jiang was appointed as an executive director in 2003 and is currently a vice Chairman of the Board. He had been the chief operation officer of the Group from 2007 to June 2013, who was responsible for the property development of the project companies of the Group. He is also the chairman of the board of Shanghai Oasis Garden Real Estate Co., Ltd., a subsidiary of the Company. Mr. Jiang graduated from Shanghai Tongji University in 1986 specializing in industrial and civil construction and was awarded a master degree in business administration afterwards. Prior to joining the Group in 1997, Mr. Jiang was a department director of Shanghai Real Estate Administration Bureau between 1986 and 1997.

Save as disclosed above, Mr. Jiang has not held any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last 3 years and does not hold any other position with the Company and other members of the Group, or any other major appointments and professional qualifications.

Mr. Jiang has entered into a service agreement with the Company for a term of three years commencing from 10 June 2013. Pursuant to the service agreement, Mr. Jiang is entitled to a remuneration of HK\$2,500,000 per annum which was determined with reference to market standard. He is also entitled to receive an annual bonus, which amount shall be determined by the Board from time to time and together with the bonus payable to all executive directors of the Company shall not be more than 10% of the Company’s profit after taxation and non-controlling interests. Mr. Jiang is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company.

Save for being a 2% shareholder of SRE Investment Holding Limited, the controlling shareholder of the Company, Mr. Jiang does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the date of this announcement, Mr. Jiang does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “SFO”).

Mr. Jiang has confirmed that there are no other matters in respect of his appointment as the chief executive officer that need to be brought to the attention of the shareholders of the Company and there is no information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to take this opportunity to extend its warmest welcome to Mr. Yu Hai Sheng and Mr. Jiang Xu Dong on their appointment as Chairman of the Board and the chief executive officer respectively.

By Order of the Board of Directors of
SRE GROUP LIMITED
Yu Hai Sheng
Chairman

Hong Kong, 10 June 2013

As at the date hereof, the Board comprises six executive directors, namely Mr. Yu Hai Sheng, Mr. Jiang Xu Dong, Mr. Wang Zi Xiong, Mr. Shi Jian, 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.

** For identification purpose only*